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AUTHOR

U. S. Congress. House. Committee
on Armed Services

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Hearings

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HEARINGS
BEFORE AND
SPECIAL REPORTS
MADE BY
COMMITTEE ON ARMED SERVICES
OF THE
HOUSE OF REPRESENTATIVES
ON
SUBJECTS AFFECTING THE NAVAL AND
MILITARY ESTABLISHMENTS
1966

EIGHTY-NINTH CONGRESS
SECOND SESSION



U.S. GOVERNMENT PRINTING OFFICE
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2D SESSION, 80TH CONGRESS

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89th Congress, 2d session

CONTENTS OF BOOKS 1, 2, AND 3

[Book 1 contains Papers No. 43 to 62; book 2 contains Papers No. 63 to 79; book 3 contains Papers No. 80 to 102]

Paper No.	Page	Date	Subject
43	<i>Book 1</i> 4639	Sept. 22, 23, 28, 29, 30, Oct. 6, and 14, 1966.	Special Subcommittee on Tactical Air Support hearings on close air support.
44	4859	Feb. 1, 1966-----	Report of Special Subcommittee on Tactical Air Support on close air support.
45	4875	Feb. 3, 4, 7, 8, 9, 15, 16, and 17, 1966.	Full committee hearings on fiscal year 1966 supplemental authorization for Vietnam (H.R. 12334 and H.R. 12335).
46	5253	Mar. 1, 1966-----	Universal Military Training and Service Act, as amended, with analysis. Includes a brief description of the Selective Service System.
47	5309	Feb. 23, 1966----	Subcommittee No. 3 consideration of H.R. 11509, to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes.
48	5323	Mar. 1, 1966-----	Full committee consideration of H.R. 11509, to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes; and proposed amendment to H.R. 12889, to authorize appropriations during the fiscal year 1966 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, research, development, test, evaluation, and military construction for the Armed Forces.
49	5331	Mar. 17, 1966----	Statement of Laszlo Szabo in hearings before the CIA Subcommittee of the Committee on Armed Services.
50	5379	Mar. 21, 22, 23, and 24, 1966.	Subcommittee No. 1 hearings on various stockpile commodities: H.R. 13368—Bismuth; H.R. 13365—Chromite, metallurgical grade; H.R. 13578—Rhodium; H.R. 13662—Refractory grade bauxite; H.R. 13580—Amosite asbestos; H.R. 13367—Acid grade fluorspar; H.R. 13371—Phlogopite mica; H.R. 13373—Muscovite mica; H.R. 13579—Thorium; H.R. 13364, H.R. 12412, H.R. 13569, H.R. 13570—Platinum; H.R. 13663—Ruthenium; H.R. 13774—Vanadium; H.R. 13369—Molybdenum; H.R. 13661—Battery grade synthetic manganese dioxide; H.R. 13320—Industrial diamond stones; H.R. 13372—Crude silicon carbide; H.R. 13370—Crude aluminum oxide; and H.R. 12694—Jamaica and Surinam type bauxite.

(III)

IV

Paper No.	Page	Date	Subject
51	<i>Book 1</i> 5629	Mar. 23, 1966----	Subcommittee No. 3 consideration of H.R. 12617, to amend the act providing for the economic and social development in the Ryukyu Islands.
52	5663	Apr. 5, 1966-----	Report by Subcommittee No. 1 on deferral of military construction projects authorized and funded by the Congress for fiscal year 1966.
53	5711	Apr. 6, 1966-----	Report by Subcommittee No. 4 on base closures and reductions.
54	5731	Mar. 24, 25, and 28, 1966.	Subcommittee No. 2 hearings on military medical benefits as proposed in H.R. 9271, H.R. 13582, and H.R. 13583.
55	5991	Apr. 5, 1966-----	Full committee hearings on unidentified flying objects.
56	6077	Jan. 25, 26, 27, 28, Feb. 1, and 2, 1966.	Subcommittee No. 2 hearings on Department of Defense decision to reduce the number and types of manned bombers in the Strategic Air Command.
57	6305	Mar. 30, 1966-----	Full committee consideration of H.R. 14088, to amend ch. 55 of title 10, United States Code, to authorize an improved health benefits program for retired members and members of the uniformed services and their dependents, and for other purposes; and H.R. 12617, to amend the act providing for the economic and social development in the Ryukyu Islands.
58	6323	Feb. 2, 1966-----	Subcommittee No. 1 hearings on deferment of military construction.
59	6397	Jan. 25 and 26, 1966.	Subcommittee No. 4 hearings on base closures and reductions.
60	6541	Apr. 4, 1966-----	Report by subcommittee No. 2 on Department of Defense decision to reduce the number and types of manned bombers in the Strategic Air Command.
61	6605	Oct. 6, 12, 13, 14, 19, 21, 22, Nov. 4, 1965, Jan. 18, 19, 20, and 27, 1966.	Special Subcommittee on Military Airlift hearings on military airlift.
62	7177	May 16, 1966----	Report by Special Subcommittee on Military Airlift on military airlift.
63	<i>Book 2</i> 7221	May 4 and 5, 1966.	Subcommittee No. 1 hearings on various stockpile commodities: H.R. 13366—Aluminum; H.R. 13768—Celestite; H.R. 13769—Cordage fiber (sisal); H.R. 13770—Crocidolite asbestos (harsh); H.R. 13771—Diamond tools; H.R. 13772—Metallurgical grade manganese ore; H.R. 13773—Opium.
64	7287	Mar. 8, 9, 10, 15, 31, Apr. 5, 6, 19, 20, 21, 26, 27, 28, and May 2, 1966.	Full committee hearings on military posture and H.R. 13456.
	8165	Jan. 24, 25, 26, Feb. 21, 23, 24, 25, 28, Mar. 2 and 3, 1966.	Subcommittee No. 3 hearings on fiscal year 1967 defense research, development, test and evaluation program.

Paper No.	Page	Date	Subject
65	<i>Book 2</i> 8635	May 10, 11, 12, 16, 17, 18, 23, 24, 25, 31, June 1 and 16, 1966.	Full committee hearings on military construction authorization for fiscal year 1967.
66	9293	May 5, June 7, 8, and 9, 1966.	Subcommittee No. 2 hearings on H. J. Res. 421—Joint resolution providing for appropriate ceremonies in connection with the raising and lowering of the flags of the United States surrounding the Washington Monument; H.R. 2450—To amend title 10, United States Code, to provide that members of the Armed Forces shall be retired in the highest grade satisfactorily held in any armed force, and for other purposes; H.R. 3313—To amend titles 10 and 37, United States Code, to provide career incentives for certain professionally trained officers of the Armed Forces; H.R. 5256—To amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps; H.R. 5293—To amend ch. 7 of title 37, United States Code, relative to allowances for quarters, and for other purposes; H.R. 5297—To amend title 10, United States Code, to limit the revocation of retired pay of members of the Armed Forces, and for other purposes; H.R. 9916—To amend title 10, United States Code, with respect to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies, and for other purposes; H.R. 12616—To amend ch. 7 of title 37, United States Code, to authorize a dislocation allowance for travel performed under orders that are later canceled, revoked, or modified; H.R. 14741—To authorize an increase in the number of Marine Corps officers who may serve in the combined grades of brigadier general and major general; H.R. 14875—To amend sec. 1035 of title 10, United States Code, and other laws, to authorize members of the uniformed services who are on duty outside the United States or its possessions to deposit their savings with a uniformed service, and for other purposes; and H.R. 15005—To amend title 10, United States Code, to remove inequities in the active duty promotion opportunities of certain officers.

Paper No.	Page	Date	Subject
67	<i>Book 2</i> 9445	June 9, 1966-----	Subcommittee No. 4 consideration of H.R. 3013, to amend title 10, United States Code, to provide gold star lapel buttons for the next of kin of members of the Armed Forces who lost their lives in war or as a result of cold war incidents; H.R. 12031, to authorize the appointment of Col. William W. Watkin, Jr., professor of the U.S. Military Academy, in the grade of lieutenant colonel, Regular Army, and for other purposes; H.R. 12615, to amend sec. 404(d) and 408 of title 37, United States Code, to authorize members of the uniformed services to be reimbursed under certain circumstances for the actual cost of parking fees, ferry fares, and bridge, road, and tunnel tolls; and H.R. 13374, to amend title 10, United States Code, to authorize the award of trophies for the recognition of special accomplishments related to the Armed Forces, and for other purposes.
68	9463	June 15, 1966-----	Full committee consideration of H.J. Res. 421, H.R. 2450, H.R. 3013, H.R. 3313, H.R. 5256, H.R. 5297, H.R. 9916, H.R. 12031, H.R. 12615, H.R. 13374, H.R. 14741, H.R. 14875, and H.R. 15005.
69	9505	May 24, 1966-----	Subcommittee No. 3 consideration of S. 2421, to authorize the adjustment of the legislative jurisdiction exercised by the United States over lands within the Columbia River at the mouth project in the States of Washington and Oregon.
70	9525	June 15, 1966-----	Subcommittee No. 4 consideration of H.R. 7973, to amend sec. 4339 of title 10, United States Code; and H.R. 11979, to make permanent the act of May 22, 1965, authorizing the payment of special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation, and for other purposes.
71	9545	July 19, 1966-----	Report of special subcommittee following visit to southeast Asia April 7-19, 1966.
72	9571	June 30, 1966-----	Full committee consideration of H.R. 15712, to amend sec. 2634 of title 10, United States Code, to authorize payment of expenses incidental to the transportation of motor vehicles of certain members of the Armed Forces.
73	9585	July 13, 1966-----	Subcommittee No. 1 consideration of H.R. 15485, to authorize the exchange of certain fluorspar and ferromanganese held in the national and supplementary stockpiles; and H.R. 13320, to authorize the disposal of industrial diamond stones from the national stockpile and the supplemental stockpile.
74	9609	July 14, 1966-----	Subcommittee No. 3 consideration of H.R. 11984, to amend sec. 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas.

VII

Paper No.	Page	Date	Subject
	<i>Book 2</i>		
75	9615	June 22, 23, 24, 28, 29, and 30, 1966.	Full committee hearings on review of the administration and operation of the Selective Service System.
76	10175	Aug. 4, 1966-----	Interim report by full committee on review of the administration and operation of the Selective Service System.
77	10193	July 13 and 20, 1966.	Subcommittee No. 1 consideration of H.J. Res. 561, to authorize the Secretary of the Army to furnish memorial headstones or markers to commemorate those civilians who lost their lives aboard the submarine U.S. ship <i>Thresher</i> .
78	10207	July 14, 1966----	Subcommittee No. 3 consideration of H.R. 15748, to amend title 10, United States Code, to authorize a special 30-day period of leave for a member of a uniformed service who voluntarily extends his tour of duty in a hostile fire area.
79	10213	July 20, 1966----	Full committee consideration of H.R. 15485, H.J. Res. 561, H.R. 28, H.R. 11984, H.R. 15748, H.R. 7973, H.R. 11979, and proposed legislation on "selected tenure program."
	<i>Book 3</i>		
80	10225	July 20, 1966----	Subcommittee No. 1 consideration of H.R. 420 and H.R. 8158, to amend title 10, United States Code, to authorize the commissioning of male persons in the Regular Army in the Army Nurse Corps and the Army Medical Specialist Corps, and the Regular Air Force with a view to designation as Air Force nurses and medical specialists, and for other purposes; and H.R. 11488, H.R. 11727, and H.R. 15056, to authorize the grade of brigadier general in the Medical Service Corps of the Regular Army, and for other purposes.
81	10247	Sept. 1, 1965, and July 14, 1966.	Subcommittee No. 3 consideration of H.R. 28, to provide for the conveyance of certain real property of the United States to the State of Florida.
82	10285	July 26, 1966----	Special Subcommittee on Discharges and Dismissals consideration of H.R. 16646 and H.R. 15053, to amend title 10, United States Code, to authorize the award of exemplary rehabilitation certificates to certain individuals after considering their character and conduct in civilian life after discharge or dismissal from the Armed Forces, and for other purposes; and H.R. 10267, to amend title 10 of the United States Code to extend for a period of 10 years the time during which certain military, naval, and air service records may be corrected.
83	10315	July 28, 1966----	Subcommittee No. 1 consideration of H.R. 16306, to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes.
84	10347	Aug. 9, 1966-----	Full committee consideration of H.R. 10267, H.R. 15244, H.R. 16646, H.R. 420, H.R. 11488, and H.R. 16306.
85	10377	Sept. 12, 1966----	Report of special subcommittee visiting American military installations and NATO bases in France.

VIII

Paper No.	Page	Date	Subject
86	<i>Book 3</i> 10653	Aug. 4, 5, 24, and 29, 1966.	Subcommittee No. 2 hearings and full committee consideration of H.R. 16435 and H.R. 17195, to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes.
87	10819	Aug. 8, 1966.----	Subcommittee on Real Estate consideration of H.R. 15244, to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within Camp Atterbury, Ind.
88	10825	July 28, 1966.----	Full committee hearing on the impact of the airline strike on defense posture.
89	10863	Aug. 15 and 18, 1966.	Subcommittee No. 3 consideration of H.R. 12536, to amend sec. 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services; and H.R. 17119, to amend title 10, United States Code, to permit members of the Armed Forces to be assigned or detailed to the Environmental Science Services Administration, Department of Commerce.
90	10891	Aug. 24, 1966.----	Full committee consideration of H.R. 12536, to amend sec. 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services; and H.R. 17119, to amend title 10, United States Code, to permit members of the Armed Forces to be assigned or detailed to the Environmental Science Services Administration, Department of Commerce.
91	10895	Aug. 8 and 26, 1966.	Subcommittee on Real Estate consideration of S. 3148, to provide for the conveyance of all right, title, and interest of the United States reserved or retained in certain lands heretofore conveyed to the city of El Paso, Tex.
92	10919	Sept. 1, 1966.----	Subcommittee No. 1 consideration of H.R. 17376, to authorize the disposal of nickel from the national stockpile.
93	10941	Sept. 21 and 22, 1966.	Subcommittee No. 3 consideration of H.R. 17500, to amend ch. 141 of title 10, United States Code, to provide for price adjustments in contracts for the procurement of milk by the Department of Defense.
94	11029	Sept. 21, 1966.----	Subcommittee No. 1 consideration of S. 3500, to authorize the President to advance Maj. Gen. Robert Wesley Colglazier, Jr., to the grade of lieutenant general; and H.R. 16000, to amend titles 10, 32, and 37, United States Code, to remove restrictions on the careers of female officers in the Army, Navy, Air Force, and Marine Corps, and for other purposes.
95	11071	Oct. 6, 1966.----	Report of Special Subcommittee on Proposed Disposal of U.S. Naval Academy Dairy Farm.

IX

Paper No.	Page	Date	Subject
96	<i>Book 3</i> 11079	Oct. 10, 1966-----	Report of Special Subcommittee on Commercial Air Transportation for Service Personnel While on Authorized Leave.
97	11089	June 13, 14, 27, July 21, Aug. 4, 10, 17, and Sept. 28, 1966.	Special Subcommittee on Commercial Air Transportation for Service Personnel While on Authorized Leave hearings.
98	11637	Sept. 29, 1966----	Subcommittee No. 2 consideration of H.R. 17451, to amend titles 10 and 37, United States Code, to authorize certain rank, pay, and retirement privileges for officers serving in certain positions, and for other purposes.
99	11671	Oct. 4, 1966-----	Full committee consideration of H.R. 12822, H.R. 16000, H.R. 16394, H.R. 13320, H.R. 13661, H.R. 13370, H.R. 17376, H.R. 17451, H.R. 17500, H.R. 18019, S. 3148; report of Special Subcommittee on Proposed Disposal of U.S. Naval Academy Dairy Farm; and report of Special Subcommittee on Commercial Air Transportation for Service Personnel While on Authorized Leave.
100	11701	Oct. 5, 1966-----	Full committee consideration of S. 3500, to authorize the President to advance Maj. Gen. Robert Wesley Colglazier, Jr., to the grade of lieutenant general; and H.R. 18019, to authorize the Secretary of the Army to construct an addition at the Walter Reed Army Medical Center, Washington, D.C.
101	11705	Oct. 21, 1966----	Report on stockpiling by Subcommittee No. 1.
102	11781	-----	Report of the activities of the House Committee on Armed Services, 89th Cong., 1st and 2d sess., 1965-66.

89th Congress, 2d session

BOOKS 1, 2, AND 3

[Book 1 contains pp. 4639 to 7220; book 2 contains pp. 7221 to 10224;
book 3 contains pp. 10225 to 11848]

CHRONOLOGICAL LIST OF HEARINGS

[The hearings listed for the 14 days below were held in the first session of the 89th Congress and printed in the second session]

	Page
Wednesday, September 1, 1965.....	10247
Wednesday, September 22, 1965.....	4639
Thursday, September 23, 1965.....	4678
Tuesday, September 28, 1965.....	4699
Wednesday, September 29, 1965.....	4730
Thursday, September 30, 1965.....	4762
Wednesday, October 6, 1965.....	4798, 6605
Tuesday, October 12, 1965.....	6660
Wednesday, October 13, 1965.....	6689
Thursday, October 14, 1965.....	4827, 6720
Tuesday, October 19, 1965.....	6775
Thursday, October 21, 1965.....	6784
Friday, October 22, 1965.....	6816
Thursday, November 4, 1965.....	6851

Tuesday, January 18, 1966.....	6898
Wednesday, January 19, 1966.....	6962
Thursday, January 20, 1966.....	7032
Monday, January 24, 1966.....	8167
Tuesday, January 25, 1966.....	6077, 6397, 8215
Wednesday, January 26, 1966.....	6094, 6474, 8267
Thursday, January 27, 1966.....	6130, 7111
Friday, January 28, 1966.....	6169
Tuesday, February 1, 1966.....	4859, 6202
Wednesday, February 2, 1966.....	6273, 6323
Thursday, February 3, 1966.....	4875
Friday, February 4, 1966.....	4941
Monday, February 7, 1966.....	5011
Tuesday, February 8, 1966.....	5043
Wednesday, February 9, 1966.....	5094
Tuesday, February 15, 1966.....	5120
Wednesday, February 16, 1966.....	5177
Thursday, February 17, 1966.....	5240
Monday, February 21, 1966.....	8328
Wednesday, February 23, 1966.....	5309, 8400
Thursday, February 24, 1966.....	8456
Friday, February 25, 1966.....	8471
Monday, February 28, 1966.....	8517
Tuesday, March 1, 1966.....	5253, 5323
Wednesday, March 2, 1966.....	8571
Thursday, March 3, 1966.....	8595
Tuesday, March 8, 1966.....	7287
Wednesday, March 9, 1966.....	7394
Thursday, March 10, 1966.....	7573

	Page
Tuesday, March 15, 1966	7617
Thursday, March 17, 1966	5331
Monday, March 21, 1966	5379, 5538, 5547, 5587, 5602
Tuesday, March 22, 1966	5422
Wednesday, March 23, 1966	5461, 5614, 5629
Thursday, March 24, 1966	5489, 5731
Friday, March 25, 1966	5846
Monday, March 28, 1966	5899
Wednesday, March 30, 1966	6305
Thursday, March 31, 1966	7643
Monday, April 4, 1966	6541
Tuesday, April 5, 1966	5663, 5991, 7690
Wednesday, April 6, 1966	5711, 7720
Tuesday, April 19, 1966	7757
Wednesday, April 20, 1966	7799
Thursday, April 21, 1966	7850
Tuesday, April 26, 1966	7878
Wednesday, April 27, 1966	7953
Thursday, April 28, 1966	7987
Monday, May 2, 1966	8124
Wednesday, May 4, 1966	7221
Thursday, May 5, 1966	7259, 9293
Tuesday, May 10, 1966	8635
Wednesday, May 11, 1966	8673
Thursday, May 12, 1966	8701
Monday, May 16, 1966	7177, 8735
Tuesday, May 17, 1966	8792, 8851
Wednesday, May 18, 1966	8861
Monday, May 23, 1966	8908
Tuesday, May 24, 1966	8972, 9505
Wednesday, May 25, 1966	9015, 9036
Tuesday, May 31, 1966	9048
Wednesday, June 1, 1966	9131
Tuesday, June 7, 1966	9313
Wednesday, June 8, 1966	9351
Thursday, June 9, 1966	9387, 9445
Monday, June 13, 1966	11089
Tuesday, June 14, 1966	11398
Wednesday, June 15, 1966	9463, 9525
Thursday, June 16, 1966	9194
Wednesday, June 22, 1966	9615
Thursday, June 23, 1966	9645
Friday, June 24, 1966	9681
Monday, June 27, 1966	11432
Tuesday, June 28, 1966	9725
Wednesday, June 29, 1966	9783
Thursday, June 30, 1966	9571, 9923
Wednesday, July 13, 1966	9585, 10193
Thursday, July 14, 1966	9609, 10207, 10280
Tuesday, July 19, 1966	9545
Wednesday, July 20, 1966	10205, 10213, 10225
Thursday, July 21, 1966	11473
Tuesday, July 26, 1966	10285
Thursday, July 28, 1966	10315, 10825
Thursday, August 4, 1966	10653, 10175, 11519
Friday, August 5, 1966	10700
Monday, August 8, 1966	10819, 10895
Tuesday, August 9, 1966	10347
Wednesday, August 10, 1966	11534
Monday, August 15, 1966	10863
Wednesday, August 17, 1966	11574
Thursday, August 18, 1966	10875
Wednesday, August 24, 1966	10751, 10891
Friday, August 26, 1966	10913
Monday, August 29, 1966	10782
Thursday, September 1, 1966	10919

XIII

	Page
Monday, September 12, 1966.....	10377
Wednesday, September 21, 1966.....	10941, 11029
Thursday, September 22, 1966.....	10993
Wednesday, September 28, 1966.....	11615
Thursday, September 29, 1966.....	11637
Tuesday, October 4, 1966.....	11671
Wednesday, October 5, 1966.....	11701
Thursday, October 6, 1966.....	11071
Monday, October 10, 1966.....	11079
Friday, October 21, 1966.....	11705

•

PRINCIPAL WITNESSES WHO APPEARED IN PERSON OR SUBMITTED WRITTEN STATEMENTS

	Page
Abernathy, W. L.: H.R. 17500, milk, price adjustments in contracts for...	11014
Abrams, Gen. Creighton W.: H.R. 13456, procurement, fiscal year 1967...	7771,
7817, 7825, 7833, 7844, 7873; index follows	8633
Abrasive Grain Association:	
H.R. 13370, aluminum oxide, crude, disposal of, from stockpiles....	5611
H.R. 13372, silicon carbide, crude, disposal of, from stockpiles.....	5591
Adams, Gen. Paul D.: Military airlift.....	6962, 6986
Adamson, Patrick: H.R. 13771, diamond tools, disposal of, from stockpile..	7277
Adjutant General of Pennsylvania: Military airlift.....	6929
Agan, Maj. Gen. Arthur C., Jr.: Close air support.....	4782; index on 4858
Air Force Association: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10729
Air Force Sergeants Association:	
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5967
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10743
Air Transport Association of America:	
Air transportation for servicemen on leave.....	11583, 11616
Military airlift.....	6930
Alaska Airlines, Inc.: Air transportation for servicemen on leave.....	11091
Albright, Penrose Lucas: H.R. 3313, career incentives for certain officers..	9403
Allegheny Airlines, Inc.: Air transportation for servicemen on leave.....	11100
Allegheny Ludlum Steel Corp.:	
H.R. 13369, molybdenum, disposal of, from stockpile.....	5523, 5535
H.R. 13774, vanadium, disposal of, from stockpile.....	5535
Allen, Col. Fred C.: Air transportation for servicemen on leave.....	11479
Allen, Kenneth D.: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5977
Allott, Hon. Gordon: H.R. 17500, milk, price adjustments in contracts for..	10992
Aloha Airlines, Inc.: Air transportation for servicemen on leave.....	11101
American Airlines: Air transportation for servicemen on leave.....	11108
American Bar Association: H.R. 3313, career incentives for certain offi- cers.....	9397, 9398
American Hospital Association: H.R. 13582, H.R. 13583, medical benefits, military.....	5980
American Legion:	
H.R. 2450, retirement in highest grade held in any armed force, amendment to provide.....	9360
H.R. 5256, retired pay, change method of computing for certain en- listed members.....	9442
H.R. 10267, service records, to extend to 10 years the time during which they can be corrected.....	10308
H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10308
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10744
Selective Service System, review of administration and operation of...	9904;
index follows	10174
American Life Convention: H.R. 13582, H.R. 13583, medical benefits, military.....	5977
American Medical Association: H.R. 420, H.R. 8158, male nurses and med- ical specialists, regular commissions for, in Army and Air Force.....	10236
American Mining Congress: Various bills to dispose of commodities from the stockpiles.....	5585

American Nurses Association:	
H.R. 420, H.R. 8158, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	Page 10235
H.R. 16000, female officers, remove restrictions on careers of.....	11065
American Optometric Association:	
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5982
H.R. 11488, H.R. 11727, H.R. 15056: Medical Service Corps of Regular Army, grade of brigadier general authorized.....	10244
American Pharmaceutical Association: H.R. 3313, career incentives for certain officers.....	9403
American Podiatry Association: H.R. 3313, career incentives for certain officers.....	9405
American Potash & Chemical Corp.: H.R. 13661, manganese dioxide, battery-grade, synthetic, disposal of, from stockpile.....	5547
American Veterinary Medical Association: H.R. 3313, career incentives for certain officers.....	9406
Anderson, Brig. Gen. E. E.: H.R. 13456, R.D.T. & E. for fiscal year 1967.....	8551;
index follows.....	8633
Anderson, Hon. John B.: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Andrews, E. F.:	
H.R. 13369, molybdenum, disposal of, from stockpile.....	5525, 5535
H.R. 13774, vanadium, disposal of, from stockpile.....	5535
Andrews, Joseph H.: Military airlift.....	7115
Antwerp Industrial Diamond Co.: H.R. 13771, diamond tools, disposal of, from stockpile.....	7276
Apple, William S.: H.R. 3313, career incentives for certain officers.....	9403
Applebee, Lt. Col. John E.: H.R. 12536, trailers and mobile dwellings, transportation of.....	10866
Aspinall, Hon. Wayne N.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5538
Association of Civilian Technicians, Inc.: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10742
Association of Regular Army Sergeants:	
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5968
Air transportation for servicemen on leave.....	11472
Association of Schools and Colleges of Optometry: H.R. 3313, career incentives for certain officers.....	9490
Association of the United States Army:	
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5970
H.R. 16000, female officers, remove restrictions on careers of.....	11061
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10747
Atkinson, W. Fred: H.R. 17500, milk, price adjustments in contracts for.....	11017
Babione, Dale R.: H.R. 17500, milk, price adjustments in contracts for.....	11009
Bagby, Capt. O. V.: H.R. 12822, naval vessels, extend loan of.....	11671
Baldwin, Hon. Robert H. B.: H.R. 17451, rank, pay, and retirement privileges for certain officers.....	11642
Bannerman, Hon. Graeme C.:	
H.R. 13715, military construction, fiscal year 1967.....	8861;
index on xi, following.....	9292
Military construction, deferral of projects for fiscal year 1966.....	6390
Barnes, Capt. Michael V.: Close air support.....	4655; index on 4858
Battin, Hon. James F.: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Beaumont, Hon. Richard A.: H.R. 17451, rank, pay, and retirement privileges for certain officers.....	11645
Bell, Hon. Alphonzo: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Belsey, G. Lyle: H.R. 17376, nickel, disposal of, from national stockpile.....	10924

XVII

Bennett, Hon. Charles E.:	Page
H.R. 28, conveyance of real property of United States to Florida.....	10278
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5743
H.R. 9916, Academies, appointment of candidates to.....	9410
H.R. 15658, rehabilitation program for draft rejects.....	9706,
9749; index follows.....	10174
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10700
Base closures and reductions.....	6518; index on 6540
Selective Service System, review of administration and operation of.....	9749;
index follows.....	10174
Bennett, Robert R.: H.R. 17500, milk, price adjustments in contracts for.....	10943
Berg, Brig. Gen. William W.:	
H.R. 11979, special allowances to dependents for expenses of evacuation, to make permanent the act providing.....	9540
H.R. 14741, Marine Corps officers, increase number in combined grades of brigadier general and major general.....	9297
H.R. 15748, leave, 30-day period for voluntary extension of service in hostile fire area.....	10207
Air transportation for servicemen on leave.....	11403
Selective Service System, review of administration and operation of.....	10168;
index follows.....	10174
Bez, Nick: Air transportation for servicemen on leave.....	11339
Birchard, Maj. Gen. Glen R.: Military airlift.....	6705, 6720
Blasingame, F. J. L.: H.R. 420, H.R. 8158, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	10236
Blatt, Genevieve: H.R. 16000, female officers, remove restrictions on careers of.....	11060
Blue Cross Association, Inc.: H.R. 13582, H.R. 13583, medical benefits, military.....	5978
Board of Control of Florida: H.R. 28, conveyance of real property of United States to Florida.....	10276
Boeing Co.: Military airlift.....	7111, 7117, 7121
Bohannon, Lt. Gen. Richard L.: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5754
Bolton, Hon. Frances P.: H.R. 420, H.R. 8158, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	10227
Bonanza Air Lines: Air transportation for servicemen on leave.....	11116
Borden Co.: H.R. 17500, milk, price adjustments in contracts for.....	11027
Bow, Hon. Frank T.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5411
Bowen, Rear Adm. H. G.: H.R. 13456, R.D.T. & E. for fiscal year 1967.....	8524, 8556;
index follows.....	8633
Bowers, General, Adjutant General of North Carolina: Military airlift.....	7157
Bowser, D. G.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5410
Boyer, Col. Charles: H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10307
Brack, Rex: Air transportation for servicemen on leave.....	11121
Bradley, Hugh W.: H.R. 11509, reemployment provisions of Universal Military Training and Service Act, to amend and clarify.....	5312
Braeburn Alloy Steel Division: H.R. 13369, molybdenum, disposal of, from stockpile.....	5523
Braniff Airways, Inc.: Air transportation for servicemen on leave.....	11121
Breed, Edwin W.: Air transportation for servicemen on leave.....	11215
Brizendine, J. C.: Military airlift.....	7039, 7109
Brock, J. Dan: Air transportation for servicemen on leave.....	11202
Brooks, Hon. Robert A.:	
H.R. 13715, military construction, fiscal year 1967.....	9079;
index on xi, following.....	9292
Military construction, deferral of projects for fiscal year 1966.....	6377
Brosnan, Joseph P.: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10743
Brown, Gov. Edmund G.: Selective Service System, review of administration and operation of.....	9896; index follows 10174

XVIII

	Page
Brown, Hon. Harold:	
H.R. 12334, supplemental procurement for fiscal year 1966.....	5121;
index on	5253
H.R. 12335, supplemental military construction for fiscal year 1966..	5121;
index on	5253
H.R. 13456, procurement, fiscal year 1967.....	7645; index follows
Manned bombers, DOD decision to reduce number and types.....	6095;
index on	6304
Military airlift.....	6607
Unidentified flying objects.....	5991
Brown, Vice Adm. Robert B.:	
H.R. 420, H.R. 8158, male nurses and medical specialists, regular	
commissions for, in Army and Air Force.....	10234
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5752
Bryant, Farris: H.R. 15485, fluorspar and ferromanganese, exchange from	
stockpiles.....	9589
Bryant, J. G.: H.R. 17500, milk, price adjustments in contracts for.....	11014
Buchanan, Hon. John H., Jr.: H.R. 3013, gold star buttons for next of kin.....	9458
Burleson, Hon. Omar: H.R. 13715, military construction, fiscal year 1967..	9197;
index on xi, following	9292
Busch, Benjamin: H.R. 13367, fluorspar, acid-grade, disposal of, from	
stockpiles.....	5447
Buttomer, Frank N.: Air transportation for servicemen on leave.....	11210
Cabell, Hon. Earle: H.R. 17500, milk, price adjustments in contracts for.....	10947
Cahill, Hon. William T.: Selective Service System, review of administra-	
tion and operation of.....	9854; index follows
Campbell, Joseph: H.R. 7973, to amend section 4339 of title 10 concerning	
quarters for civilian instructors at West Point.....	9529
Cannell, Col. James L.:	
H.R. 5256, retired pay, change method of computing for certain	
enlisted members.....	9440
H.R. 12616, dislocation allowance for travel performed under orders	
later changed.....	9344
Canner, Col. Peter G.: Air transportation for servicemen on leave.....	11516
Cantwell, Maj. Gen. James F.:	
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5988
H.R. 16435, H.R. 17195, Reserve components and National Guard	
technicians, to amend United States Code concerning.....	10708
Caputo, Vincent: Air transportation for servicemen on leave.....	11619
Cardinal Engineering Corp.: H.R. 13320, diamond stones, industrial,	
disposal of, from stockpiles.....	5581
Carlton, Col. John T.:	
H.R. 2450, retirement in highest grade held in any armed force,	
amendment to provide.....	9360
H.R. 5297, retired pay, to limit revocation of.....	9332
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5895
H.R. 15053, exemplary rehabilitation certificates, to award in certain	
cases.....	10307
H.R. 16000, female officers, remove restrictions on careers of.....	11068
H.R. 16435, H.R. 17195, Reserve components and National Guard	
technicians, to amend United States Code concerning.....	10722
Military airlift.....	7165
Carpenter Steel Co.:	
H.R. 13369, molybdenum, disposal of, from stockpile.....	5502, 5526
H.R. 13774, vanadium, disposal of, from stockpile.....	5502
Carson, Russell B.: H.R. 13583, civilian health benefits program for re-	
tired members and their dependents.....	5978
Carsteel Co.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5522
Casewitz, Harry E.: H.R. 13771, diamond tools, disposal of, from stockpile..	7269
Casey, Hon. Bob: Base closures and reductions.....	6505
Cassell, Frank H.: H.R. 15053, H.R. 16646, exemplary rehabilitation	
certificates, to award in certain cases.....	10303
Cassmeyer, L. H.: H.R. 17500, milk, price adjustments in contracts for..	11016
Central Airlines: Air transportation for servicemen on leave.....	11129
Chandler, Hendrix: H.R. 28, conveyance of real property of United States	
to Florida.....	10276

Chapman, Col. James W.:	
H.R. 2450, retirement in highest grade held in any armed force, amend-ment to provide.....	Page 9359
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5886
Charles, Hon. Robert H.:	
H.R. 28, conveyance of real property of United States to Florida....	10248
H.R. 13715, military construction, fiscal year 1967.....	8755;
index on xi, following 9292	6660, 6690
Military airlift.....	6660, 6690
Cheatham, Dr. Thomas P., Jr.: Close air support.....	4800; index on 4858
Chesarek, Maj. Gen. F. J.:	
H.R. 12334, supplemental procurement for fiscal year 1966.....	5197,
5198, 5202, 5208, 5209-5215; index on 5253	
H.R. 13456, procurement, fiscal year 1967.....	7770, 7790;
index follows 8633	
Chief Warrant & Warrant Officers' Association, U.S. Coast Guard: H.R.	
9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5972
Chromium Mining & Smelting Corp.: H.R. 13365, chromite, metallurgical	
grade, disposal of, from stockpiles.....	5410
Civilian Advisory Council of Clinton Sherman Air Force Base: Base	
closures and reductions.....	6464
Cleveland, Hon. James C.: H.R. 16435, H.R. 17195, Reserve components	
and National Guard technicians, to amend U.S. Code concerning.....	10733
Clevenger, Hon. Raymond F.: Base closures and reductions.....	6465; index on 6540
Clizbe, Maj. Gen. Reginald J.: Military airlift.....	6636
Collier, Hon. Harold R.: H.R. 11488, H.R. 11727, H.R. 15056, Medical	
Service Corps of Regular Army, grade of brigadier general authorized..	10243
Colwell, Vice Adm. John B.: H.R. 13456, procurement, fiscal year 1967..	7978;
index follows 8633	
Commissioned Officers Association of the U.S. Public Health Service:	
H.R. 3313, career incentives for certain officers.....	9408
Conable, Hon. Barber B., Jr.: Selective Service System, review of admin-istration and operation of.....	9854; index follows 10174
Connell, Maurice J.: H.R. 13369, molybdenum, disposal of, from stock- pile.....	5522
Continental Air Lines, Inc.: Air transportation for servicemen on leave..	11131
Cook, Maj. Gen. Earle F. (retired): H.R. 16000, female officers, remove restrictions on careers of.....	11061
Cooke, Brian: Military airlift.....	7016
Corcoran, John J.: H.R. 2450, retirement in highest grade held in any armed force, amendment to provide.....	9360
Cox, Charles J., Jr.: Air transportation for servicemen on leave.....	11343
Cramer, Glenn A.: Military airlift.....	7026
Crawford, W. W.: H.R. 13774, vanadium, disposal of, from stockpile....	5502
Cross, Laura:	
H.R. 15244, Camp Atterbury, Ind., to adjust jurisdiction over.....	10819
S. 3148, conveyance of all right, title, and interest in certain property to El Paso, Tex.....	10897
Crow, Gen. Durward L.: H.R. 12334, supplemental procurement for fiscal year 1966.....	5129, 5130, 5139, 5140; index on 5253
Crucible Steel Co. of America:	
H.R. 13369, molybdenum, disposal of, from stockpile.....	5534, 5536
H.R. 13774, vanadium, disposal of, from stockpile.....	5502
Cullinan, Capt. Terrence: Selective Service System, review of adminis- tration and operation of.....	10161; index follows 10174
Cunningham, R. L.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpile.....	5411, 5412
Curtin, Maj. Gen. R. H.: H.R. 13715, military construction, fiscal year 1967.....	8758, 9289; index on xi, following 9292
Curtis, Hon. Thomas B.: Selective Service System, review of adminis- tration and operation of.....	9784; index follows 10174
Cyclops Corp.: H.R. 13369, molybdenum, disposal of, from stockpile....	5535
Damron, 1st Sgt. Wade: Close air support.....	4642; index on 4858
Danstedt, Rudolph T.: H.R. 11488, H.R. 11727, H.R. 15056, Medical Service Corps of Regular Army, grade of brigadier general authorized..	10245
Davis, Sfc. Norman A.:	
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5968
Air transportation for servicemen on leave.....	11472

	Page
Davis, T. H.: Air transportation for servicemen on leave	11253
Dean Foods Co.: H.R. 17500, milk, price adjustments in contracts for	10955
Defense Advisory Committee on Women in the Service: H.R. 16000, female officers, remove restrictions on careers of	11063
Deininger, Hon. W. R.: H.R. 13715, military construction, fiscal year 1967	9288; index on xi, following 9292
Delaney, Hon. James J.: Selective Service System, review of administra- tion and operation of	9870; index follows 10174
Delaware, Resolution No. 26: Military, airlift	7165
Delta Air Lines, Inc.: Air transportation for servicemen on leave	11140
Dempster, Brig. Gen. Kenneth: H.R. 13456, R.D.T. & E., fiscal year 1967 ..	8459, 8516; index follows 8633
Dent, Hon. John H.: H.R. 13369, molybdenum, disposal of, from stockpile	5520, 5527, 5528
H.R. 17376, nickel, disposal of, from national stockpile	10921
Denton, Hon. Winfield K.: H.R. 17500, milk, price adjustments in con- tracts for	11016
Dick, Lt. Gen. William W., Jr.: H.R. 13456, R.D.T. & E., fiscal year 1967 ..	8330; index follows 8633
Disabled American Veterans: H.R. 10267, service records, to extend to 10 years the time during which they can be corrected	10310
H.R. 15053, exemplary rehabilitation certificates, to award in certain cases	10310
Disosway, Gen. Gabriel P.: Military airlift	6851
Dodge, Lt. Gen. C. G. (Ret.): H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning	10748
Dominick, Hon. Peter H.: H.R. 17500, milk, price adjustments in con- tracts for	10992
Donnelly, Lt. Gen. H. C.: H.R. 13456, R.D.T. & E., fiscal year 1967	8597; index follows 8633
Douglas Aircraft Co.: Military airlift	7040, 7050
Douglas, Maj. Dick: Military airlift	7160
Dow, Hon. John G.: H.R. 7973, to amend section 4339 of title 10 concerning quarters for civilian instructors at West Point	9533
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning	10732
Doyle, Gen. William C.: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning	10744
Dunbar, Melvin B.: H.R. 11488, H.R. 11727, H.R. 15056, Medical Service Corps of Regular Army, grade of brigadier general authorized ..	10244
Duncan, Col. Jack M.: H.R. 13715, military construction, fiscal year 1967 ..	9154; index on xi, following 9292
Dwyer, Hon. Florence P.: Selective Service System, review of administra- tion and operation of	9854; index follows 10174
Dyal, Hon. Ken W.: H.R. 13583, civilian health benefits program for retired members and their dependents	5966
Dykstra, Franz R.: H.R. 13661, manganese dioxide, battery-grade, syn- thetic, disposal of, from stockpile	5544
Dymond, Lewis W.: Air transportation for servicemen on leave	11178
Eastern Airlines, Inc.: Air transportation for servicemen on leave	11151
East Greenwich Dairy Co.: H.R. 17500, milk, price adjustments in con- tracts for	11015
Eberly, Donald J.: Selective Service System, review of administration and operation of	9892; index follows 10174
E. J. Lavino & Co.: H.R. 13661, manganese dioxide, battery-grade, syn- thetic, disposal of, from stockpile	5541
Ellsworth, Hon. Robert F.: Selective Service System, review of adminis- tration and operation of	9756, 9854; index follows 10174
Engis Equipment Co.: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles ..	5571, 5572
H.R. 13771, diamond tools, disposal of, from stockpile	7276
Ensey, Vice Adm. Lot: H.R. 13715, military construction, fiscal year 1967 ..	8863; index on xi following 9292

	Page
Ercanbrack, Col. Hal E.: Air transportation for servicemen on leave.....	11444
Evans, Brig. Gen. Andrew J., Jr.: H.R. 13456, R.D.T. & E., fiscal year 1967.....	8505; index follows 8633
Evans, Hon. Frank E.: H.R. 15485, fluorspar and ferromanganese, exchange from stockpiles..	9588
H.R. 17500, milk, price adjustments in contracts for.....	10963
Everett, Hon. Robert A.: H.R. 13715, military construction, fiscal year 1967.....	8883; index on xi, following 9292
Evins, Hon. Joe L.: Base closures and reductions.....	6490; index on 6540
Fahy, Rear Adm. E. J.: H.R. 13456, procurement for fiscal year 1967.....	7981, 7992, 7998, 8029; index follows 8633
Farmers Dairies: H.R. 17500, milk, price adjustments in contracts for....	11027
Fascell, Hon. Dante B.: H.R. 28, Conveyance of real property of United States to Florida.....	10279
Fellows, Lt. Comdr. Charles D.: H.R. 12615, reimbursement for cost of certain toll charges when traveling.....	9459
Fenlon, Col. James W.: H.R. 13715, military construction, fiscal year 1967.....	8772; index on xi, following 9292
Ferguson, Lt. Gen. James: H.R. 13456, RDT & E for fiscal year 1967.....	8402; index follows 8633
Close air support.....	4844, 4845, 4847, 4849, 4853-4855, 4857; index on 4858
Manned bombers, DOD decision to reduce number and types....	6180, 6187; index on 6304
Ferguson, L. T.: Air transportation for servicemen on leave.....	11100
Findley, Hon. Paul: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Firth Sterling, Inc.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5526
Fisk, Hon. Shirley: H.R. 13715, military construction, fiscal year 1967.....	8736; index on xi, following 9292
Military construction, deferral of projects for fiscal year 1966.....	6380
Fitzwater, Brig. Gen. John T.: Military airlift.....	6857
Fleet Reserve Association: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5870
Florida, Office of Attorney General: H.R. 28, conveyance of real property of United States to Florida.....	10276
Flying Tiger Line, Inc.: Military airlift.....	6999
Fogarty, Hon. John E.: H.R. 17500, milk, price adjustments in contracts for.....	11015
Foster, Hon. John S., Jr.: H.R. 13456, RDT & E for fiscal year 1967.....	7617, 8168, 8216; index follows 8633
Manned bombers, DOD decision to reduce number and types....	6202; index on 6304
Freed, Irving: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5556, 9605
Freeman, Gen. Paul L., Jr.: Military airlift.....	6874
Frelinghuysen, Hon. Peter: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Frontier Airlines, Inc.: Air transportation for servicemen on leave.....	11178
Frosch, Dr. Robert A.: H.R. 13456, R.D.T. & E. for fiscal year 1967.....	8267, 8304; index follows 8633
Fuqua, Hon. Don: H.R. 28, conveyance of real property of United States to Florida.....	10279
Garstang, M.R.: H.R. 17500, milk, price adjustments in contracts for....	10988
Gary, Frank B.: H.R. 3313, career incentives for certain officers.....	9398
Gerrity, Lt. Gen. Thomas P.: H.R. 13456, procurement for fiscal year 1966.....	7728; index follows 8633
Getchell, D.S.: Air transportation for servicemen on leave.....	11195
Gettings, Robert: H.R. 9271, mentally retarded children of members of armed forces, to provide resident care for.....	5899
Giles, Robert: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5989
Giller, Brig. Gen. Edward B.: H.R. 13456, R.D.T. & E. for fiscal year 1967.....	8476; index follows 8633

Gillette, Rear Adm. Norman C., Jr.:	Page
Air transportation for servicemen on leave.....	11511
Base closures and reductions.....	6421, 6517, 6523; index on 6540
Military airlift.....	6900
Gilligan, Hon. John J.: Selective Service System, review of administration and operation of.....	9887; index follows 10174
Glenn Dumire Lynn's Dairy Products, Inc.: H.R. 17500, milk, price adjustments in contracts for.....	11017
Goshorn, Maj. Gen. John A.: H.R. 13456, procurement, fiscal year 1967.....	7822, 7837; index follows 8633
Gouge, F. Hamilton: H.R. 13661, manganese dioxide, battery-grade, synthetic, disposal of, from stockpile.....	5541
Grace, Thomas L.: Air transportation for servicemen on leave.....	11246
Graham, Maj. Gen. Donald: Military airlift.....	6747
Gray, Maj. Gen. David W.: Military airlift.....	6874
Gray, John: H.R. 17500, milk, price adjustments in contracts for.....	10974
Green, Hon. Edith: H.R. 16000, female officers, remove restrictions on careers of.....	11058
Green, Lee R.: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5972
Greene, Maj. Gen. G. B., U.S. Air Force: H.R. 13374, trophies, to award for special accomplishments related to armed forces.....	9446
Greene, Gen. Wallace M., Jr.:	
H.R. 12334, supplemental procurement for fiscal year 1966.....	5024-5030, 5057-5094
H.R. 13456, procurement, fiscal year 1967.....	7945, 7957; index follows 8633
H.R. 14741, Marine Corps officers, increase number in combined grades of brigadier general and major general.....	9294
Military posture, 1966.....	7903; index follows 8633
Grider, Hon. George W.:	
H.R. 17500, milk, price adjustments in contracts for.....	10950
Military airlift.....	6775
Grubb, Capt. Francis B.: Air transportation for servicemen on leave.....	11500
Gubser, Hon. Charles S.: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5844
Gurney, Hon. Edward J.:	
H.R. 28, conveyance of real property of United States to Florida.....	10250, 10280
H.R. 13715, military construction, fiscal year 1967.....	8974, 8977; index on xi, following 9292
Gwyn, Judge Allen H.: Selective Service System, review of administration and operation of.....	9893; index follows 10174
Hagan, Hon. G. Elliott: H.R. 10267, service records, to extend to 10 years the time during which they can be corrected.....	10289
Haley, Hon. James A.: H.R. 28, conveyance of real property of United States to Florida.....	10278
Halpern, Hon. Seymour: Selective Service System, review of administration and operation of.....	9777, 9854; index follows 10174
Hamilton, Hon. Lee H.:	
Base closures and reductions.....	6467; index on 6540
Military airlift.....	7160
Hammond, James H.: Air transportation for servicemen on leave.....	11370
Hamrick, Brig. Gen. William L.: H.R. 13456, procurement for fiscal year 1967.....	8631; index follows 8633
Hanley, Hon. James M.: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10738
Hansen, Hon. Julia Butler: S. 2421, Columbia River, adjustment of jurisdiction over lands within.....	9505
Hardy, Hon. Porter, Jr.: H.R. 2450, retirement in highest grade held in any Armed Force, amendment to provide.....	9358

Harlan, John G., Jr.:	Page
H. R. 12412, platinum, release of, from stockpile.....	5475
H. R. 12694, bauxite, Jamaica and Surinam type, disposal of, from stockpiles.....	5620
H. R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5550, 9595
H. R. 13364, platinum, disposal of, from stockpiles.....	5475
H. R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5392
H. R. 13366, aluminum, disposal of, from stockpile.....	7227
H. R. 13367, fluor spar, acid-grade, disposal of, from stockpiles.....	5427
H. R. 13368, bismuth, disposal of, from stockpiles.....	5384
H. R. 13369, molybdenum, disposal of, from stockpile.....	5531
H. R. 13370, aluminum oxide, crude, disposal of, from stockpiles.....	5605
H. R. 13371, mica, phlogopite, disposal of, from stockpiles.....	5458
H. R. 13372, silicon carbide, crude, disposal of, from stockpiles.....	5589
H. R. 13373, mica, muscovite, disposal of, from stockpiles.....	5459
H. R. 13578, rhodium, disposal of, from stockpile.....	5415
H. R. 13579, thorium, disposal of, from stockpile.....	5462
H. R. 13580, amosite asbestos, disposal of, from stockpiles.....	5423
H. R. 13661, manganese dioxide, battery-grade, synthetic, disposal of, from stockpile.....	5540
H. R. 13662, bauxite, refractory-grade, disposal of, from stockpile.....	5418
H. R. 13663, ruthenium, disposal of, from stockpile.....	5487
H. R. 13763, celestite, disposal of, from stockpile.....	7254
H. R. 13769, cordage fiber (sisal), disposal of, from stockpile.....	7260
H. R. 13770, crocidolite asbestos (harsh), disposal of, from stockpile.....	7265
H. R. 13771, diamond tools, disposal of, from stockpile.....	7268
H. R. 13772, manganese ore, metallurgical grade, disposal of, from stockpiles.....	7281
H. R. 13773, opium, disposal of, from stockpile.....	7284
H. R. 13774, vanadium, disposal of, from stockpile.....	5500
H. R. 17376, nickel, disposal of, from national stockpile.....	10932
Harmon, Maj. Gen. Reginald (retired): H. R. 3313, career incentives for certain officers.....	9397, 9400
Harrington, Fred Harvey: Selective Service System, review of administration and operation of.....	9877; index follows 10174
Hart, Loney W.:	
H. R. 15244, Camp Atterbury, Ind., to adjust jurisdiction over.....	10819
S. 2421, Columbia River, adjustment of jurisdiction over lands within.....	9507
S. 3148, conveyance of all right, title, and interest in certain land to El Paso, Tex.....	10915
Harvey B. Hunter Dairies, Inc.: H. R. 17500, milk, price adjustments in contracts for.....	11014
Hawaiian Airlines, Inc.: Air transportation for servicemen on leave.....	11186
Hawkins, Willis M.: H. R. 13456, R.D.T. & E. for fiscal year 1967.....	8328,
8341, 8359, 8364, 8377; index follows.....	8633
Hays, Lt. Col. Emmett L.: Close air support.....	4713; index on 4858
Hays, Hon. Wayne L.: H. R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5412
Health Insurance Association of America: H. R. 13582, H. R. 13583, medical benefits, military.....	5977
Heard, Hon. John: H. R. 13715, military construction, fiscal year 1967.....	8788,
9199, 9221, 9267; index on xi, following.....	9292
Heaton, Lt. Gen. Leonard D.:	
H. R. 420, H. R. 8158, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	10232
H. R. 9271, H. R. 13582, H. R. 13583, medical benefits, military.....	5750
H. R. 11488, H. R. 11727, H. R. 15056: Medical Service Corps of Regular Army, grade of brigadier general authorized.....	10238
Hébert, Hon. F. Edward: H. R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10766
Helms, Richard: H. R. 16306, Central Intelligence Agency Act, to amend.....	10320
Henderson, Hon. David N.: H. R. 16435, H. R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10733
Henry, G. Robert: Air transportation for servicemen on leave.....	11116

Henry Pollock Diamond Corp.: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	Page 5583
Herlong, Hon. A. Sydney, Jr.: Base closures and reductions.....	6510; index on 6540
Hershey, Lt. Gen. Lewis B.: Selective Service System, review of administration and operation of.....	9620, 9899, 9985, 10067; index follows 10174
Herz, E.: H.R. 13367, fluorspar, acid-grade, disposal of, from stockpiles.....	5452
Herzfeld, Dr. Charles M.: H.R. 13456, R. D. T & E. for fiscal year 1967.....	8268; index follows 8633
Hicks, Hon. Floyd V.: S. 2421, Columbia River, adjustment of jurisdiction over lands within.....	9523
Hinckley, Steedman: Air transportation for servicemen on leave.....	11523
Hittle, Brig. Gen. James D. (retired):	
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5973
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10736
Air transportation for servicemen on leave.....	11355
Holifield, Hon. Chet: Selective Service System, review of administration and operation of.....	9761; index follows 10174
Holland, Hon. Elmer J.: H.R. 15053, H.R. 16646, exemplary rehabilitation certificates, to award in certain cases.....	10302
Holt, Hon. Thaddeus G., Jr.: H.R. 12617, Ryukyu Islands, economic and social development in, to amend act.....	5630
Horton, Hon. Frank: Selective Service System, review of administration and operation of.....	9774, 9854; index follows 10174
Houston Chamber of Commerce: Base closures and reductions.....	6507; index on 6540
Hoyt, Elton, III: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5410
Huber, Charles L.:	
H.R. 10267, service records, to extend to 10 years the time during which they can be corrected.....	10310
H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10310
Hughes, Rear Adm. W. C.: H.R. 5297, retired pay, to limit revocation of.....	9328
Hull, Rear Adm. Harry:	
H.R. 12335, supplemental military construction for fiscal year 1966.....	5095-5104, 5110-5120
H.R. 13715, military construction, fiscal year 1967.....	8866, 9290; index on xi, following 9292
Hulse, Frank W.: Air transportation for servicemen on leave.....	11261
Hunter, Charles A.: H.R. 17500, milk, price adjustments in contracts for.....	11014
Huot, Hon. J. Oliva:	
H.J. Res. 561, memorial markers for civilian casualties on U.S.S. <i>Thresher</i>	10194, 10204
Base closures and reductions.....	6459; index on 6540
Husband, Adm. A. C.:	
H.R. 12335, supplemental military construction for fiscal year 1966.....	5095, 5099-5102, 5111, 5116
H.R. 13715, military construction, fiscal year 1967.....	8892; index on xi, following 9292
Hynek, Dr. J. Allen: Unidentified flying objects.....	6006
Ichord, Hon. Richard H.:	
H.R. 3313, career incentives for certain officers.....	9382
H.R. 12412, platinum, release of, from stockpile.....	5479
H.R. 13364, platinum, disposal of, from stockpiles.....	5479
Ideal Pure Milk Co.: H.R. 17500, milk, price adjustments in contracts for.....	11017
Ignatius, Hon. Paul R.:	
H.R. 28, conveyance of real property of United States to Florida.....	10281
H.R. 13715, military construction, fiscal year 1967.....	8664, 8672, 8677, 8679, 8681, appendix, p. x; index on xi, following 9292
Base closures and reductions.....	6398; index on 6540
Military construction, deferral of projects for fiscal year 1966.....	6358
Iha, Maurice Y.: Air transportation for servicemen on leave.....	11186
Indiana, Resolution No. 11: Military airlift.....	7171
Industrial Diamond Conservation Committee: H.R. 13771, diamond tools, disposal of, from stockpile.....	7277
Intercommon Ore & Trading Co.: H.R. 13367, fluorspar, acid-grade, disposal of, from stockpiles.....	5447

Interlake Steel Corp.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	Page 5410
Interstate Smelting & Refining Co., Inc.: Copper, disposal of, from stockpiles.....	5626
Irwin, Hon. Donald J.: H.R. 2450, retirement in highest grade held in any armed force, amendment to provide.....	9356
Jackson, E. D.: H.R. 17500, milk, price adjustments in contracts for.....	11018
Jackson, Hon. Henry M.: S. 2421, Columbia River, adjustment of jurisdiction over lands within.....	9507
Jackson, R. C. P.: Military airlift.....	7040
James, L. Eldon: Selective Service System, review of administration and operation of.....	9904; index follows 10174
Javits, Hon. Jacob K.: Selective Service System, review of administration and operation of.....	9907; index follows 10174
Jenkins, Comdr. H. L.: H.R. 3013, gold star buttons for next of kin.....	9454
Jewish War Veterans of U.S.A.: H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10313
Johnson, Gen. Harold K.: H.R. 12334, supplemental procurement for fiscal year 1966.....	5180-5233, 5239
H.R. 13456, procurement, fiscal year 1967.....	7788; index follows 8633
Military airlift.....	6816
Military posture, 1966.....	7785; index follows 8633
Jones, Hon. Paul C.: Selective Service System, review of administration and operation of.....	9851; index follows 10174
Jones, W. Ellis: H.R. 28, conveyance of real property of United States to Florida.....	10277
Joseph G. Barnett Co.: H.R. 13771, diamond tools, disposal of, from stockpile.....	7269
Judge Advocates Association of the United States: H.R. 3313, career incentives for certain officers.....	9397, 9403
Kaplan, Marshall G.: H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10313
Kastenmeier, Hon. Robert W.: Selective Service System, review of administration and operation of.....	9872; index follows 10174
Keast, Robert R.: Selective Service System, review of administration and operation of.....	9883; index follows 10174
Keck, G. E.: Air transportation for servicemen on leave.....	11311
Keith, Hon. Hastings: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Kelly, Dennis W.: H.R. 17500, milk, price adjustments in contracts for.....	11015
Kennedy, Hon. Edward M.: Selective Service System, review of administration and operation of.....	9837, 9840; index follows 10174
Kennedy, Col. Harold R.: House Joint Resolution 421, flag ceremonies at Washington Monument.....	9349
Kenney, Raymond M., Jr.: Air transportation for servicemen on leave.....	11428
Kerner, Otto: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10734
Kerr-McGee Corp.: H.R. 13774, vanadium, disposal of, from stockpile.....	5504
Knott, Lawson B., Jr.: H.R. 28, conveyance of real property of United States to Florida.....	10248
H.R. 12412, platinum, release of, from stockpile.....	5483, 5484
H.R. 13364, platinum, disposal of, from stockpiles.....	5483, 5484
H.R. 13369, molybdenum, disposal of, from stockpile.....	5535, 5628
Kornegay, Hon. Horace R.: Military airlift.....	7152, 7159
Korth, Howard J.: Military airlift.....	6948
Kupferman, Hon. Theodore R.: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Kynes, James W.: H.R. 28, conveyance of real property of United States to Florida.....	10276
Laird, Hon. Melvin R.: Selective Service System, review of administration and operation of, correspondence relative to.....	9889; index follows 10174
Lake Central Airlines: Air transportation for servicemen on leave.....	11195
Lang, Dr. Gideon L.: H.R. 3313, career incentives for certain officers.....	9371
Larson, Maj. Gen. Jess: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10729

Latrobe Steel Co.:	Page
H.R. 13369, molybdenum, disposal of, from stockpile.....	5515,
	5521, 5527, 5529, 5535
H.R. 13774, vanadium, disposal of, from stockpiles.....	5515
Lavelle, Gen. John D.: Base closures and reductions.....	6457, 6461, 6523;
	index on 6540
Lawrence, William N.:	
H.R. 12412, platinum, release of, from stockpile.....	5468
H.R. 12694, bauxite, Jamaica and Surinam type, disposal of, from stockpiles.....	5618
H.R. 13320, diamond stones, industrial, disposal of, from stockpiles..	5549,
	9601
H.R. 13364, platinum, disposal of, from stockpiles.....	5468
H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5389
H.R. 13366, aluminum, disposal of, from stockpile.....	7222
H.R. 13368, bismuth, disposal of, from stockpiles.....	5382
H.R. 13369, molybdenum, disposal of, from stockpile.....	5516
H.R. 13370, aluminum oxide, crude, disposal of, from stockpiles.....	5603
H.R. 13371, mica, phlogopite, disposal of, from stockpiles.....	5457
H.R. 13372, silicon carbide, crude, disposal of, from stockpiles.....	5588
H.R. 13373, mica, muscovite, disposal of, from stockpiles.....	5457
H.R. 13578, rhodium, disposal of, from stockpile.....	5414
H.R. 13579, thorium, disposal of, from stockpile.....	5462
H.R. 13661, manganese dioxide, battery-grade, synthetic, disposal of, from stockpile.....	5539
H.R. 13662, bauxite, refractory-grade, disposal of, from stockpile.....	5420
H.R. 13663, ruthenium, disposal of, from stockpile.....	5485
H.R. 13768, celestite, disposal of, from stockpile.....	7252
H.R. 13769, cordage fiber (sisal), disposal of, from stockpile.....	7260
H.R. 13770, crocidolite asbestos (harsh), disposal of, from stockpile.....	7265
H.R. 13771, diamond tools, disposal of, from stockpile.....	7267
H.R. 13772, manganese ore, metallurgical grade, disposal of, from stockpiles.....	7279
H.R. 13773, opium, disposal of, from stockpile.....	7283
H.R. 13774, vanadium, disposal of, from stockpile.....	5490
Leggett, Hon. Robert L.:	
H.R. 3313, career incentives for certain officers.....	9387
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5964
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10705
Le May, Gen. Curtis E.: Manned bombers, DOD decision to reduce number and types.....	6274; index on 6304
Lennon, Hon. Alton:	
H.R. 13569, platinum, disposal of, from stockpiles.....	5484
H.R. 13570, platinum, release of, from stockpile.....	5484
Military airlift.....	7151
Lester, Gordon: H.R. 17500, milk, price adjustments in contracts for.....	11027
Lewis, Arthur D.: Air transportation for servicemen on leave.....	11151
Leydon, Rear Adm. J. K.: H.R. 13456, R.D.T. & E. for fiscal year 1967.....	8542;
	index follows 8633
Life Insurance Association of America: H.R. 13582, H.R. 13583, medical benefits, military.....	5977
Lipscomb, Willis G.: Air transportation for servicemen on leave.....	11251
Little, Col. Oliver W.: H.R. 11984, leave, to authorize accumulation in certain foreign areas.....	9609
Long, Hon. Clarence D.: H.R. 13715, military construction, fiscal year 1967.....	8981; appendix page vii; index on xi, following 9292
Long, Lt. Col. William F.: H.R. 9916, Academics, appointment of candidates to.....	9413
Love, Hon. Rodney M.:	
H.R. 17500, milk, price adjustments in contracts for.....	10942
Selective Service System, review of administration and operation of.....	9890;
	index follows 10174
Lynch, Louis E.: H.R. 17500, milk price adjustments in contracts for.....	11014
M. & R. Refractory Metals, Inc.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5537
Macdonald, Hon. Torbert H.: H.R. 13715, military construction, fiscal year 1967.....	8880; index on xi, following 9292

MacFarland, Col. James C.: H.J. Res. 561, memorial markers for civilian casualties on U.S.S. <i>Thresher</i>	Page 10199
McConnell, Gen. John P.: H.R. 12334, supplemental procurement for fiscal year 1966.....	5122, 5126, 5136-5143, 5146-5151, 5155-5175
H.R. 13456, procurement, fiscal year 1967.....	7661; index follows 8633
Manned bombers, DOD decision to reduce number and types.....	6100; index on 6304
Military posture, 1966.....	7661; index follows 8633
McCrary, V. Eugene: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5982
McDade, Hon. Joseph M.: Selective Service System, review of administration and operation of.....	9854; index follows 10174
McDonald, Adm. David L.: H.R. 12334, supplemental procurement for fiscal year 1966.....	5016-5042, 5048-5055, 5061-5064
H.R. 13456, procurement, fiscal year 1967.....	7893, 7957, 8105; index follows 8633
Military posture, 1966.....	7893; index follows 8633
McDonald, G.E.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5526, 5527
McFarland, David J.: Air transportation for servicemen on leave.....	11270
McGhee, Benny W.: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5967
McGraw, Lt. Col. William C., Jr.: Close air support.....	4754; index on 4858
McKaughan, R. E., Jr.: Air transportation for servicemen on leave.....	11278
McLaughlin, R. A.: H.R. 12412, platinum, release of, from stockpile.....	5485
McNamara, Hon. Robert S.: H.R. 12334, supplemental procurement for fiscal year 1966.....	4876
H.R. 12335, supplemental military construction for fiscal year 1966.....	4884
H.R. 13456, procurement and R.D.T. & E. for fiscal year 1967.....	7291, 7452; index follows 8633
Airline strike, impact on defense posture.....	10826
Manned bombers, DOD decision to reduce number and types.....	6081; index on 6304
Military posture, 1966.....	7291, 7452; index follows 8633
South Vietnam, extracts of statements made on, from Jan. 1, 1963, through Jan. 1, 1966.....	4979
McVicker, Hon. Roy H.: H.R. 15053, H.R. 16646, exemplary rehabilitation certificates, to award in certain cases.....	10300
Machen, Hon. Hervey G.: H.J. Res. 561, memorial markers for civilian casualties on U.S.S. <i>Thresher</i>	10195
H.R. 3313, career incentives for certain officers.....	9396
Mahoney, John H.: Air transportation for servicemen on leave.....	11534
Mailliard, Hon. William S.: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Manganese Chemical Co.: H.R. 13661, manganese dioxide, battery-grade, synthetic, disposal of, from stockpile.....	5544
Martin, Rear Adm. William I.: H.R. 13456, procurement for fiscal year 1967.....	7915; index follows 8633
Mathias, Hon. Charles, Jr.: Selective Service System, review of administration and operation of.....	9854; index follows 10174
Matthews, Hon. D. R. (Billy): H.R. 2450, retirement in highest grade held in any armed force, amendment to provide.....	9352
Mattson, Vernon L.: H.R. 13774, vanadium, disposal of, from stockpile.....	5504
Meinhardt Diamond Tool Co.: H.R. 13771, diamond tools, disposal of, from stockpile in.....	7270
Meinhardt, W. J.: H.R. 13771, diamond tools, disposal of, from stockpile.....	7270
Metzger, L. H.: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5564, 9591
H.R. 13771, diamond tools, disposal of, from stockpile.....	7271
Meyer, W.C.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5534, 5536
H.R. 13774, vanadium, disposal of, from stockpile.....	5502
Michael Werdiger, Inc., H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5554

Milk Industry Foundation: H.R. 17500, milk, price adjustments in contracts for.....	Page 10984
Minahan, Col. J. E.: H. R. 13715, military construction, fiscal year 1967.....	9222; index on xi, following 9292
Minerva Fluorspar Co.: H.R. 13367, fluorspar, acid-grade, disposal of, from stockpiles.....	5430
Minish, Hon. Joseph G.: Military airlift.....	7160
Mink, Hon. Patsy T.: H.R. 16000, female officers, remove restrictions on careers of.....	11057
Minshall, Hon. William E.: Selective Service System, review of administration and operation of.....	9725; index follows 10174
Letters received from constituents; and certain newspaper articles.....	9729
Mohawk Airlines, Inc.: Air transportation for servicemen on leave.....	11191
Molers Belmont Dairy Co.: H.R. 17500, milk price adjustments in contracts for.....	10943
Monagan, Hon. James S.: H.R. 17376, nickel, disposal of, from national stockpile.....	10923
Montgomery, Gill: H.R. 13367, fluorspar, acid-grade, disposal of, from stockpiles.....	5430
Moody, J. E.: H.R. 15485, fluorspar and ferromanganese, exchange from stockpiles.....	9589
Moore, Gov. Dan, of North Carolina: Military airlift.....	7152
Moore, Beverly C.: Selective Service System, review of administration and operation of.....	10166; index follows 10174
Moorhead, Hon. William S.: H.R. 16000, female officers, remove restrictions on careers of.....	11059
Moot, Robert C.: Airline strike, impact on defense posture.....	10827
Air transportation for servicemen on leave.....	11399, 11476
Moroso, J. C.: H. R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5401
H. R. 13774, vanadium, disposal of, from stockpile.....	5509
Morris, Hon. Thomas D.: H. R. 3313, career incentives for certain officers.....	9362
H. R. 9271, H. R. 13582, H. R. 13583, medical benefits, military.....	5744
H. R. 13456, pay parity between military and civilian personnel.....	8098;
index follows.....	8633
H. R. 14875, savings, deposit with uniformed service, by members on duty outside United States.....	9314
H. R. 16000, female officers, remove restrictions on careers of.....	11043
H. R. 16435, H. R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10794
Selective Service System, review of administration and operation of.....	9923,
9997, 10053; index follows.....	10174
Morris, Hon. Thomas G.: H. R. 17500, milk, price adjustments in contracts for.....	10983
Base closures and reductions.....	6474; index follows on 6540
Manned bombers, DOD decision to reduce number and types.....	6302;
index on.....	6304
Morse, Hon. F. Bradford (in behalf of 25 minority Members): Selective Service System, review of administration and operation of.....	9854;
index follows.....	10174
Morse, Hon. Robert W.: H. R. 12334, supplemental procurement for fiscal year 1966.....	5070-5075, 5080-5090
H. R. 13456, R.D.T. & E. for fiscal year 1967.....	8519; index follows 8633
Morton, Hon. Rogers C. B.: H. R. 13715, military construction, fiscal year 1967.....	vi, following 9292; index on xi, following 9292
Mosher, Hon. Charles A.: Selective Service System, review of administration and operation of.....	9854; index follows 10174
M. Pashelinsky & Sons: H. R. 13369, molybdenum, disposal of, from stockpile.....	5525
Mugdan, Ernest: H. R. 13367, fluorspar, acid-grade, disposal of, from stockpiles.....	5440
Mullins, F. J.: Air transportation for servicemen on leave.....	11108
Murphy, Charles S.: Air transportation for servicemen on leave.....	11537, 11574
Murphy, Robert: Military airlift.....	7111, 7117, 7121

	Page
Muse, M. Lamar: Air transportation for servicemen on leave.....	11129
National Airlines, Inc.: Air transportation for servicemen on leave.....	11202
National Association of Blue Shield Plans: H.R. 13583, civilian health benefits program for retired members and their dependents.....	5978
National Association of Metal Finishers: H.R. 17376, nickel, disposal of, from national stockpile.....	10936
National Association of Social Workers: H.R. 11488, H.R. 11727, H.R. 15056, Medical Service Corps of Regular Army, grade of brigadier general authorized.....	10245
National Association of State Mental Health Program Directors: H.R. 9271, mentally retarded children of members of armed forces, resident care for.....	5983
National Association for Retarded Children: H.R. 9271, mentally retarded children of members of Armed Forces, resident care for.....	5899
National Dairy Products Corp.: H.R. 17500, milk, price adjustments in contracts for.....	11014
National Guard Association of the United States:	
H.R. 2450, retirement in highest grade held in any armed force, amendment to provide.....	9332
H.R. 5256, retired pay, change method of computing for certain enlisted members.....	9332
H.R. 5297, retired pay, to limit revocation of.....	9332
H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5988
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10708
Military airlift.....	7170, 7172
National Independent Dairies Association: H.R. 17500, milk, price adjustments in contracts for.....	10993
National Milk Producers Federation: H.R. 17500, milk, price adjustments in contracts for.....	10988
National Society of Professional Engineers: H.R. 11488, H.R. 11727, H.R. 15056, Medical Service Corps of Regular Army, grade of brigadier general authorized.....	10245
Navar, Joseph A.: H.R. 17500, milk, price adjustments in contracts for.....	11027
Nedzi, Hon. Lucien N.: H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10764
Newton, Avery C.: H.R. 13662, bauxite, refractory-grade, disposal of, from stockpile.....	5421
Niederlehner, L.:	
H.R. 9271, mentally retarded children of members of Armed Forces, to provide resident care for.....	5732
H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10298
H.R. 17500, milk, price adjustments in contracts for.....	11011
Nitze, Hon. Paul H.:	
H.R. 12334, supplemental procurement for fiscal year 1966.....	5012
H.R. 12335, supplemental military construction for fiscal year 1966.....	5012
H.R. 13456, procurement, fiscal year 1967.....	8105; index follows 8633
H.R. 17451, rank, pay, and retirement privileges for certain officers.....	11642
Military posture, 1966.....	7879; index follows 8633
Nolan, Robert W.: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5870, 5875
Norris, Eugene W.: Military airlift.....	7112
Norris, Col. William A.: H.R. 28, conveyance of real property of United States to Florida.....	10261
North American Diamond Trading Co.: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5556
North Central Airlines, Inc.: Air transportation for servicemen on leave.....	11210
Northeast Airlines: Air transportation for servicemen on leave.....	11215
Northwest Airlines, Inc.: Air transportation for servicemen on leave.....	11216
Nyman, Seward P.: H.R. 3313, career incentives for certain officers.....	9405
Nyrop, Donald W.: Air transportation for servicemen on leave.....	11216
Oden, Maj. Gen. Delk McCorkle: Close air support.....	4765; index on 4858
Ohio Ferro-Alloys Corp.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5411, 5412
O'Neal, Hon. Maston: Base closures and reductions.....	6466; index on 6540

O'Neill, Hon. Thomas P., Jr.: H.R. 13715, military construction, fiscal year 1967.....	i, following 9292; index on xi, following 9292
Ore & Chemical Corp.: H.R. 13367, fluorspar, acid-grade, disposal of, from stockpiles.....	5440
Orescan, George:	
H.R. 12412, platinum, release of, from stockpile.....	5485
H.R. 13364, disposal of, from stockpiles.....	5485
Ottinger, Hon. Richard L.: H.R. 17376, nickel, disposal of, from national stockpile.....	10922
Overseas Educational Service: Selective Service System, review of administration and operation of.....	9892; index follows 10174
Overseas National Airways:	
Air transportation for servicemen on leave.....	11523
Military airlift.....	7033
Overton, J. Allen, Jr.: Various bills to dispose of commodities from the stockpiles.....	5585
Ozark Air Lines: Air transportation for servicemen on leave.....	11246
Pan American-Grace Airways, Inc.: Air transportation for servicemen on leave.....	11251
Pan American World Airways: Air transportation for servicemen on leave.....	11251
Pashelinsky, M.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5525
Paterno, Vincent J.: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning..	10742
Patman, Hon. Wright:	
H.R. 3013, gold star buttons for next of kin.....	9458
H.R. 14875, savings, deposit with uniformed service, by members on duty outside United States.....	9471
Paul, Hon. Norman S.:	
H.R. 13715, military construction, fiscal year 1967.....	i, following 9292; index on xi, following 9292
H.R. 15005, promotion opportunities of certain officers.....	9425
Paulson, Lynn C.: H.R. 17500, milk, price adjustments in contracts for..	10993
Payne, Brig. Gen. William J.: Military airlift.....	7151, 7159
Perry, J. W.:	
Air transportation for servicemen on leave.....	11434
Military airlift.....	6679, 6690
Pet Milk Co.: H.R. 17500, milk, price adjustments in contracts for.....	11016
Philbin, Hon. Philip J.:	
H.R. 16000, female officers, remove restrictions on careers of.....	11674
H.R. 16394, deposit accounts of certain enlisted members, to adjust..	11677
Philion, Norman J.: Air transportation for servicemen on leave.....	11601, 11616, 11626
Pickands Mather & Co.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5410
Piedmont Airlines: Air transportation for servicemen on leave.....	11253
Pike, Hon. Otis G.: H.R. 16000, female officers, remove restrictions on careers of.....	11040
Pirnie, Hon. Alexander:	
H.R. 3313, career incentives for certain officers.....	9393
H.R. 7973, to amend section 4339 of title 10 concerning quarters for civilian instructors at West Point.....	9527
Pittsburgh Plate Glass Co.: H.R. 12412, platinum, release of, from stockpile.....	5485
Plummer, Lt. Col. Frank S.: Close air support.....	4664; index on 4858
Polanco-Abreu, Hon. Santiago: Selective Service System, review of administration and operation of.....	9630; index follows 10174
Pollich, Capt. Gardiner T.: H.R. 13715, military construction, fiscal year 1967.....	9230; index on xi, following 9292
Pollock, Henry: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5583
Potter, H. S.:	
H.R. 13369, molybdenum, disposal of, from stockpile.....	5522, 5526
H.R. 13774, vanadium, disposal of, from stockpile.....	5502
Powell, Hon. Adam C.: Selective Service System, review of administration and operation of.....	9862; index follows 10174
Power, Gen. Thomas S.: Manned bombers, DOD decision to reduce number and types.....	6301; index on 6304

[illegible]

Robison, Hon. Howard W.: Selective Service System, review of administration and operation of.....	9854; index follows	10174
Rockwell, Lt. Col. Frederick G.: H.R. 7973, to amend section 4339 of title 10 concerning quarters for civilian instructors at West Point.....		9536
H.R. 12031, Watkin, Col. William W., appointment to lieutenant colonel in Regular Army.....		9450
Rothschild, Fred M.: Copper, disposal of, from stockpiles.....		5626
Ruddock, Andrew E.: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....		10676
Rumsfeld, Hon. Donald: Selective Service System, review of administration and operation of.....	9854; index follows	10174
Ryan, Gen. John D.: Manned bombers, DOD decision to reduce number and types.....	6170; index on	6304
Ryan, Hon. William F.: Selective Service System, review of administration and operation of.....	9916; index follows	10174
Sackett, Andrew P.: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....		5847
Saltonstall, Hon. Leverett: H.R. 13715, military construction, fiscal 1967.....	viii, ix, following 9292; index on xi, following	9292
Sam Davis Co., Smyrna, Tenn.: Base closures and reductions.....		6496
San Antonio Chamber of Commerce: Base closures and reductions.....		6539
Sanctuary, Col. Robert H.: Military airlift.....		6852
Sands, Capt. David A.: Close air support.....	4700; index on	4858
Saturn Airways, Inc.: Military airlift.....		6948
Saxman, M. W.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5515, 5522, 5529,	5535
H.R. 13774, vanadium, disposal of, from stockpile.....		5515
Schairer, George S.: Military airlift.....		7150
Schisler, Hon. Gale: H.R. 13715, military construction, fiscal year 1967.....	9113, 9209, vii following 9292; index on xi, following	9292
Schmidhauser, Hon. John R.: Selective Service System, review of administration and operation of.....	9880; index follows	10174
Schneebeli, Hon. Herman T.: Selective Service System, review of administration and operation of.....	9854; index follows	10174
Schneider, E. J.: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....		5571, 5572
H.R. 13771, diamond tools, disposal of, from stockpile.....		7276
Schnibbe, Harry C.: H.R. 9271, mentally retarded children of members of armed forces, resident care for.....		5983
Schoichet, Bernard: H.R. 17500, milk, price adjustments in contracts for.....		11027
Schriever, Gen. Bernard A.: Close air support.....	4829; index on	4858
Manned bombers, DOD decision to reduce number and types.....	6172; index on	6304
Schweiker, Hon. Richard S.: H.R. 16000, female officers, remove restrictions on careers of.....		11041
Selective Service System, review of administration and operation of.....	9767; index follows	10174
Schwend, 1st Lt. Howard L.: Close air support.....	4744; index on	4858
Scully, Dr. Mark: Selective Service System, review of administration and operation of.....	9851; index follows	10174
Seaboard World Airlines, Inc.: Air transportation for servicemen on leave.....		11534
Seedlock, Maj. Gen. Robert F.: H.R. 15712, motor vehicles, payment for transportation of, for certain members of Armed Forces.....		9572
Shannon, T. F.: H.R. 13774, vanadium, disposal of, from stockpile.....		5502
Shen, Andrew B.: Air transportation for servicemen on leave.....		11251
Shepard, B. John: H.R. 13367, fluorspar, acid-grade, disposal of, from stockpiles.....		5452
Shepard Chemical Industries, Inc.: H.R. 13367, fluorspar, acid-grade, disposal of, from stockpiles.....		5452
Sheridan, Hon. Edward J.: Military construction, deferral of projects for fiscal year 1966.....		6364
Sherman, W.: H.R. 13369, molybdenum, disposal of, from stockpile.....		5526
Shields, Fred W.: H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....		10314

	Page
Shinn, Rear Adm. Allen M.: H.R. 13456, procurement, fiscal year 1967.....	7952;
index follows.....	8633
Shriver, Denton A.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5402, 5408
Shriver, Hon. Garner E.: Selective Service System, review of administra- tion and operation of.....	9854; index follows 10174
Shuler, Maj. Gen. W. R.: H.R. 12335, supplemental military construction for fiscal year 1966.....	5226- 5237
H.R. 13715, military construction, fiscal year 1967.....	9081, 9131; index on xi, following 9292
Base closures and reductions.....	6476, 6537; index on 6540
Shupper, Rear Adm. Burton H.: H.R. 11509, reemployment provisions of Universal Military Training and Service Act, to amend and clarify.....	5314
Air transportation for servicemen on leave.....	11514
Sikes, Hon. Robert L. F.: H.R. 13715, military construction, fiscal year 1967.....	8793; index on xi, following 9292
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10702
Singsen, Antone: H.R. 13582, H.R. 13583, medical benefits, military.....	5978
Sinton Dairy Co.: H.R. 17500, milk, price adjustments in contracts for.....	10974
Six, Robert F.: Air transportation for servicemen on leave.....	11131
Smyrna (Tenn.) Hardware & Lumber Co.: Base closures and reductions.....	6495
Snead, Comdr. Leonard A.: Close air support.....	4760; index on 4858
South Carolina Dairy Association: H.R. 17500, milk, price adjustments in contracts for.....	11014
Southeast Missouri State College: Selective Service System, review of administration and operation of.....	9851; index follows 10174
Southern Airways, Inc.: Air transportation for servicemen on leave.....	11261
Spangler, Don H.: H.R. 3313, career incentives for certain officers.....	9406
Spence, LeRoy J.: H.R. 2450, retirement in highest grade held in any armed force, amendment to provide.....	9353
Springer, Hon. William L.: Military construction, deferral of projects for fiscal year 1966.....	6371
St. Clair, Col. Eugene C.: H.R. 17119, Environmental Science Services Ad- ministration, to detail service personnel to.....	10878
St. Onge, Hon. William L.: H.R. 3313, career incentives for certain officers.....	9395
Stafford, Hon. Robert T.: Selective Service System, review of adminis- tration and operation of.....	9897; index follows 10174
Stalbaum, Hon. Lynn E.: H.R. 17500, milk, price adjustments in contracts for.....	10954
Stanton, Hon. J. William: Selective Service System, review of adminis- tration and operation of.....	9854; index follows 10174
Starbird, Lt. Gen. Alfred D.: H.R. 13456, R.D.T. & E. for fiscal year 1967.....	8612; index follows 8633
Stephens, Hon. Robert G.: Military construction, deferral of projects for fiscal year 1966.....	6357
Stephenson, Russell V.: Air transportation for servicemen on leave.....	11191
Stewart, William G.: H.R. 13369, molybdenum, disposal of, from stock- pile.....	5535
Stone, Lt. Gen. William S.: H.R. 15005, promotion opportunities for cer- tain officers.....	9427
Storke, Harry P.: Selective Service System, review of administration and operation of.....	9891; index follows 10174
Stover, Francis W.: H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10311
Stratton, Hon. Samuel S.: H.R. 420, H.R. 8158, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	10229
Strauss, John L.: H.R. 2450, retirement in highest grade held in any armed force, amendment to provide.....	9332
H.R. 5256, retired pay, change method of computing for certain enlisted members.....	9332
H.R. 5297, retired pay, to limit revocation of.....	9332

Strawn, Eugene W.: H.R. 3313, career incentives for certain officers.....	9490
Stringer, Herald E.: H.R. 5256, retired pay, method of computing for certain enlisted members.....	9442
H.R. 10267, service records, to extend to 10 years the time during which they can be amended.....	10308
H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10308
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10744
Stubbs, Donald: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5976
Sullivan, W. G.: H.R. 17500, milk, price adjustments in contracts for....	10994
Super-Cut, Inc.: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5564, 9591
H.R. 13771, diamond tools, disposal of, from stockpile.....	7271
Surrey, Hon. Stanley S.: H.R. 5293, allowance for quarters, amendment to.....	9341
Sweeney, Rear Adm. W. E.: H.R. 13456, procurement, fiscal year 1967....	7918,
7928; index follows.....	8633
Symons, Col. Arthur (Ret.): H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5970
Szabo, Laszlo: Statement before the Special Subcommittee on Central Intelligence Agency.....	5331
Taeysaerts, Jan: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5573
H.R. 13771, diamond tools, disposal of, from stockpile.....	7270
Teague, Hon. Charles M.: H.R. 9271, mentally retarded children of members of Armed Forces, to provide resident care for.....	5964
Teubner, Col. (U.S. Air Force): H.R. 13456, RDT & E for fiscal year 1967.....	8461; index follows 8633
Thomas, Norman: Selective Service System, review of administration and operation of.....	10167; index follows 10174
Thompson, Julia: H.R. 420, H.R. 8158, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	10235
Tillinghast, C. C., Jr.: Air transportation for servicemen on leave.....	11279
Timms, J. Thomas: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5410
Tipton, E. Linwood: H.R. 17500, milk, price adjustments in contracts for.....	10984
Tipton, Stuart G.: Air transportation for servicemen on leave.....	11583
Military airlift.....	6930
Tisdale, Vice Adm. Mahlon S. (retired): H.R. 9271, mentally retarded children of members of Armed Forces, to provide resident care for.....	5969
Tompkins, George W.: Military airlift.....	7033
Tool & Stainless Steel Industry Committee: H.R. 13369, molybdenum, disposal of, from stockpile.....	5533
H.R. 13774, vanadium, disposal of, from stockpile.....	5502
Tordella, Dr. Louis W.: H.R. 13715, military construction, fiscal year 1967.....	9239:
index on XI, following.....	9292
Tower, Hon. John G.: H.R. 13715, military construction, fiscal year 1967.....	9130:
index on XI, following.....	9292
Trans Caribbean Airways, Inc.: Air transportation for servicemen on leave.....	11270
Trans International Airlines, Inc.: Military airlift.....	7026
Trans-Texas Airways, Inc.: Air transportation for servicemen on leave.....	11278
Trans World Airlines, Inc.: Air transportation for servicemen on leave.....	11279
Trowbridge, A. B.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5526
Tucker, Davis R.: Military airlift.....	7160
Tunney, Hon. John V.: H.R. 13582, health benefits for dependents, to increase.....	5965
H.R. 13583, civilian health benefits program for retired members and their dependents.....	5965
Selective Service System, review of administration and operation of.....	9877;
index follows.....	10174
Tupper, Hon. Stanley R.: Base closures and reductions.....	6458; index on 6540

Turner, Lewis E.: Military construction, deferral of projects for fiscal year 1966.....	Page 6394
Tyler, Maj. Gen. Paul R.: H.R. 13715, military construction, fiscal year 1967.....	8907; index on xi, following 9292
Udall, Hon. Morris K.: H.R. 17500, milk, price adjustments in contracts for.....	11017
Union Carbide Corp.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5401
H.R. 13774, vanadium, disposal of, from stockpile.....	5509
United Air Lines: Air transportation for servicemen on leave.....	11311
United States Steel Corp.: H.R. 13774, vanadium, disposal of, from stockpile.....	5502
Universal Oil Products Co.: H.R. 12412, H.R. 13364, platinum, disposal of, from stockpiles.....	5485
University of Florida: H.R. 28, conveyance of real property of United States to Florida.....	10277
U.S. Coast Guard representative: H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10699
U.S. Conference of Governors (Advisory Committee on the National Guard): H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10734
Vanadium Alloys Steel Co.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5526
Vanadium Corp. of America: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5402, 5408, 5412, 5413
H.R. 13774, vanadium, disposal of, from stockpile.....	5503
Vance, Hon. Cyrus: H.R. 12412, platinum, release of, from stockpile.....	5475
H.R. 13364, platinum, disposal of, from stockpiles.....	5475
H.R. 13369, molybdenum, disposal of, from stockpile.....	5520
H.R. 13582, health benefits for dependents, to increase.....	5735
H.R. 13583, civilian health benefits program for retired members and their dependents.....	5738
H.R. 13715, military construction, fiscal year 1967.....	8652, iii following 9292; index on xi, following 9292
Military airlift.....	6784
Military construction, deferral of projects for fiscal year 1966.....	6326
Van Itallie Corp.: H.R. 13771, diamond tools, disposal of, from stockpile.....	7276
Van Itallie, John D.: H.R. 13771, diamond tools, disposal of, from stockpile.....	7276
Van Ryzan, Gen. W. J.: H.R. 12335, supplemental military construction for fiscal year 1966.....	5119
H.R. 13456, procurement, fiscal year 1967.....	7971; index follows 8633
Vasco Metals Corp.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5526
Veterans of Foreign Wars: H.R. 9271, H.R. 13582, H.R. 13583, medical benefits, military.....	5973
H.R. 15053, exemplary rehabilitation certificates, to award in certain cases.....	10311
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10736
Air transportation for servicemen on leave.....	11355
Victory Diamond Tool Co.: H.R. 13771, diamond tools, disposal of, from stockpile.....	7269
Waggonner, Hon. Joe D.: Selective Service System, review of administration and operation of.....	9771; index follows 10174
Walker, Hon. E. S. Johnny: H.R. 17500, milk, price adjustments in contracts for.....	10983
Base closures and reductions.....	6474; index on 6540
Manned bombers, DOD decision to reduce number and types.....	6302; index on 6304
Walker, H.L.: Military airlift.....	7050
Walsh, Robert: H.R. 13661, manganese dioxide, battery-grade, synthetic, disposal of, from stockpile.....	5547
Warren, Robert K.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5526

Watson, Lt. Gen. Albert, II: H.R. 12617, Ryukyu Islands, economic and social development in, to amend act.....	Page 5641
Wayne State University: Selective Service System, review of administration and operation of..... 9883; index follows	10174
Weindling, Leon D.: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles...	5580
H.R. 13771, diamond tools, disposal of, from stockpile.....	7276
Weissenburger, G. L.: H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5412, 5413
H.R. 13774, vanadium, disposal of, from stockpile.....	5503
Welch, J. Edward: H.R. 17500, milk, price adjustments in contracts for	11005
Werdiger, Michael: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	5554
Weside Dairy, Inc.: H.R. 17500, milk, price adjustments in contracts for	11018
Wessinger, Comdr. W. D.: H.R. 5293, allowance for quarters, amendment to.....	9333
West Coast Airlines: Air transportation for servicemen on leave.....	11339
Western Air Lines, Inc.: Air transportation for servicemen on leave.....	11343
Wheeler, Gen. Earle G.: H.R. 12335, supplemental military construction for fiscal year 1966...	4894-4899
H.R. 13456, procurement, fiscal year 1967... 7369-7609; index follows	8633
Military airlift.....	6790
Military posture, 1966..... 7369-7609; index follows	8633
Vietnam conflict.....	4905-4909, 4929-4935, 4944-4953, 4967, 4968, 4975, 5010, 5011
Wherry, Allen P.: H.R. 13370, aluminum oxide, crude, disposal of, from stockpiles...	5607, 5611
H.R. 13372, silicon carbide, crude, disposal of, from stockpiles.....	5591
Whitaker, Mrs. Judith: H.R. 16000, female officers, remove restrictions on careers of.....	11065
White, Colonel: H.R. 16306, Central Intelligence Agency Act, to amend.	10322
White, Hon. Richard C.: H.R. 13715, military construction, fiscal year 1967.....	9057, 9133 following 9292; index on xi, following 9292
H.R. 17500, milk, price adjustments in contracts for.....	11026
S. 3148, conveyance of all right, title, and interest in certain property to El Paso, Tex.....	10899
Base closures and reductions.....	6464; index on 6540
White, Maj. Gen. Thomas R., Jr.: Military airlift.....	7161
Wholesome Dairy, Inc.: H.R. 17500, milk, price adjustments in contracts for.....	11027
Wieringa, Col. John S.: H.R. 13715, military construction, fiscal year 1967.....	9142; index on xi, following 9292
Williams, Raymond J.: H.R. 10267, to extend to 10 years the time during which they can be corrected.....	10290
Williamson, Kenneth: H.R. 13582, H.R. 13583, medical benefits, military...	5980
Willis, Charles F., Jr.: Air transportation for servicemen on leave.....	11091
Wilson, Hon. Bob: H.R. 5256, retired pay, change method of computing for certain enlisted members.....	9439
Wilson, Hon. Charles H.: H.R. 12694, bauxite, Jamaica and Surinam type, disposal of, from stockpiles.....	5616
Wilson, Maj. Gen. Winston P.: H.R. 13715, military construction, fiscal year 1967.....	9287; index on xi, following 9292
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning.....	10689
Air transportation for servicemen on leave.....	11438
Wisconsin, University of: Selective Service System, review of administration and operation of..... 9877; index follows	10174
Wolfson, David: H.R. 13369, molybdenum, disposal of, from stockpile...	5523
Wolverton, Lt. Col. Harold E.: Military airlift.....	7164
Wood, R.S.: H.R. 13369, molybdenum, disposal of, from stockpile.....	5537
Woolman, C. E.: Air transportation for servicemen on leave.....	11140

XXXVII

Worcester Polytechnic Institute: Selective Service System, review of ad- ministration and operation of.....	9891; index follows	10174
World Airways, Inc.: Military airlift.....		7016
Yuen, Frank Der: Air transportation for servicemen on leave.....		11101
Zuckert, Eugene M.: H.R. 17119, Environmental Science Services Admin- istration, to detail service personnel to.....		10876
Zuzelo, Edward A.: H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....		5581

89th Congress, 2d session

INDEX OF BOOKS 1, 2, AND 3

[Book 1 contains pp. 4639 to 7220; book 2 contains pp. 7221 to 10224;
book 3 contains pp. 10225 to 11848]

	Page
Academies, appointment of candidates to (H.R. 9916).....	9409, 9479
Airline strike, impact on defense posture.....	10825
Air transportation for service personnel while on authorized leave.....	11079, 11089, 11688
Allowance for quarters, amendment to U.S. Code (H.R. 5293).....	9333
Aluminum, disposal of, from stockpile (H.R. 13366).....	7221
Aluminum oxide, crude, disposal of, from stockpiles (H.R. 13370).....	5602, 11679
Asbestos, amosite, disposal of, from stockpiles (H.R. 13580).....	5422
Asbestos, crocidolite, disposal of, from supplemental stockpile (H.R. 13770).....	7264
Base closures and reductions.....	5711, 6397; index on 6540
Bauxite, Jamaica and Surinam-type, disposal of, from stockpiles (H.R. 12694).....	5614
Bauxite, refractory-grade, disposal of, from stockpile (H.R. 13662).....	5417
Bills and resolutions in numerical order:	
H.J. Res. 421, providing for appropriate ceremonies in connection with the raising and lowering of the flags of the United States surrounding the Washington Monument.....	9349, 9475
H.J. Res. 561, to authorize the Secretary of the Army to furnish memorial headstones or markers to commemorate those civilians who lost their lives aboard the submarine U.S.S. <i>Thresher</i>	10193, 10214
H.R. 28, to provide for the conveyance of certain real property of the United States to the State of Florida.....	10247
H.R. 420, H.R. 8158, to amend title 10, United States Code, to authorize the commissioning of male persons in the Regular Army in the Army Nurse Corps and the Army Medical Specialist Corps, and to Regular Air Force with a view to designation as Air Force nurses and medical specialists, and for other purposes.....	10225, 10352
H.R. 2450, to amend title 10, United States Code, to provide that members of the Armed Forces shall be retired in the highest grade satisfactorily held in any armed force, and for other purposes.....	9351, 9476
H.R. 3013, to amend title 10, United States Code, to provide gold star lapel buttons for the next of kin of members of the Armed Forces who lost or lose their lives in war or as a result of cold war incidents.....	9452, 9497
H.R. 3313, to amend titles 10 and 37, United States Code, to provide career incentives for certain professionally trained officers of the Armed Forces.....	9361, 9484
H.R. 5256, to amend title 10, United States Code, to change the method of computing retired pay of certain enlisted members of the Army, Navy, Air Force, or Marine Corps.....	9437, 9495
H.R. 5293, to amend chapter 7 of title 37, United States Code, relative to allowances for quarters, and for other purposes.....	9333
H.R. 5297, to amend title 10, United States Code, to limit the revocation of retired pay of members of the Armed Forces, and for other purposes.....	9327, 9473
H.R. 7973, to amend section 4339 of title 10, United States Code.....	9525, 10219
H.R. 9271, to amend title 10, United States Code, to provide resident care for mentally retarded children of members of the Armed Forces under certain conditions, and for other purposes.....	5731

Bills and resolutions in numerical order—Continued

	Page
H.R. 9916, to amend title 10, United States Code, with respect to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies, and for other purposes.....	9409, 9479
H.R. 10267, to amend title 10 of the United States Code, to extend for a period of 10 years the time during which certain military, naval, and air service records may be corrected.....	10285, 10347
H.R. 11488, H.R. 11727, H.R. 15056, to authorize the grade of brigadier general in the Medical Service Corps of the Regular Army, and for other purposes.....	10237, 10353
H.R. 11509, to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes.....	5309, 5323
H.R. 11797, to make permanent the act of May 22, 1965, authorizing the payment of special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation, and for other purposes.....	9539, 10221
H.R. 11984, to amend section 701 of title 10, United States Code, to authorize additional accumulation of leave in certain foreign areas.....	9609, 10215
H.R. 12031, to authorize the appointment of Col. William W. Watkin, Jr., professor, of the U.S. Military Academy, in the grade of lieutenant colonel, Regular Army, and for other purposes.....	9449, 9500
H.R. 12334, to authorize appropriations during the fiscal year 1966 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles and research, development, test, and evaluation for the Armed Forces, and for other purposes.....	4875
H.R. 12335, to authorize certain construction in support of military activities in southeast Asia, and for other purposes.....	5094
H.R. 12412, to authorize the release of platinum from the national stockpile, and for other purposes.....	5465
H.R. 12536, to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services.....	10863, 10891
H.R. 12615, to amend sections 404(d) and 408 of title 37, United States Code, to authorize members of the uniformed services to be reimbursed under certain circumstances for the actual cost of parking fees, ferry fares, and bridge, road, and tunnel tolls.....	9458, 9501
H.R. 12616, to amend chapter 7 of title 37, United States Code, to authorize a dislocation allowance for travel performed under orders that are later canceled, revoked, or modified.....	9343
H.R. 12617, to amend the act providing for the economic and social development in the Ryukyu Islands.....	5629, 6317
H.R. 12694, to authorize the disposal of bauxite from the national stockpile and the supplemental stockpile.....	5614
H.R. 12822, to authorize the extension of certain naval vessel loans now in existence, and for other purposes.....	11671
H.R. 13320, to authorize the disposal of industrial diamond stones from the national stockpile and the supplemental stockpile.....	5547, 9590, 11678
H.R. 13364, to authorize the disposal of platinum from the national stockpile and the supplemental stockpile.....	5464
H.R. 13365, to authorize the disposal of metallurgical grade chromite from the national stockpile and the supplemental stockpile.....	5388
H.R. 13366, to authorize the disposal of aluminum from the national stockpile.....	7221
H.R. 13367, to authorize the disposal of acid-grade fluorspar from the national stockpile and the supplemental stockpile.....	5425
H.R. 13368, to authorize the disposal of bismuth from the national stockpile and the supplemental stockpile.....	5381
H.R. 13369, to authorize the disposal of molybdenum from the national stockpile.....	5515
H.R. 13370, to authorize the disposal of fused crude aluminum oxide from the national stockpile and the supplemental stockpile.....	5602, 11679
H.R. 13371, to authorize the disposal of phlogopite mica from the national stockpile and the supplemental stockpile.....	5453

Bills and resolutions in numerical order—Continued

H.R. 13372, to authorize the disposal of crude silicon carbide from the national stockpile and the supplemental stockpile.....	Page 5587
H.R. 13373, to authorize the disposal of muscovite mica from the national stockpile and the supplemental stockpile.....	5453
H.R. 13374, to amend title 10, United States Code, to authorize the award of trophies for the recognition of special accomplishments related to the Armed Forces, and for other purposes.....	9445, 9499
H.R. 13456, to authorize appropriations during the fiscal year 1967 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and to maintain parity between military and civilian pay, and for other purposes.....	7643; index follows 8633
H.R. 13569, to authorize the disposal of platinum from the national stockpile and the supplemental stockpile.....	5465
H.R. 13570, to authorize the release of platinum from the national stockpile, and for other purposes.....	5465
H.R. 13578, to authorize the disposal of rhodium from the national stockpile.....	5414
H.R. 13579, to authorize the disposal of thorium from the supplemental stockpile.....	5461
H.R. 13580, to authorize the disposal of amosite asbestos from the national stockpile and the supplemental stockpile.....	5422
H.R. 13582, to amend chapter 55 of title 10, United States Code, to increase health benefits for dependents of members of the uniformed services.....	5734
H.R. 13583, to amend chapter 55 of title 10, United States Code, to authorize a civilian health benefits program for retired members of the uniformed services and their dependents.....	5736
H.R. 13661, to authorize the disposal of battery-grade synthetic manganese dioxide from the national stockpile.....	5538, 11679
H.R. 13662, to authorize the disposal of refractory-grade bauxite from the national stockpile.....	5417
H.R. 13663, to authorize the disposal of ruthenium from the supplemental stockpile.....	5485
H.R. 13715, to authorize certain construction at military installations, and for other purposes.....	8635; index on xi, following 9292
H.R. 13768, to authorize the disposal of celestite from the supplemental stockpile.....	7252
H.R. 13769, to authorize the disposal of cordage fiber (sisal) from the national stockpile.....	7259
H.R. 13770, to authorize the disposal of crocidolite asbestos (harsh) from the supplemental stockpile.....	7264
H.R. 13771, to authorize the disposal of diamond tools, from the national stockpile.....	7267
H.R. 13772, to authorize the disposal of metallurgical grade manganese ore from the national stockpile and the supplemental stockpile.....	7278
H.R. 13773, to authorize the disposal of opium from the national stockpile.....	7283
H.R. 13774, to authorize the disposal of vanadium from the national stockpile.....	5489
H.R. 14088, to amend chapter 55 of title 10, United States Code, to authorize an improved health benefits program for retired members and members of the uniformed services and their dependents, and for other purposes.....	6305
H.R. 14741, to authorize an increase in the number of Marine Corps officers who may serve in the combined grades of brigadier general and major general.....	9293, 9466
H.R. 14875, to amend section 1035 of title 10, United States Code and other laws, to authorize members of the uniformed services who are on duty outside the United States or its possessions to deposit their savings with a uniformed service, and for other purposes.....	9313, 9468
H.R. 15005, to amend title 10, United States Code, to remove inequities in the active duty promotion opportunities of certain officers.....	9424, 9481

Bills and resolutions in numerical order—Continued

H.R. 15053, H.R. 16646, to amend title 10, United States Code, to authorize the award of Exemplary Rehabilitation Certificates to certain individuals after considering their character and conduct in civilian life after discharge or dismissal from the Armed Forces, and for other purposes.....	10296,	10349
H.R. 15244, to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within Camp Atterbury, Indiana.....	10348,	10819
H.R. 15485, to authorize the exchange of certain fluorspar and ferromanganese held in the national and supplemental stockpiles.....	9587,	10213
H.R. 15712, to amend section 2634 of title 10, United States Code, to authorize payment of expenses incidental to the transportation of motor vehicles of certain members of the armed forces.....	9571	
H.R. 15748, to amend title 10, United States Code, to authorize a special 30-day period of leave for a member of a uniformed service who voluntarily extends his tour of duty in a hostile-fire area.....	10207,	10215
H.R. 16000, to amend titles 10, 32, and 37, United States Code, to remove restrictions on the careers of female officers in the Army, Navy, Air Force, and Marine Corps, and for other purposes.....	11030,	11673
H.R. 16306, to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes.....	10315,	10356
H.R. 16394, for the relief of certain enlisted members of the military services who lost interest on amounts deposited under section 1035 of title 10, United States Code, or prior laws authorizing enlisted members' deposits, and for other purposes.....	11677	
H.R. 16435, H.R. 17195, to amend titles 10, 14, and 32, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes.....	10653,	10751
H.R. 16646, <i>see</i> H.R. 15053.		
H.R. 17119, to amend title 10, United States Code, to permit members of the Armed Forces to be assigned or detailed to the Environmental Science Services Administration, Department of Commerce.....	10876,	10894
H.R. 17195, <i>see</i> H.R. 16435.		
H.R. 17376, to authorize the disposal of nickel from the national stockpile.....	10919,	11679
H.R. 17451, to amend titles 10 and 37, United States Code, to authorize certain rank, pay, and retirement privileges for officers serving in certain positions, and for other purposes.....	11637,	11680
H.R. 17500, to amend chapter 141 of title 10, United States Code, to provide for price adjustments in contracts for the procurement of milk by the Department of Defense.....	10941,	11682
H.R. 18019, to authorize the Secretary of the Army to construct an addition at the Walter Reed Army Medical Center, Washington, D.C.....	11697,	11702
S. 2421, to authorize the adjustment of the legislative jurisdiction exercised by the United States over lands within the Columbia River at the mouth project in the States of Washington and Oregon.....	9505	
S. 3148, to provide for the conveyance of all right, title, and interest of the United States reserved or retained in certain lands heretofore conveyed to the city of El Paso, Tex.....	10895,	11687
S. 3500, to authorize the President to advance Maj. Gen. Robert Wesley Colglazier, Jr., to the grade of lieutenant general.....	11029,	11701
Bismuth, disposal of, from stockpiles (H.R. 13368).....	5381	
Camp Atterbury, Ind., to adjust jurisdiction over (H.R. 15244)....	10348,	10819
Career incentives for certain officers (H.R. 3313).....	9361,	9484
Celestite, disposal of, from stockpile (H.R. 13768).....	7252	
Central Intelligence Agency Act of 1949, to amend (H.R. 16306)....	10315,	10356
Chromite, metallurgical grade, disposal of, from stockpiles (H.R. 13365)...	5388	
Close air support:		
Hearings.....	4639; index on	4858
Report.....		4859
Colglazier, Maj. Gen. Robert Wesley, Jr., raise to grade of lieutenant general (S. 3500).....	11029,	11701
Columbia River, adjustment of jurisdiction over lands within (S. 2421)...	9505	

XLIII

Conveyance of all right, title, and interest in certain land to El Paso, Tex. (S. 3148).....	Page 10895, 11687
Conveyance of real property of the United States to Florida (H.R. 28).....	10247
Copper, disposal of, from stockpiles.....	5495, 5626
Cordage fiber (sisal), disposal of, from stockpile (H.R. 13769).....	7259
Crocidolite asbestos (harsh), disposal of, from stockpile (H.R. 13770).....	7264
Dairy farm, U.S. Naval Academy, proposed disposal of, report on.....	11071, 11685
Deposit accounts of certain enlisted members, to adjust (H.R. 16394).....	11677
Diamond stones, industrial, disposal of, from stockpiles (H.R. 13320).....	5547, 9590, 11678
Diamond tools, disposal of, from stockpile (H.R. 13771).....	7267
Dislocation allowance for travel performed under orders later changed (H.R. 12616).....	9343
Draft. See Selective Service System.	
Environmental Science Services Administration, to detail service personnel to (H.R. 17119).....	10876, 10894
Exemplary rehabilitation certificates, to award in certain cases (H.R. 15053, H.R. 16646).....	10296, 10349
Female officers, remove restrictions on careers of (H.R. 16000).....	11030, 11673
Ferromanganese, exchange from stockpiles (H.R. 15485).....	9587
Flag ceremonies at Washington Monument (H.J. Res. 421).....	9349, 9475
Fluorspar, acid grade, disposal of, from stockpiles (H.R. 13367).....	5425
Fluorspar, exchange from stockpiles (H.R. 15485).....	9587, 10213
France, military installations and NATO bases in, report of special sub-committee.....	10377
Full committee hearings on—	
H.J. Res. 421, flag ceremonies at Washington Monument.....	9475
H.J. Res. 561, memorial markers for civilian casualties on U.S.S. <i>Thresher</i>	10214
H.R. 420, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	10352
H.R. 2450, retirement in highest grade held in any Armed Force, amendment to provide.....	9476
H.R. 3013, gold star buttons for next of kin.....	9497
H.R. 3313, career incentives for certain officers.....	9484
H.R. 5256, retired pay, change method of computing for certain enlisted members.....	9495
H.R. 5297, retired pay, to limit revocation of.....	9473
H.R. 7973, United States Code, title 10, to amend section 4339 to furnish without charge, quarters for certain personnel at U.S. Military Academy.....	10219
H.R. 9916, Academies, appointment of candidates to.....	9479
H.R. 10267, service records, to extend to 10 years the time during which they can be corrected.....	10347
H.R. 11488, Medical Corps of Regular Army, grade of brigadier general authorized.....	10353
H.R. 11509, reemployment provisions of the Universal Military Training and Service Act, to amend and clarify.....	5323
H.R. 11979, special allowances to dependents for expenses of evacuation, to make permanent the act providing.....	10221
H.R. 11984, leave, to authorize accumulation in certain foreign areas.....	10215
H.R. 12031, Watkin, Col. William W., appointment to lieutenant colonel in Regular Army.....	9500
H.R. 12334, supplemental procurement for fiscal year 1966.....	4875
H.R. 12335, supplemental military construction for fiscal year 1966.....	5094
H.R. 12336, trailers and mobile dwellings, transportation of.....	10891
H.R. 12615, reimbursement for cost of certain toll charges when traveling.....	9501
H.R. 12617, Ryukyu Islands, economic and social development in.....	6317
H.R. 12822, naval vessels, extend loan of.....	11671
H.R. 13320, diamond stones, industrial, disposal of, from stockpiles.....	11678
H.R. 13370, aluminum oxide, crude, disposal of, from stockpiles.....	11679
H.R. 13374, trophies, to award for special accomplishments related to Armed Forces.....	9499
H.R. 13456, procurement and R.D.T. & E. for fiscal year 1967; and maintain parity between military and civilian pay.....	7643; index follows 8633

Full committee hearings on—Continued

H.R. 13661, manganese dioxide, battery grade, synthetic, disposal of, from stockpiles.....	11679
H.R. 13715, military construction, fiscal year 1967.....	8635;
index on xi, following.....	9292
H.R. 14088, health benefits program for retired members, and active members and dependents.....	6305
H.R. 14741, Marine Corps officers, increase number in combined grades of brigadier general and major general.....	9466
H.R. 14875, savings, deposit with uniformed service, by members on duty outside United States.....	9468
H.R. 15005, promotion opportunities of certain officers.....	9481
H.R. 15244, Camp Atterbury, Ind., to adjust jurisdiction over.....	10348
H.R. 15485, fluorspar and ferromanganese, exchange from stockpiles.....	10213
H.R. 15712, motor vehicles, payment for transportation of, for certain members of Armed Forces.....	9571
H.R. 15748, leave, 30-day period for voluntary extension of service in hostile fire area.....	10215
H.R. 16000, female officers, remove restrictions on careers of.....	11673
H.R. 16306, Central Intelligence Agency Act of 1949, to amend.....	10356
H.R. 16394, deposit accounts of certain enlisted members, to adjust.....	11677
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend U.S. Code concerning.....	10751
H.R. 16646, exemplary rehabilitation certificates, to award in certain cases.....	10349
H.R. 17119, Environmental Science Services Administration, to detail service personnel to.....	10894
H.R. 17195 see H.R. 16435.	
H.R. 17376, nickel, disposal of, from national stockpile.....	11679
H.R. 17451, rank, pay, and retirement privileges for certain officers.....	11680
H.R. 17500, milk, price adjustments in contracts for.....	11682
H.R. 18019, Walter Reed Medical Center, construct addition at.....	11697.
	11702
S. 3148, conveyance of all right, title, and interest in certain land to El Paso, Tex.....	11687
S. 3500, Colglazier, Maj. Gen. Robert Wesley, Jr., raise to grade of lieutenant general.....	11701
Airline strike, impact on defense posture.....	10825
Air transportation for servicemen on leave.....	11688
Dairy farm, U.S. Naval Academy, proposed disposal of.....	11685
Military construction, fiscal year 1967 (H.R. 13715).....	8635;
index on xi, following.....	9292
Military posture, 1966.....	7287;
index follows.....	8633
Selected tenure program, proposed legislation on.....	10222
Selective Service System, review of administration and operation of.....	9615;
index follows.....	10174
Interim report on.....	10175
Unidentified flying objects.....	5991
Gold star buttons for next of kin (H.R. 3013).....	9452, 9497
Health benefits program for retired members, and active members and dependents (H.R. 14088).....	6305
Hungarian refugee Laszlo Szabo, statement by, before Special Subcommittee on Central Intelligence Agency.....	5331
Leave, 30-day period for voluntary extension of service in hostile fire area (H.R. 15748).....	10207, 10215
Leave, to authorize accumulation in certain foreign areas (H.R. 11984).....	9609, 10215
Male nurses and medical specialists, regular commissions for, in Army and Air Force (H.R. 420, H.R. 8158).....	10225, 10352
Manganese dioxide, battery grade, synthetic, disposal of, from stockpile (H.R. 13661).....	5538, 11679
Manganese ore, metallurgical grade, disposal of, from stockpiles (H.R. 13772).....	7278
Manned bombers, DOD decision to reduce number and types.....	6077,
index on 6304; 6541, table of contents preceding.....	6541
Marine Corps officers, to increase number in combined grades of brigadier general and major general (H.R. 14741).....	9293, 9466

	Page
Medical benefits, military (H.R. 9271, H.R. 13582, H.R. 13583).....	5731
Medical Service Corps of Regular Army, grade of brigadier general authorized (H.R. 11488, H.R. 11727, H.R. 15056).....	10237, 10353
Memorial markers for civilian casualties on U.S.S. <i>Thresher</i> (H.J. Res. 561).....	10193, 10214
Mentally retarded children of members of Armed Forces, resident care for (H.R. 9271).....	5731
Charges for residential care of mentally retarded children, study on.....	5922
Clinical Programs for Mentally Retarded Children, a listing compiled by Children's Bureau of HEW.....	5779
"Problems of Armed Forces Personnel With Mentally Retarded Dependents," document entitled.....	5903
Mica, muscovite, disposal of, from stockpiles (H.R. 13373).....	5453
Mica, phlogopite, disposal of, from stockpiles (H.R. 13371).....	5453
Military airlift.....	6605, 7177
Military construction, deferral of projects for fiscal year 1966.....	5663, 6323
List of items to be deferred.....	5699 et seq.
Military construction, fiscal year 1967 (H.R. 13715).....	8635;
index on xi following.....	9292
Projects by location and service, index of.....	page xx, following 9292
Military construction, supplemental for fiscal year 1966 (H.R. 12335).....	5094
Military posture, 1966.....	7287; index follows 8633
Milk, price adjustments in contracts for (H.R. 17500).....	10941, 11682
Molybdenum, disposal of, from stockpiles (H.R. 13369).....	5515
Motor vehicles, payment for transportation of, for certain members of Armed Forces (H.R. 15712).....	9571
National Guard technicians and Reserve components, to amend United States Code concerning (H.R. 16435, H.R. 17195).....	10653, 10751
NATO bases and military installations in France, report of special subcommittee.....	10377
Naval Academy dairy farm, proposed disposal of, report on.....	11071, 11685
Naval vessels, extend loan of (H.R. 12822).....	11671
Nickel, disposal of, from national stockpile (H.R. 17376).....	10919, 11679
Nuclear navy, statement on.....	8125; index follows 8633
Opium, disposal of, from stockpile (H.R. 13773).....	7283
Palladium, relationship with disposal of platinum from stockpiles.....	5468
Pay, to maintain parity between military and civilian (H.R. 13456).....	7643
Platinum, disposal of, from stockpiles (H.R. 12412, H.R. 13364, H.R. 13569, and H.R. 13570).....	5464
Procurement, fiscal year 1967 (H.R. 13456).....	7643; index follows 8633
Procurement, supplemental for fiscal year 1966 (H.R. 12334).....	4875
Promotion opportunities of certain officers (H.R. 15005).....	9424, 9481
Rank, pay, and retirement privileges for certain officers (H.R. 17451).....	11637, 11680
Reemployment provisions of the Universal Military Training and Service act, to amend and clarify (H.R. 11509).....	5309, 5323
Reimbursement for cost of certain toll charges when traveling (H.R. 12615).....	9458, 9501
Report of the activities of House Committee on Armed Services, 89th Congress, first and second sessions (Committee Paper No. 102).....	11781;
index follows.....	11848
Research, development, test and evaluation program, fiscal year 1967.....	8165;
index follows.....	8633
Reserve components and National Guard technicians, to amend United States Code concerning (H.R. 16435, H.R. 17195).....	10653, 10751
Retired pay, change method of computing for certain individuals (H.R. 5256).....	9437, 9495
Retirement in highest grade held in any Armed Force, amendment to provide (H.R. 2450).....	9351, 9476
Retirement pay, to limit revocation of (H.R. 5297).....	9327, 9473
Rhodium, disposal of, from stockpile (H.R. 13578).....	5414
Ruthenium, disposal of, from stockpile (H.R. 13663).....	5485
Ryukyu Islands, economic and social development in, amend act for (H.R. 12617).....	5629, 6317
Savings, deposit with uniformed service, by members on duty outside United States (H.R. 14875).....	9313, 9468

	Page
Selective Service System, review of administration and operation of.....	9615;
index follows.....	10174
Brief description of Selective Service System.....	10144
Interim report on.....	10175
Lottery system, study of.....	10067
Universal Military Training and Service Act as amended with analysis.....	10093
Mechanics of the administration of.....	10148
Selected tenure program, proposed legislation on.....	10222
Service records, to extend to 10 years the time during which they can be corrected (H.R. 10267).....	10285, 10347
Silicon carbide, crude, disposal of, from stockpiles (H.R. 13372).....	5587
Sisal, disposal of, from stockpile (H.R. 13769).....	7259
Southeast Asia, report of special committee following visit April 7-19, 1966.....	9545
Special allowances to dependents for expenses of evacuation, to make permanent the act providing (H.R. 11979).....	9539, 10221
Stockpile commodities. <i>See under specific commodity.</i>	
Stockpiling, report on, by Subcommittee No. 1 (October 21, 1966).....	11705
Subcommittee hearings and special reports:	
Subcommittee No. 1:	
H.J. Res. 561, memorial markers for civilian casualties on U.S.S. <i>Thresher</i>	10193
H.R. 420, H.R. 8158, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	10225
H.R. 8158, H.R. 420, male nurses and medical specialists, regular commissions for, in Army and Air Force.....	10225
H.R. 11488, H.R. 11727, H.R. 15056: Medical Service Corps of Regular Army, grade of brigadier general authorized.....	10237
H.R. 11727, H.R. 15056, H.R. 11488, Medical Service Corps of Regular Army, grade of brigadier general authorized.....	10237
H.R. 12412, platinum, disposal of, from stockpiles.....	5464
H.R. 12694, Jamaica and Surinam-type bauxite, disposal of, from stockpiles.....	5614
H.R. 13320, industrial diamond stones, disposal of, from stockpiles.....	5547, 9590
H.R. 13364, platinum, disposal of, from stockpiles.....	5464
H.R. 13365, chromite, metallurgical grade, disposal of, from stockpiles.....	5388
H.R. 13366, aluminum, disposal of, from stockpile.....	7221
H.R. 13367, acid grade fluorspar, disposal of, from stockpiles.....	5425
H.R. 13368, bismuth, disposal of, from stockpiles.....	5381
H.R. 13369, molybdenum, disposal of, from stockpiles.....	5515
H.R. 13370, crude aluminum oxide, disposal of, from stockpiles.....	5602
H.R. 13371, phlogopite mica, disposal of, from stockpiles.....	5453
H.R. 13372, crude silicon carbide, disposal of, from stockpiles.....	5587
H.R. 13373, muscovite mica, disposal of, from stockpiles.....	5453
H.R. 13569, platinum, disposal of, from stockpiles.....	5464
H.R. 13570, platinum, disposal of, from stockpiles.....	5464
H.R. 13578, rhodium, disposal of, from stockpile.....	5414
H.R. 13579, thorium, disposal of, from stockpile.....	5461
H.R. 13580, amosite asbestos, disposal of, from stockpiles.....	5422
H.R. 13661, battery grade synthetic manganese dioxide, disposal of, from stockpile.....	5538
H.R. 13662, refractory-grade bauxite, disposal of, from stockpile.....	5417
H.R. 13663, ruthenium, disposal of, from stockpile.....	5485
H.R. 13768, celestite, disposal of, from stockpile.....	7252
H.R. 13769, cordage fiber (sisal), disposal of, from stockpile.....	7259
H.R. 13770, crocidolite asbestos (harsh), disposal of, from stockpile.....	7264
H.R. 13771, diamond tools, disposal of, from stockpile.....	7267
H.R. 13772, manganese ore, metallurgical grade, disposal of, from stockpiles.....	7278
H.R. 13773, opium, disposal of, from stockpile.....	7283
H.R. 13774, vanadium, disposal of, from stockpile.....	5489

Subcommittee hearings and special reports—Continued

Subcommittee No. 1—Continued

H.R. 15056, H.R. 11488, H.R. 11727, Medical Service Corps of Regular Army, grade of brigadier general authorized.....	Page 10237
H.R. 15485, fluorspar and ferromanganese, exchange from stockpiles.....	9587
H.R. 16000, female officers, remove restrictions on careers of....	11030
H.R. 16306, Central Intelligence Agency Act, to amend.....	10315
H.R. 17376, nickel, disposal of, from national stockpile.....	10919
S. 3500, Colglazier, Maj. Gen. Robert Wesley, Jr., raise to grade of lieutenant general.....	11029
Military construction, deferral of projects for fiscal year 1966. List of items to be deferred.....	5663, 6323 5699, et seq.
Stockpiling, report on (October 21, 1966).....	11705

Subcommittee No. 2:

H.J. Res. 421, flag ceremonies at Washington Monument.....	9349
H.R. 2450, retirement in highest grade held in any armed force, amendment to provide.....	9351
H.R. 3313, career incentives for certain officers.....	9361
H.R. 5256, retired pay, change method of computing for certain enlisted members.....	9437
H.R. 5293, allowance for quarters, amendment to.....	9333
H.R. 5297, retired pay, to limit revocation of.....	9327
H.R. 9271, mentally retarded childred of members of armed forces, to provide resident care for.....	5731
H.R. 9916, Academies, appointment of candidates to.....	9409
H.R. 12616, dislocation allowance for travel performed under orders later changed.....	9343
H.R. 13582, health benefits for dependents, to increase.....	5734
H.R. 13583, civilian health benefits program for retired members and their dependents.....	5736
H.R. 14741, Marine Corps officers, increase number in combined grades of brigadier general and major general.....	9293
H.R. 14875, savings, deposit with uniformed service, by members on duty outside United States.....	9313
H.R. 15005, promotion opportunities of certain officers.....	9424
H.R. 16435, H.R. 17195, Reserve components and National Guard technicians, to amend United States Code concerning..	10653
H.R. 17195 see H.R. 16435.	
H.R. 17451, rank, pay, and retirement privileges for certain officers.....	11637
Manned bombers, DOD decision to reduce number and types... index on 6304; 6541, table of contents preceding 6541	6077,

Subcommittee No. 3:

H.R. 28, conveyance of real property of United States to Florida..	10247
H.R. 11509, reemployment provisions of the Universal Military Training and Service Act, to amend and clarify.....	5309
H.R. 11984, leave, to authorize accumulation in certain foreign areas.....	9609
H.R. 12536, trailers and mobile dwellings, transportation of....	10863
H.R. 12617, Ryukyu Islands; amend act for economic and social development in.....	5629
H.R. 13456, procurement and R.D.T. & E. for fiscal year; and maintain parity between military and civilian pay.....	8165; index follows 8633
H.R. 15748, leave, 30-day period for voluntary extension of service in hostile fire area.....	10207
H.R. 17119, Environmental Science Services Administration to detail service personnel to.....	10876
H.R. 17500, milk, price adjustments in contracts for.....	10941
S. 2421, Columbia River, adjustment of jurisdiction over lands within.....	9505
Research, development, test, and evaluation program, fiscal year 1967.....	8165; index follows 8633

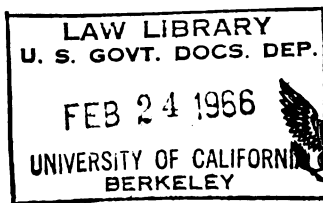
Subcommittee hearings and special reports—Continued

	Page
Subcommittee No. 4:	
H.R. 3013, gold star buttons for next of kin.....	9452
H.R. 7973, United States Code, title 10, to amend section 4339 to furnish without charge quarters for certain personnel at U.S. Military Academy.....	9525
H.R. 11979, special allowances to dependents for expenses of evacuation, to make permanent the act providing.....	9539
H.R. 12031, Watkin, Col. William W., appointment to lieutenant colonel in Regular Army.....	9449
H.R. 12615, reimbursement for cost of certain toll charges when traveling.....	9458
H.R. 13374, trophies, to award for special accomplishments related to Armed Forces.....	9445
Base closures and reductions..... 5711, 6397; index on	6540
Special Subcommittee on American Military Installations and NATO Bases in France, report of.....	10377
Special Subcommittee on Antisubmarine Warfare.....	10351
Special Subcommittee on Central Intelligence Agency, statement of Laszlo Szabo before.....	5331
Special Subcommittee on Commercial Air Transportation for Service Personnel While on Authorized Leave..... 11079,	11089
Special Subcommittee on Discharges and Dismissals:	
H.R. 10267, service records, to extend to 10 years the time during which they can be corrected.....	10285
H.R. 15053, H.R. 16646, exemplary rehabilitation certificates, to award in certain cases.....	10296
Special Subcommittee on Disposal of Naval Academy Dairy Farm..	10352, 11071
Special Subcommittee on Military Airlift, hearings and report on military airlift.....	6605, 7177
Special Subcommittee on Real Estate:	
H.R. 15244, Camp Atterbury, Ind., to adjust jurisdiction over... S. 3148, conveyance of all right, title, and interest in certain lands to El Paso, Tex.....	10819
Special Subcommittee on Tactical Air Support, hearings and report on close air support.....	4639; index on 4858, 4859
Special Subcommittee To Visit Southeast Asia, report by.....	9545
Thorium, disposal of, from stockpile (H.R. 13579).....	5461
Trailers and mobile dwellings, transportation of (H.R. 12536)....	10863, 10891
Trophies, to award for special accomplishments related to Armed Forces (H.R. 13374).....	9445, 9499
Unidentified flying objects.....	5991, 7689
United States Code, title 10, to amend section 4339 to furnish without charge quarters for certain personnel at U.S. Military Academy (H.R. 7973).....	9525, 10219
Universal Military Training and Service Act, as amended, with analysis.....	5253, 10093
Mechanics of the administration of.....	10148
Vanadium, disposal of, from stockpile (H.R. 13774).....	5489
Vietnam, report on, by special subcommittee following visit April 7-19, 1966.....	9545
Walter Reed Medical Center, construct addition at (H.R. 18019)....	11697, 11702
Watkin, Col. William W., appointment to lieutenant colonel in Regular Army (H.R. 12031).....	9449, 9500
West Point Military Academy, civilian instructors at, to amend code concerning quarters for (H.R. 7973).....	9525, 10219

[No. 43]

CLOSE AIR SUPPORT

HEARING**BEFORE THE****SPECIAL SUBCOMMITTEE ON
TACTICAL AIR SUPPORT****OF THE****COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS
FIRST SESSION**

SEPTEMBER 22, 23, 28, 29, 30, OCTOBER 6, AND 14, 1965

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EIGHTY-NINTH CONGRESS, FIRST SESSION

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CLOSE AIR SUPPORT

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON TACTICAL AIR SUPPORT,
Washington, D.C., Wednesday, September 22, 1965.

The subcommittee met at 10:11 a.m., Hon. Otis G. Pike (chairman of the subcommittee) presiding.

Mr. PIKE. The committee will come to order.

Let the record show that a quorum is present.

We open today hearings which I know will be interesting, and I hope will be fruitful.

In January 1961, in a report to a Communist Party conference, Chairman Nikita Khrushchev set forth the doctrine by which Communist conquest was to be governed in the future. He described four kinds of war:

1. World wars.
2. Local wars.
3. Liberation wars.
4. Popular uprisings.

Mr. Khrushchev announced to the world that international communism was opposed to both world wars and local wars as being too dangerous for profitable utilization in a world armed with nuclear weapons.

With regard to what he referred to as wars of national liberation, however, he stated that the Communist movement would recognize and support such wars. With specific reference to the war in Vietnam, he said "It is a sacred war."

For four and a half years we have been forewarned. What Khrushchev referred to as wars of national liberation and described as "sacred" in Vietnam have been translated on the battlefield and in the cities and countryside into attacks by terrorists at night, the blowing up of restaurants and buses as well as bridges and barracks. In a jungle environment attacks on Government outposts are carried on most frequently by platoon or company-sized units at night. These small units are armed with mortars, recoilless rifles, machineguns, and automatic weapons. They do not have tanks or armored personnel carriers, and they walk into battle. They would be hard to find in a jungle environment in the daytime. They are harder to find during the nighttime, which they claim for their own.

Arrayed against these small and elusive units is the military power of America. We have all the tanks that there are in South Vietnam. We have all the armored personnel carriers that there are in South Vietnam. We have almost all of the artillery, and we retain complete mastery of the skies. Over 20 different models of American air-

craft, undisturbed by enemy aircraft, roam the skies of South Vietnam at will, subject only to the danger of ground fire from conventional small arms.

Many voices have been raised asking why our air power is unable to find and destroy the Vietcong in South Vietnam. Chairman L. Mendel Rivers has asked this subcommittee to look into this question. Due to the present pressing congressional obligations of the members and staff of the subcommittee, we will have limited opportunities to travel for the purpose of field investigations until recess of this session of Congress. In addition, the time allotted to the subcommittee is not sufficient to allow us at this time to inquire into every detail related to tactical air support, and therefore we must limit our investigations to the following aspects:

1. The adequacy of our close air support during the course of the war in Vietnam and today;
2. The availability of close air support 24 hours a day under all weather conditions;
3. The quantities available, the cost and effectiveness of the various tactical aircraft being used in South Vietnam today;
4. The adequacy of liaison and communications between the air forces and the ground forces in Vietnam;
5. The adequacy of existing logistic and support facilities for tactical aircraft in Vietnam;
6. The development of new tactics and techniques for close air support;
7. Whether any progress has been made in developing and producing a new type aircraft for close air support in limited war situations;
8. The adequacy of our training environment to simulate conditions such as those found in Vietnam.

For the purpose of the subcommittee during these investigations we have adopted the Joint Chiefs of Staff definition of close air support:

Air action against hostile targets which are in close proximity to friendly forces and which require detailed integration of each air mission with the fire and movement of those forces.

I believe that these hearings have a significance beyond our current confrontation in Vietnam. As we look at the globe we can see over much of its land surface other peoples who must be considered amenable to Communist propaganda, to Communist subversion, to Communist terror. We see people who remain hungry, who remain ill clothed, ill housed, and uneducated. We can see at the outset that no amount of military power of any kind is the answer to their problems. We would be blind indeed, however, if we could not also see, as we see in Vietnam, that no government can attack and solve these problems when it is the steady victim of armed terror and armed insurrection aimed not at the solution of the people's problems, but at the domination of the people themselves. As we look at the globe we also find countless other areas where not only the economic and social problems are the same as those in Vietnam, but where the geography is the same. We find countless regions where small bands of armed guerrillas can operate effectively in jungles, as the Vietcong do in Vietnam, as Castro did in Cuba, and as is being done on the continents of Africa and South America today.

The question before us is, having been forewarned, have we adequately forearmed ourselves? Have we used too much of our resources in preparing for the kind of warfare which Khrushchev has described as intolerable, and not enough of our resources in preparing for the kind of warfare he described as inevitable?

These hearings will of necessity be held almost exclusively in executive session. They will not be accompanied by spectacular press releases, nor will any of the issues to which we direct our attention be prejudged. It is our purpose to study, and, if we can, to help solve them. We are starting our hearings not with the testimony of planners in the Pentagon, who would tell us how our system should work; we are starting our testimony instead with witnesses who have been on the firing line in Vietnam and can tell us how it does work. Today we will hear witnesses who have been on the ground, and who have needed air support; tomorrow we will hear those who have been in the air and have tried to provide it. It is obvious that any weaknesses in our system of close air support have not proved fatal to those whom we will hear from. What others who called for air support and failed to receive it might have testified we can never know. In future sessions we will hear from the men who plan our tactics, procure and manufacture our planes, and train our pilots. We will visit the bases and places where these activities are conducted.

I say to each of the witnesses that before we can help you, you will have to be candid with us. I enjoin each of the witnesses to speak freely and in his own words, to give an account of his personal combat experiences in Vietnam during which close air support was requested. We are particularly interested in your personal evaluation of what happened, or what should have happened.

Mr. Marshall, would you get the first witness for us?

Mr. MARSHALL. First Sgt. Wade Damron is the first witness.

Mr. PIKE. Come on up.

Mr. MARSHALL. He is sitting at the table.

Mr. PIKE. All right.

Sergeant Damron, I don't know whether this is a unique experience for this committee, or not, to start a hearing with an enlisted man, but I think it is highly proper, frankly. We are always starting with the Secretary of Defense and working our way down, and now we will start with the man who has been on the ground, and we may wind up with the Secretary of Defense.

(The biographical sketch of Sergeant Damron is as follows:)

BIOGRAPHICAL SKETCH OF FIRST SGT. WADE DAMRON

First Sgt. Wade Damron was born in Dingen, W. Va., on February 8, 1935. His first tour of duty was at Camp Breckenridge, Ky., for basic training. Sergeant Damron was assigned to Eta Jima (Japan) Specialist School for medical training in December 1952 and from the school to Korea in February 1953. In Korea he served as a medical aid man and as an infantry rifle squad leader.

Transferred to Fort Knox in April 1954, Sergeant Damron served as a platoon sergeant in the 3d Armored Division. In April 1956, he went to Europe for a 3-year tour with the division on Operation Gyroscope.

After returning to the United States in April 1959, he served as an instructor and adviser with the USAR in Greensboro, N.C.

Damron went to Vietnam in May 1964 where he was assigned as assistant adviser to the 27th Regional Forces Battalion, Vinh Long Province in the Mekong Delta. While working with the battalion, Sergeant Damron acted as a forward

air controller on several occasions. These were usually missions of an emergency nature and not preplanned air support.

His decorations include the Silver Star, Bronze Star, Army Commendation Medal, Purple Heart (two awards), Combat Infantry Badge, and Combat Medical Badge.

He is married to the former Mary Lou Marcum of Dingen, W. Va., and resides at 5805 Sylvan Drive, Columbia, S.C. Sergeant Damron is currently assigned at the Army Training Center (Infantry), Fort Jackson, S.C.

STATEMENT OF 1ST SGT. WADE DAMRON, U.S. ARMY

Mr. PIKE. Sergeant Damron has a very fine record. He has been, well, I guess you started in the service back in 1952; is that correct, Sergeant Damron?

Sergeant DAMRON. Yes, Mr. Chairman, in June of 1952.

Mr. PIKE. And when did you go to Vietnam, Sergeant Damron?

Sergeant DAMRON. May of 1964, sir.

Mr. PIKE. What were your duties there? Where were you stationed?

Sergeant DAMRON. I was assigned in the delta area in the 4th Corps, in Vinh Long Province, sir. I was assigned as assistant adviser to the Regional Forces and Popular Forces.

Mr. PIKE. And the Regional Forces—how would they correspond with our forces in America? They are not the Regular Forces, are they?

Sergeant DAMRON. No, sir; they are not. I don't think there would be a direct—

Mr. PIKE. Would it be sort of like a State Guard?

Sergeant DAMRON. Sort of like a National Guard, which is used only in the State. The Regional are used only in that Province, in most cases with the exception of some border-type operations between Provinces.

Mr. PIKE. And how long were you assigned to this Régional Force unit, Sergeant?

Sergeant DAMRON. One year, sir.

Mr. PIKE. And you lived with them?

Sergeant DAMRON. Well, in the field; yes, sir. When we were back in the city, I lived in the MAAG house with the rest of the Americans.

Mr. PIKE. I see. How much time did you spend in the field?

Sergeant DAMRON. Usually 3 to 7 days a week, in one type of operation or another.

Mr. PIKE. I think I can say for all of the members of this subcommittee, Sergeant Damron—now, I can say this for Mr. Ichord and Mr. Chamberlain who have been out there and have seen some of the work that you were doing, that we are just as proud of you as we can be. We really mean it. We have seen the conditions under which you worked, the conditions under which you lived, and we cannot speak too highly for the work you have done and the sacrifices you have made.

I think it is wonderful that you were chosen to come here and lead off these hearings.

Sergeant, in the course of your duties did you ever have occasion to call for air support?

Sergeant DAMRON. Yes, sir.

Mr. PIKE. About how many times would you say this situation arose?

Sergeant DAMRON. I would say approximately 10 times, sir, but I am not sure of the exact number.

Mr. PIKE. Would this be when you were out on missions and it was preplanned, or would it be when an attack was mounted against some place where you were, and you did not know that the attack was coming?

Sergeant DAMRON. All of the air missions that I had, sir, were emergency type missions with the exception of one.

Mr. PIKE. So in the typical mission that you had you were being hit by the enemy; is that correct?

Sergeant DAMRON. Yes, sir; we were always in contact before we ever called for air support.

Mr. PIKE. And what would be the nature of a target? Can you give us an example of a time when you called for air support? What was the target you wanted support against?

Sergeant DAMRON. Yes, sir; I can give an example.

On the 24th of February we made contact with a Vietcong battalion, which I estimated at the time to be 600, but we learned from a prisoner that it was approximately 700. They were well dug in, and when I say "well dug in," I mean with overhead cover, of from 2 to 3 feet thick, over top of a foxhole, and trench-type placements.

Mr. PIKE. Now, you say you made contact with it. Who made the contact? Was this the Vietnamese forces?

Sergeant DAMRON. This was the Vietnamese Regional Force battalion that I was advising, sir.

Mr. PIKE. And how would you get your information on this?

Sergeant DAMRON. I don't know where the original information came from, the direct source, but the piece of intelligence that we were reacting to was information I had received from my senior adviser, he said we had a Vietcong company dug in in this area. So the plan was to take a battalion to try to engage them and overrun them or destroy them.

Mr. PIKE. So it was really—as far as you were concerned—a planned operation?

Sergeant DAMRON. Yes, sir. The ground operation was planned, but this was a little bit of an unusual operation because we started in the middle of the day instead of early in the morning. We did react to a piece of hot intelligence, so to speak.

Mr. PIKE. I see. When you called for your air support had your unit already moved out toward this objective?

Sergeant DAMRON. Yes, sir; we had already suffered a number of casualties, I would say in the neighborhood of 25 to 30 casualties at that time.

Mr. PIKE. Right. And had you suffered these casualties before you called for the air support?

Sergeant DAMRON. Yes, sir.

Mr. PIKE. Were you the individual who made the contact for the air support?

Sergeant DAMRON. The adviser that I worked for, Captain Spoons, called initially, sir, and then he went with the battalion commander, and I did the radio control.

Mr. PIKE. I see.

Sergeant DAMRON. Through the Airborne L-19 that we had. This is a type of liaison plane.

Mr. PIKE. And you say this operation started around noon?

Sergeant DAMRON. Yes, sir; that is the time we moved out by boat from Vinh Long. We used our own boat company to move out. This particular district lies in the middle of the Mekong River on an island. It is on one end of an island, if you recall the area there.

Mr. PIKE. Do you know what time the captain called for the air support?

Sergeant DAMRON. Not exactly.

Mr. PIKE. Can you give us an approximation?

Sergeant DAMRON. Mr. Chairman, I would say approximately 1400, or 2 o'clock in the afternoon.

Mr. PIKE. Right. When he called, or when you called for air support, did you ask for particular types of bomb loads or particular types of aircraft?

Sergeant DAMRON. We did ask for a particular type of bomb load on this day, sir.

Mr. PIKE. What did you ask for?

Sergeant DAMRON. We asked for napalm, sir.

Mr. PIKE. Napalm?

Sergeant DAMRON. Yes, sir.

Mr. PIKE. Did you ask for a particular quantity or a number of sorties?

Sergeant DAMRON. I am not sure if he asked for a number of sorties, or a particular quantity, Mr. Chairman. Captain Spoons made the initial request, and I handled it after that. We did get a number of sorties; however, we didn't get any napalm.

Mr. PIKE. What kind of sorties did you get, Sergeant?

Sergeant DAMRON. Well, initially we got two Vietnamese type of A-1's and each plane dropped one bomb, high explosive type, I assume, from the sound of it. It definitely was not napalm. Then they left.

Mr. PIKE. Do you know what time those first two planes arrived on target?

Sergeant DAMRON. Approximately 1,500, sir. But, again, I couldn't be sure. This would be within a few minutes.

Mr. PIKE. That would be roughly in the area of an hour?

Sergeant DAMRON. An hour; yes, sir.

Mr. PIKE. After they were called for?

Sergeant DAMRON. And I understand from Colonel Roberts, who was the sector senior adviser, that these two planes were on a mission someplace else and they were diverted to us because we were in such trouble at the time. We were trying to extract ourselves from this situation.

Mr. PIKE. And do you know whether these two bombs were on target or in the target area?

Sergeant DAMRON. No, sir; they weren't on target. They were between us and the target.

Mr. PIKE. They were between you and the target.

Now, at what time did the next—did you get more air support, then?

Sergeant DAMRON. Yes, sir.

Mr. PIKE. What else came in? What came next; let's put it that way.

Sergeant DAMRON. I would say about 45 minutes to an hour later we got some American-flown Vietnamese-type aircraft and they came in lower. They delivered——

Mr. PIKE. These would be A-1's, again?

Sergeant DAMRON. I would say about 45 minutes to an hour later we got some American-flown Vietnamese-type aircraft and they came in lower. They delivered——

Mr. PIKE. These would be A-1's, again?

Sergeant DAMRON. Yes, sir; A-1's. I never used jets as long as I was there.

Mr. PIKE. Right.

Sergeant DAMRON. They came in lower. They dropped I think what were 250-pound bombs, maybe 500. They made cannon runs, 20-millimeter cannon runs. They were pretty well on target, although they didn't cover all the targets, but you feel this was due to the fact they didn't have enough planes. The target was too long to cover it all.

Mr. PIKE. How many planes came in this mission which was about 2 hours?

Sergeant DAMRON. In the second mission there were two, sir. We got another mission about an hour after that, and there were five planes coming in. But we never got any napalm.

Mr. PIKE. So at the end of 3 hours, you had received eight planes over target; is that correct, two and two and then four?

Sergeant DAMRON. Yes, sir; and then we got another strike that night.

Mr. PIKE. At night?

Sergeant DAMRON. Yes, sir; about dusk—dark.

Mr. PIKE. All right. Now, did you remain in contact with these enemy forces through the night?

Sergeant DAMRON. A limited contact, sir. When I say limited contact, I mean sniper fire and we ran a couple of patrols out to try to find out the extent of the positions after we got reorganized, of course, that night. The battalion I was with had to withdraw.

I don't think anyone could have done better under the situation.

Mr. PIKE. Did you call for any air support during the night?

Sergeant DAMRON. No, sir; we didn't call for air support after dusk.

Mr. PIKE. You didn't feel that it was necessary, or did you know you weren't going to get it?

Sergeant DAMRON. Maybe some of both at that time, sir. I didn't feel personally that we needed it because we had pulled back to another wood line. We had what I considered a reasonably secure area, in that we had our defenses organized by then, by the time of the last strike being finished.

Mr. PIKE. All right. Sergeant, I think you have explained that one fairly well.

Mr. CHAMBERLAIN. (Aside to Mr. Pike.)

Mr. PIKE. Mr. Chamberlain asks when the four planes—that wasn't the last one?

Mr. CHAMBERLAIN. At dusk.

Mr. PIKE. At dusk, what did they carry?

Sergeant DAMRON. They carried high explosive type bombs and cannons. But the longer air strikes came, the higher they kept getting. Because this battalion had intense small-arms fire as big as .50 caliber, and maybe 20 millimeter. I couldn't tell from my distance. Of course they had to come in higher than they usually do.

Mr. PIKE. Mr. Blandford, did you want to ask a question?

Mr. BLANDFORD. Just two questions.

Sergeant, how close were you to the Vietnam battalion at that point?

Sergeant DAMRON. At which time, Mr. Blandford?

Mr. BLANDFORD. You were in contact with them, and you heard the bomb explode, and I assume they were 500 pounders. How far away were the bombs that were dropped?

Sergeant DAMRON. Well, it was varying distances. I could see the explosion from where I was.

Mr. BLANDFORD. Roughly 500 yards or 1,000 yards?

Sergeant DAMRON. Initially closer than that, sir. I was within 300 meters, I would say, of where one bomb exploded. We got as close as 50 or 60 meters to where the battalion was dug in. We just couldn't make it any farther. Of course, the further we fell back after we got back to the wood line, we would have been some 800 meters.

Mr. BLANDFORD. How did you identify your target?

Sergeant DAMRON. I identified it by telling the L-19—that is, the aircraft in the air—where the canal ran, what our position was in relation to the canals, and the wood line on the ground. We were using point-type reference.

Mr. BLANDFORD. You didn't have grid zones or you didn't attempt to use smoke or white phosphorous shells or something of that nature?

Sergeant DAMRON. We didn't. The L-19 could see clearly where it was, and he put a red smoke grenade out of the window.

Mr. BLANDFORD. He didn't attempt to vector them?

Sergeant DAMRON. We also had helicopters, armed helicopters, that had fired on the wood line, and they had put white phosphorous in the wood line.

Mr. BLANDFORD. So they did use white phosphorus to mark the targets?

Sergeant DAMRON. From the helicopters.

Mr. BLANDFORD. All right.

Mr. PIKE. How many armed helicopters were used; do you recall that, Sergeant?

Sergeant DAMRON. We had four initially, sir.

Mr. PIKE. Did they have rockets?

Sergeant DAMRON. Yes, sir.

Mr. PIKE. And machineguns?

Sergeant DAMRON. Yes, sir.

Mr. PIKE. Twenty-millimeter machineguns?

Sergeant DAMRON. No, sir; 7.62's.

Mr. PIKE. I see. Tell us about some of your other operations, Sergeant Damron. Was there ever an operation in which you called for close air support, and did not receive it?

Sergeant DAMRON. Yes, sir. On the 1st of July in 1964 we had an operation in the Tam Binh district, which is in the southernmost dis-

trict of the province. We called for air support on that day for an airstrike, and we did not get it for one reason or another. I don't know why.

Mr. PIKE. What was the nature of your target on that day?

Sergeant DAMRON. Approximately the same situation as we had in Cho Lach.

Mr. PIKE. You had a dug-in Vietcong company or larger?

Sergeant DAMRON. Initially I estimated the strength to be two companies.

Mr. PIKE. Two companies.

Sergeant DAMRON. I understand that it was a little larger than that when they finally found out. I say I understand, because I was evacuated that day and I didn't get to finish that operation.

Mr. PIKE. Did you call more than once on that day for air support?

Sergeant DAMRON. I didn't, sir. Personally, I couldn't tell you—

Mr. PIKE. Do you know whether air support was called for more than once on that time?

Sergeant DAMRON. Captain Qualtrea said he did call for air support again after that. To my knowledge they never did get it. Now I am not—

Mr. PIKE. Were you evacuated on that day for any particular reason?

Sergeant DAMRON. Yes, sir; I was wounded.

Mr. PIKE. I thought that, but I wanted to get it in the record.

Now, was there more than one occasion when you called for air support and didn't get it?

Sergeant DAMRON. Oh, yes.

Mr. PIKE. How many times would you say that you called for air support and received none, Sergeant Damron?

Sergeant DAMRON. I wouldn't know for sure, Mr. Pike, but I would say in the neighborhood of four or five. And this would strictly be a guess.

Mr. PIKE. I see.

Sergeant DAMRON. Because I never kept a record of it.

Mr. PIKE. And were there any times, Sergeant Damron, when you tried to call for air support and found that for reasons of your communications equipment you couldn't get through?

Sergeant DAMRON. Yes, sir; without the aircraft in the air overhead, the liaison-type aircraft, it would have been impossible in most cases for me to get an airstrike.

Mr. PIKE. There was no way for you to communicate with the operations center through the liaison plane flying overhead?

Sergeant DAMRON. That is right, sir.

Now, let me clarify that a little. If it was a real emergency, I would go through Vietnamese channels. In other words, I would tell the Vietnamese operator to call his operator and get some American on the other end, because their communications would go through the district. It was very slow and it was a long process of relays from our position in the field back to district and back to province. We could have gotten it that way.

Mr. EVANS. Mr. Chairman, could I ask a question at that point?

Mr. PIKE. Yes.

Mr. EVANS. What type of communications were you using?

Sergeant DAMRON. PRC-10 radio.

Mr. EVANS. What kind of a range?

Sergeant DAMRON. It has a range of from 3 to 5 miles supposedly, but we never could get that range out of it in the delta.

Mr. EVANS. Why?

Sergeant DAMRON. I don't know, sir.

Mr. PIKE. As far as you know, they couldn't get that range out of it anywhere else, either?

Sergeant DAMRON. I have on occasion in Germany gotten that kind of range out of it.

Mr. PIKE. I see. Is that an AM system?

Sergeant DAMRON. The ANPRC-10 is an FM radio, sir.

Mr. BLANDFORD. Mr. Chairman, could we ask how far on these communications, how close your airfields actually were from your position, do you know, Sergeant?

Sergeant DAMRON. I can tell you where the airfield was, sir. I assume that the closest airfield to us was in Saigon or in Bien Hoa.

Mr. BLANDFORD. Roughly how much flying time was involved from the closest airfield to the places where you were calling for close air support?

Sergeant DAMRON. I don't know the flying time, sir.

Mr. BLANDFORD. How many miles?

Sergeant DAMRON. We were about—the province capital was approximately 65 miles from Saigon.

Mr. BLANDFORD. Sixty-five miles?

Sergeant DAMRON. Yes.

Mr. PIKE. Sergeant, were there—tell us now about the best example of close air support you ever saw. When you called for air support, what was the best experience you ever had?

Sergeant DAMRON. I guess the best experience, sir, was in Ducton district. We had an operation and we made contact with the Vietcong. We called for an airstrike when the fire got pretty hot on us and they were there in, I would say, approximately 20 minutes.

Mr. PIKE. And did they have the kind of load that you had asked them to have?

Sergeant DAMRON. Again they didn't have the kind of load, but they were reasonably effective. They did hit right on target.

Mr. PIKE. Right.

Sergeant DAMRON. With the bombs and they made cannon runs on them and they did rout the Vietcong and that day we got 34 of them.

Mr. PIKE. I see.

In summary, Sergeant, would it be a fair statement to say that in your experience in Vietnam you called for close air support somewhere between 10 and 20 times and there were occasions when you could not get any and there were occasions in which, because of your communications, you couldn't even get your message through and there were occasions when the air support arrived but was poor and there were occasions when it arrived and was good? Is that a fair statement?

Sergeant DAMRON. Yes, sir; I think so. [Deleted.] There is probably a number of reasons why we didn't get it. There were many

considerations, I understand, up the line to allocate aircraft and this sort of thing.

Mr. PIKE. I am sure of that. And I am sure there will be plenty of people to tell us about the reasons why it didn't come. But we just want to know your experiences. There were occasions when you asked for it and it wasn't there?

Sergeant DAMRON. Yes, that is right.

Mr. PIKE. Go ahead, Mr. Gubser.

Mr. GUBSER. Sergeant, before I ask this question, I just want to say how much I admire your candor and the way you present it. It is a beautiful thing to behold.

Sergeant DAMRON. Thank you, sir.

Mr. GUBSER. But could you tell me what type of load you customarily asked for? Was there any pattern? Did you ask for more napalm, more high explosive bombs, or is there any pattern to it at all?

Sergeant DAMRON. I never asked for a load unless we did particularly ask for napalm, Mr. Gubser.

Mr. GUBSER. Every time that you specifically asked for a load, it was napalm that you requested?

Sergeant DAMRON. Yes, sir.

Mr. GUBSER. Did you ever get napalm?

Sergeant DAMRON. No, sir.

Mr. GUBSER. Do you have any possible explanation for that, or was any explanation ever offered to you?

Sergeant DAMRON. Yes, sir; we got explanations all the time. [Deleted.]

Mr. GUBSER. Was there any other explanation other than that ever offered?

Sergeant DAMRON. Yes, sir. Another explanation was that the planes couldn't land. After they had loaded napalm they had to drop it for some reasons. They had to find some target to drop it on. This was another explanation given. I don't know about the accuracy of the statement, but this was put out, sir.

Mr. GUBSER. To your knowledge—and I suppose this would be better addressed to the Air Force, but was the napalm load always available at the airstrip?

Sergeant DAMRON. I have no idea, sir.

Mr. GUBSER. Is it a problem of loading on aircraft? Would it delay the strike? Again, that is probably a more proper question for someone else.

Sergeant DAMRON. I couldn't answer it with any degree of authority, Mr. Gubser.

Mr. GUBSER. But every time you requested napalm you never got it?

Sergeant DAMRON. No, sir.

Mr. GUBSER. On a single occasion.

Sergeant DAMRON. That is correct.

Mr. GUBSER. Would you give a guess as to how many times you requested napalm?

Sergeant DAMRON. Well, it wouldn't be very accurate, but I would say five or six.

Mr. GUBSER. Thank you very much, Sergeant.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. Sergeant, the first incident you were talking about, in Vinh Long Province: The first two pilots—the first two aircraft were A-1's piloted by Vietnamese; is that correct?

Sergeant DAMRON. This was what I was told by the senior adviser; yes, sir.

Mr. ICHORD. Then two American pilots came with A-1's, on the second—

Sergeant DAMRON. Yes, sir. This was again my information coming from the senior adviser as to the type of aircraft. Of course, I could tell the type of aircraft from looking at it.

Mr. ICHORD. And what kind of ammunition, bombs, did they have?

Sergeant DAMRON. These were high explosive bombs of some type, sir, and 20-millimeter cannon.

Mr. ICHORD. But they missed the targets?

Sergeant DAMRON. No, sir. The second one didn't miss the target. Only the first one missed the target.

Mr. ICHORD. I see.

Now, you talked about four other planes that came in later.

Sergeant DAMRON. Yes, sir.

Mr. ICHORD. And what were they?

Sergeant DAMRON. They were American-flown A-1's.

Mr. ICHORD. And what did they use?

Sergeant DAMRON. They used the same type of load as the second group, high explosive bombs and 20-millimeter cannons.

Mr. ICHORD. What is your judgment, Sergeant, out there in the field? Overall do you think the close air support is good or bad?

Sergeant DAMRON. I don't believe that I would be in position to know from the overall picture, Mr. Ichord, whether it was good or bad from my particular little spot on the ground there. It wasn't as good as I would like it to be.

Mr. ICHORD. Thank you, Sergeant.

Mr. PIKE. Mr. Chamberlain.

Mr. CHAMBERLAIN. Just one question, Mr. Chairman.

First, I would like to say I join my colleagues in commending you for a very forthright statement here. And I think this is a splendid way, Mr. Chairman, for us to start these hearings.

You say that you were the forward air controller, is that it?

Sergeant DAMRON. No, sir. I wasn't a forward air controller as such. I had to act as such sometimes.

Mr. CHAMBERLAIN. You had to act as such?

Sergeant DAMRON. The forward air controller—

Mr. CHAMBERLAIN. Who is the forward air controller?

Sergeant DAMRON. We didn't have one, sir.

Mr. CHAMBERLAIN. But you were acting as such?

Sergeant DAMRON. Well, this was just part of my job, as an assistant adviser.

Mr. CHAMBERLAIN. I see. What responsibilities and duties did you have after the aircraft arrived in the area, if any?

Sergeant DAMRON. Well, I really wouldn't have any at that time.

Mr. CHAMBERLAIN. After you had ordered or requested the support, the close air support, when the planes came you weren't in touch with them?

Sergeant DAMRON. No, sir, not directly. I was in touch with the liaison aircraft.

Mr. CHAMBERLAIN. The L-19?

Sergeant DAMRON. That is right.

Mr. CHAMBERLAIN. You were in touch with them and the L-19 was in touch with the pilots on the A-1's?

Sergeant DAMRON. Right, sir. My radio will not net with the pilot's radio. I was on FM and they were on UHF.

Mr. CHAMBERLAIN. Thank you, Mr. Chairman.

Mr. PIKE. Mr. Nedzi.

Mr. NEDZI. Would it have been helpful to you to have direct communication with the pilots? Would this prove a stumbling block at all in your operations?

Sergeant DAMRON. I don't know, Mr. Nedzi, really. I never had it, so I don't know if it would be considered a stumbling block or not. It would have been nice to have had someone else on the ground that would have been qualified to direct an air strike. I really am not qualified to direct an air strike, except I knew I needed it where I needed it at the moment.

Mr. NEDZI. Sergeant, can you just explain, if you know, the reasoning that napalm would have killed civilians and the high explosive bombs and the cannon doesn't kill civilians?

Sergeant DAMRON. Well, the napalm burns all the houses, sir. In fact, if an area is saturated with napalm, it just about burns everything in it. And high explosive bombs, of course—the explosive was contained by the mud and water in the delta. They weren't as effective as they would be on dry, hard terrain.

Mr. NEDZI. They would kill less Vietcong, too?

Sergeant DAMRON. Absolutely.

Mr. NEDZI. Mr. Chairman, I would just like to add my comments to that accorded by Mr. Gubser and Mr. Chamberlain. I think you are doing a wonderful job, Sergeant. I want to express my appreciation.

Mr. PIKE. Mr. Evans.

Mr. EVANS. Just a couple of questions.

Sergeant, in your experience do you have any preference for the type of aircraft that comes for close air support?

Sergeant DAMRON. No, sir, I really couldn't have a preference because I never got but one type, other than the armed helicopters.

Mr. EVANS. You just got the A-1's or the helicopters?

Sergeant DAMRON. Right.

Mr. EVANS. Was weather over a problem in your opinion in securing air support?

Sergeant DAMRON. I don't think so, sir. I don't really know, but as far as I was concerned it was never a consideration of mine. I don't know, really.

Mr. EVANS. Thank you, Sergeant.

Mr. PIKE. Mr. Wilson.

Mr. WILSON. Let me—I missed the first part of your testimony. Maybe you said it. How many men were involved in your unit at the time these airplanes—

Sergeant DAMRON. It varied greatly, Mr. Wilson. We had [deleted] companies in the battalion, but for an operation, a search and destroy type operation at any rate we would take from [deleted] companies

to go out and search for the Vietcong. At this particular time, of the operation I described there, we had [deleted] companies of approximately [deleted] strength per company.

Mr. WILSON. You were in effect calling in the airplanes for the [deleted] men, then?

Sergeant DAMRON. Captain Spoons initially, who was my superior, called in the aircraft. I made the radio conversation with the liaison aircraft, to tell him where the target was and describe it to him by using point reference on the ground.

Mr. WILSON. What type of radio contact did you have with the liaison craft? Was it a direct voice communication?

Sergeant DAMRON. Yes, sir.

Mr. WILSON. Off, on.

Sergeant DAMRON. An AN/PRC-10. Just a little mike that you use.

Mr. WILSON. In other words—

Sergeant DAMRON. A hand set.

Mr. WILSON. And you couldn't talk to the pilot yourself that is doing the interdiction. You had to go to the liaison airplane and the airplane relayed your message to the A-1 coming in, right?

Sergeant DAMRON. Yes, sir; that is correct.

Mr. WILSON. Didn't you feel this was a little bit cumbersome?

Sergeant DAMRON. Yes, sir; I suppose it could be considered cumbersome, by having to go through a relay point to direct the air strike.

Mr. WILSON. I haven't seen you in operation. I suppose you are pretty calm and cool. But when you are calling in things of this type, doesn't it get rather exciting—you and the pilot in liaison and the other pilot might find it difficult to be calm and get the message exactly right.

Sergeant DAMRON. Well, I think scared would be more the word for it. It is difficult to get a radio communication in a situation like this at times because of the noise involved.

Mr. WILSON. Sure.

Sergeant DAMRON. It would be better, I think, if you had someone that had nothing else to do but this.

Mr. WILSON. You had other duties besides calling in the A-1's?

Sergeant DAMRON. Oh, yes; absolutely. I was usually trying to help some company commander some place get a company started or get the mortar team going in the headquarters group. I had plenty to do.

Mr. WILSON. Now, what about—you were talking about operations in the day time. Did you have an occasion to call in airplanes at night?

Sergeant DAMRON. Yes; one time.

Mr. WILSON. Were they successful in hitting the target at that time?

Sergeant DAMRON. We didn't get them, sir.

Mr. WILSON. You didn't get them?

Sergeant DAMRON. We didn't.

Mr. WILSON. You called them but they weren't there?

Sergeant DAMRON. No, sir. We got armed helicopters instead.

Mr. WILSON. Did you reach—at that time were you talking to a liaison airplane again?

Sergeant DAMRON. No, sir; I talked directly to helicopters.

Mr. WILSON. In other words, you can talk to the helicopters but you can't talk to the A-1?

Sergeant DAMRON. That is right, sir.

Mr. WILSON. This is rather complicated.

Mr. PIKE. The interesting thing to me the sergeant said, before you got here, was that he couldn't call the operational center unless there was a liaison plane overhead for him to call through. So he couldn't even order the A-1's unless the liaison plane was there.

Mr. WILSON. That is all, Mr. Chairman.

Mr. PIKE. Mr. Blandford.

Mr. BLANDFORD. You served in Korea, Sergeant?

Sergeant DAMRON. Yes, sir.

Mr. BLANDFORD. How do you compare your close air support in South Vietnam with the close air support in Korea?

Sergeant DAMRON. During the time in Korea, sir; that I had occasion to observe any air strike, I was a medic for a rifle platoon. I am not really in a position or don't have enough knowledge about air strikes in Korea to make a fair comparison.

Mr. BLANDFORD. How close was your close air support in Korea compared—that is, the bombline was how close compared to the bombline in South Vietnam?

Sergeant DAMRON. Well, it was considerably farther out.

Mr. BLANDFORD. In Korea?

Sergeant DAMRON. In Korea. I couldn't give you any distance, Mr. Blandford, because I was usually tied up with other things and I didn't have—

Mr. BLANDFORD. You have seen armed helicopters and you have seen A-1E's and A-1H's. If you had your druthers, which would you rather have, the armed helicopters or the A-1E's?

Sergeant DAMRON. Well, if I could get them as fast as I wanted them, sir, I would rather have the A-1E's because they are a much more powerful strike. The helicopters have the 2.75 rockets and the 7.62 machineguns. It is not near as effective on the ground as an A-1E would be if you got it when you wanted it and could get it on the target.

Mr. BLANDFORD. Now, if you were to choose the one thing—you were asked to choose one thing that you thought needed the greatest improvement with respect to close air support, in other words that would help you do the job—if you go back to South Vietnam and somebody said, "You can pick one thing and we will improve that product to your satisfaction," what would you select?

Sergeant DAMRON. Well, I would have to choose the planes from the Air Force of course and with the stipulation that I could get enough of them sooner.

Mr. BLANDFORD. In other words, it is the aircraft—the weakest part of the close air support from your viewpoint is the aircraft, and not communications and not the ability of the pilot to hit the target and not weather, but the aircraft itself?

Sergeant DAMRON. I don't believe I understand what you mean, Mr. Blandford.

Mr. BLANDFORD. Well, in your experiences over there I am sure you have gone back to Saigon and a lot of you have sat down and discussed close air support or air strikes and you all explain experiences.

If it has been anything like my experience in close air support, it turns into a pretty good swearing match on occasion as to why they didn't do something. But everybody has some complaint about something. If they haven't there is something wrong. What was the chief complaint that you had, or the people you talked to, about close air support?

Sergeant DAMRON. I couldn't get them soon enough or I couldn't get them at all.

Mr. BLANDFORD. Was the ability to get them——

Sergeant DAMRON. The ability to get it when you needed it.

Mr. BLANDFORD. And you couldn't get them when you needed it. In other words, by the time they got out the Vietcong has either swept out or your positions have been penetrated and you had to withdraw?

Sergeant DAMRON. Yes, sir.

Mr. BLANDFORD. That is all.

Mr. WILSON. What would you do when you decided you could use close air support? What procedure?

Mr. PIKE. We covered that.

Mr. WILSON. OK.

Mr. PIKE. We have gone through it, Mr. Wilson, pretty well.

Mr. WILSON. I would like to know for my own sake, did you write a requisition?

Sergeant DAMRON. No, sir. I called direct on the radio to the observer plane and told them what I wanted and where.

Mr. WILSON. If they did show up, how soon afterward did they appear on the scene?

Sergeant DAMRON. It varied greatly, Mr. Wilson, from 20 minutes to not at all.

Mr. WILSON. Not at all is quite a little time.

Sergeant DAMRON. It certainly is, sir.

Mr. PIKE. Thank you very much, Sergeant Damron. We are through with you for the moment. We really appreciate your coming here. You have been an excellent witness.

Sergeant DAMRON. Thank you, sir.

Mr. PIKE. Mr. Marshall.

Mr. MARSHALL. The next witness is Capt. Michael V. Barnes, U.S. Army—armor.

(The biographical sketch of Captain Barnes is as follows:)

BIOGRAPHICAL SKETCH OF CAPT. MICHAEL V. BARNES

Captain Barnes was born March 22, 1939, in Little Rock, Ark. He received a B.A. degree from Arkansas Polytechnic College and was commissioned through ROTC.

He has attended the U.S. Army Armor School and the U.S. Army Special Warfare School. His assignment prior to Vietnam was an instructor at the basic training center, Fort Knox, Ky.

He arrived in Vietnam in June 1964, where he was assigned as an infantry battalion adviser in the 9th Vietnamese Division. Four months later he was assigned as an adviser to an armored cavalry troop in the Vietnamese IV Corps area of the delta. Captain Barnes participated in approximately 50 combat operations and used and observed approximately 25 air support missions.

He is married and has one daughter, age 3. Captain Barnes is presently assigned to the 2d Armored Division, Fort Hood, Tex.

Mr. PIKE. Captain Barnes, we thank you for coming here today. I notice in the experience sheet that the Army has given me, your basic training was the armor school and then you went to special warfare school.

Now would you tell us about when you went to Vietnam and who you were assigned to and what your duties consisted of?

STATEMENT OF CAPT. MICHAEL V. BARNES, U.S. ARMY

Captain BARNES. Yes, sir. I arrived in Vietnam on June 5, 1964. My first assignment was as assistant battalion adviser, with a Vietnamese infantry battalion, 9th Division, IV Corps. This particular location was at the same location that Sergeant Damron was.

Now I was in this job for about 3½ months, until the latter part of September of 1964. At this time I was reassigned to an armored cavalry troop in IV Corps. We were attached for operational control to the 21st Division, which is the southernmost division in Vietnam. It consists mainly of the Camau Peninsula.

Mr. PIKE. And this division was a regular Vietnamese Army division?

Captain BARNES. Yes, sir; it was.

Mr. PIKE. How frequently in your capacity with them, Captain Barnes, did you have occasion to call for air support?

Captain BARNES. Sir, I used air support in the year I was there approximately, I would say, between 15 and 20 times.

Mr. PIKE. Was it any part of your job to make the determination as to whether air support would be called for or not?

Captain BARNES. As an adviser, sir, I did assist my troop commander in assessing the target area—was air support necessary, could we handle it with artillery, or could our troop with its own weapons take care of it.

Mr. PIKE. Now with a regular Vietnamese division, did you have to go through the same operation that Sergeant Damron has just described? Did you have to go through a liaison plane to call for air support?

Captain BARNES. Sir, most of our operations were division controlled and we had already had in most cases air cover overhead or an airplane on ground alert at some airfield, and all I had to do to get an air strike in most instances was call the liaison aircraft, who was acting again as a radio relay, and tell them where I wanted them at.

Mr. PIKE. In other words, the operations that you were talking about where air support was called for were preplanned operations?

Captain BARNES. Yes, sir; the air support in most cases was preplanned, to be available to us.

Mr. PIKE. Did you ever have an occasion when it was not preplanned, where you got hit where you didn't expect to get hit and called for air support?

Captain BARNES. When I was with the cavalry troop, no, sir. On one operation when I was with the infantry battalion I was in the regimental headquarters, which at this time was the control headquarters for this operation. The unit in the field which was in contact did request an air strike and it was denied at division level.

Mr. PIKE. Now when you say the air strike was denied at division level, this was denied by the Vietnamese command?

Captain BARNES. Yes, sir, it was denied by the Vietnamese command.

Mr. PIKE. Then let's talk about this other type a little bit. When you had preplanned your air support and you called for your air support, were you on the ground with the unit which was being supported?

Captain BARNES. Yes, sir.

Mr. PIKE. And how far from the forward edge of the battle area were the targets which you asked to be struck?

Captain BARNES. Sir, it varied in instances from less than 100 meters to maybe 400 meters away from us.

Mr. PIKE. Let's talk about the time when it was less than 100 meters.

Captain BARNES. All right, sir.

Mr. PIKE. What was the target less than 100 meters that you asked for air support against?

Captain BARNES. It was approximately two Vietcong battalions in a dug-in position, along a canal line, which has trees and houses. They were in among the houses and the trees.

Mr. PIKE. What kind of air support did you call for?

Captain BARNES. I called for the first available thing I could get, sir, any air support.

Mr. PIKE. Any air support. As far as you were concerned it was kind of a rush job?

Captain BARNES. Yes, sir.

Mr. PIKE. How long was it before the first available air support got there?

Captain BARNES. It was approximately about 30 minutes, I would say, sir.

Mr. PIKE. What was the air support which arrived?

Captain BARNES. There were two Vietnamese A-1 aircraft flown by Vietnamese pilots.

Mr. PIKE. Had they been on the ground or had they been in the air flying combat air patrol?

Captain BARNES. I think they were in the air at this time, sir.

Mr. PIKE. And when they came to attack this target less than 100 meters in front of you, how did they do?

Captain BARNES. They were accompanied by a Vietnamese liaison type aircraft. He went in and marked the target for them. At this time I had no control over him because the Vietnamese were talking.

Mr. PIKE. Let's start with it. Did he mark it accurately?

Captain BARNES. Yes, sir; he marked it accurately.

Mr. PIKE. All right. Then what happened?

Captain BARNES. The first airplane went in and struck. The second airplane made his pass. And the Vietcong had a 50-caliber antiaircraft weapon. They shot the airplane out of the air. And at this time the other remaining fighter ceased to strike and circled the area.

Mr. PIKE. When the first airplane struck, did he hit his target?

Captain BARNES. Yes, sir; he hit along the canal line that we wanted him on.

Mr. PIKE. All right. And how many bombs did he drop?

Captain BARNES. It was either one or two, sir. They were rather large bombs, either 500 or 750 pounds.

Mr. PIKE. So after 30 minutes two planes arrived. One dropped two, either 500 or 750-pound bombs, and the other one was shot down and the first plane left?

(Captain Barnes nods.)

Mr. PIKE. Did you get any more air support against this particular target?

Captain BARNES. Yes, sir.

Mr. PIKE. How long was it before the next planes arrived?

Captain BARNES. The next planes arrived in about, I would say, another 30 or maybe 45 minutes, sir.

Mr. PIKE. All right.

So somewhere between an hour and an hour and a quarter after the first call had gone in, you got some more planes. What planes were these?

Captain BARNES. Sir, this particular battle developed into a major fight and our aircraft from then on were a mix. They were A-1 type aircraft flown by Vietnamese and A-1 flown by U.S. Air Force pilots and U.S. Air Force B-57's.

Mr. PIKE. What were the second group that arrived?

Captain BARNES. I think the second ones were the U.S. Air Force, sir.

Mr. PIKE. You say Air Force A-1's?

Captain BARNES. Yes, sir.

Mr. PIKE. And what happened when they came?

Captain BARNES. Sir, they continued striking the target that we had outlined for them. At this time we were heavily engaged with the enemy and the target area was rapidly expanding as we developed where the enemy's positions were.

Mr. PIKE. How was the target marked at this time?

Captain BARNES. In my particular case, sir, in this area—

Mr. PIKE. On this occasion I am talking about.

Captain BARNES. On this occasion, the tree line was very distinguishable from the ground. Also in the Armored Cavalry troop you can see the carriers from the air. We have numbers on the roofs of them and they are very distinguishable and they are usually as far up to the front as we are. They are right up with us so it is very easy to tell where we are and where the enemy is.

Mr. PIKE. All right.

How did you tell the pilot—they could tell where you were, but how did the pilot know where the enemy was, other than the tree line?

Captain BARNES. We would use a reference. Maybe there was a bamboo thicket to the right of this, so many meters.

Mr. PIKE. You would orally describe some landmark on the ground?

Captain BARNES. Yes, sir.

Mr. PIKE. To the pilot?

Captain BARNES. To the fighter pilot.

Mr. PIKE. To the liaison?

Captain BARNES. Yes, sir; to the liaison.

Mr. PIKE. And you could not—even when you were assigned with a Regular Vietnamese division, you couldn't talk directly to the strike pilots; is that correct?

Captain BARNES. No, sir.

Mr. PIKE. Well, what happened in this battle? You say it developed into a major battle. How much air support did you get?

Captain BARNES. Sir, I would say the fight lasted from approximately 9 until 6 o'clock in the evening.

Mr. PIKE. 9 a.m., until 6 p.m.?

Captain BARNES. Yes, sir. And we probably got between the neighborhood of 75 to 100 sorties flown that day for us.

Mr. PIKE. All right.

What happened at 6 p.m.?

Captain BARNES. They broke contact, sir.

Mr. PIKE. Who broke contact?

Captain BARNES. The Vietcong broke contact. We overran their position approximately at 4:30 that afternoon. They had moved off and broke contact.

Mr. PIKE. Mr. Wilson?

Mr. WILSON. You mentioned in the first strike the two airplanes flown by Vietnamese pilots and you had a Vietnamese liaison plane. Did you have any language problem in dealing with them?

Captain BARNES. Sir, I did not talk with the Vietnamese airplane. This was done by personnel in my troop.

Mr. WILSON. You had a Vietnamese with you who was doing the actual calling, then?

Captain BARNES. Yes, sir.

Mr. WILSON. Just generally speaking, would you say that you were satisfied with the air support you got on that particular day, with that number of sorties and the type of armament that was used? Do you think the 750 pound or 500 pound were the right thing to be using against the sort of enemy?

Captain BARNES. Sir, I was completely satisfied with the type of ordnance that was delivered that day. It varied. We had napalm, we had white phosphorus, we had all types and all sizes of the high explosive bombs. As the strikes later came in, there were varying types of ordnance used.

Mr. WILSON. Generally speaking, not just about this battle or this day, but generally speaking, did you feel at any time that there was any restraint on the amount of airpower that you were allowed to call? Did anyone say, Well, sorry, that it has to be a real emergency before you call in any airplanes?

Captain BARNES. No, sir; I have never felt this way. This was never presented to me, that you have a limited number.

Mr. WILSON. Did you—in all the airplanes that were called in on that particular day, were any of them armed helicopters?

Captain BARNES. Yes, sir.

Mr. WILSON. Were they effective?

Captain BARNES. Yes, sir.

Mr. WILSON. That is all I have.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. Captain, did you ever call for air support and didn't get it?

Captain BARNES. One instance I mentioned, sir, when I was with the infantry battalion at regimental headquarters. It was denied by the Vietnamese division command. That is the only instance I can recall.

Mr. ICHORD. Thank you.

Mr. PIKE. Mr. Gubser.

Mr. GUBSER. Captain, have you ever specified the type of ordnance you wished delivered in an air strike?

Captain BARNES. No, sir.

Mr. GUBSER. You never have?

Captain BARNES. No, sir.

Mr. GUBSER. On no occasion whatsoever?

Captain BARNES. No, sir; I did not specify the type that I wished to be delivered.

Mr. GUBSER. Thank you.

Mr. PIKE. Mr. Blandford?

Mr. BLANDFORD. What was the most common complaint that you had among your forward air controllers—not forward air controllers so much but the people on the ground with respect to close air support?

Captain BARNES. Well, due to location, it would be the same complaint that Sergeant Damron had—the time that it took for the aircraft to arrive after you put in the request for it.

Mr. BLANDFORD. How about your communications?

Captain BARNES. In most cases, sir, my communications were very good because I was on division size operations and we usually had an aircraft in the air.

Mr. BLANDFORD. But always you were using communications with an L-19 or the equivalent?

Captain BARNES. Yes, sir.

Mr. BLANDFORD. As a relay.

Don't we have any equipment over there larger than the 10 that will let us go through to, say, the regiment, with some kind of antenna that can go more than 5 miles?

Captain BARNES. Sir, I used a larger radio than the 10. It is a vehicular mounted radio, basically the same, but it is larger, and I could get maybe 15 miles out of my radio.

Mr. BLANDFORD. Are they still as undependable as they were in World War—I shouldn't ask you this. You probably weren't in World War II.

Captain BARNES. No, sir.

Mr. BLANDFORD. But it seems that every time you come up with a radio, they work fine if there is nothing between you and the receiving station, but as soon as you put a couple of palm trees in the way you just don't get any communications. Is that still true?

Captain BARNES. This is true in most instances, sir. Our radios that we use are FM-series radios and from the most experience I have had with them, they are dependable but they are voice communications and the range is limited.

Mr. BLANDFORD. How about the effect of humidity on your radio over there?

Captain BARNES. It very definitely affects the portable-type radio, sir. The heat causes battery life to decrease very rapidly.

Mr. BLANDFORD. Would you say one of the greatest weaknesses in our whole system today is lack of adequate and dependable communications?

Captain BARNES. This is one of the big problems, Mr. Blandford.

Mr. BLANDFORD. Would you like to see aircraft with greater radius that can give you constant coverage as you move forward? Do you think this would be an improvement?

Captain BARNES. I think it would be an improvement, sir, if the aircraft could remain in the area longer.

Mr. BLANDFORD. I am talking about the equivalent of combat air patrol, not necessarily a fighter type but an airplane that could give you support when you needed it. Did you ever have to go to corps to get approval of an airstrike?

Captain BARNES. I did not myself.

Mr. BLANDFORD. Have you heard of cases where they had to go to corps to get approval for an airstrike?

Captain BARNES. Not in the sense of approval to strike the area. From the sense of approval to get an aircraft, yes.

Mr. BLANDFORD. Yes. What would be your estimate of the amount of time involved with each layer of command involved?

Captain BARNES. Sir, I have no estimate.

Mr. BLANDFORD. You said it took 30 to 45 minutes to get your airstrike when you had an L-19 in the air and two A-1H's that were diverted from another mission perhaps. That took you from 30 to 45 minutes because those aircraft were available. Roughly, if you went back to corps, how long would it take you to get air support?

Captain BARNES. I would say it would take maybe an hour or two, sir.

Mr. BLANDFORD. An hour or two?

Captain BARNES. That is right.

Mr. BLANDFORD. And for your purposes and the type of war that you are fighting over there, is that too long?

Captain BARNES. I feel it is too long, sir.

Mr. BLANDFORD. So it is your complaint or the complaint you have heard from others that lack of adequate aircraft, a weakness of communications, inability to control the aircraft—would you say that has something to do with it?

Captain BARNES. No, sir. In my case, inability to control the aircraft was not—

Mr. BLANDFORD. You never had any problem with control?

Captain BARNES. No.

Mr. BLANDFORD. Once the airplane was committed to you, yes. But have you had occasion when your aircraft have made runs and you wanted them to stay on station and they left notwithstanding?

Captain BARNES. No, sir.

Mr. BLANDFORD. On any occasion or on every occasion when you asked the aircraft remain in the area, assuming they had the fuel to do it, they did remain on station?

Captain BARNES. Yes, sir.

Mr. BLANDFORD. How about the target acquisition capability to the best of your knowledge? How often were these aircraft actually on target?

Captain BARNES. You mean they put the bombs where I wanted them to?

Mr. BLANDFORD. Yes.

Captain BARNES. In most instances, sir, they were on target. Of course, you will get a few that are out of the target area. But in this particular battle I described they were on target.

Mr. BLANDFORD. On any occasion were any of these bombs in your area?

Captain BARNES. No, sir.

Mr. BLANDFORD. None of them were ever short?

Captain BARNES. No, sir.

Mr. BLANDFORD. What would be your recommendation to this subcommittee with respect to improving close air support?

Captain BARNES. My recommendation, sir, would be to have enough aircraft in the country that when you call for them you could get them and have them so located around the country that the time it takes to acquire these aircraft over your area is automatically shorter.

Mr. BLANDFORD. For your purposes what is the best aircraft over there today?

Captain BARNES. Sir, I saw two A-1's and the B-57's, and I would lean a little bit toward the B-57's.

Mr. BLANDFORD. You prefer the jet to the A-1?

Captain BARNES. Yes, sir.

Mr. BLANDFORD. How about their ability to deliver on target? Do they have any problem?

Captain BARNES. No, sir. In this particular instance there was no problem because they could readily identify the target and the patterns they were flying, the striking pattern—they put it right on it.

Mr. BLANDFORD. And what were your weather conditions during this period? Were there occasions when your A-1's were coming in through a low ceiling?

Captain BARNES. Yes, sir. There were occasions when they did come—not on this particular battle but in other instances where they did come through low ceilings. There were also occasions when the aircraft were not available due to the weather. They could not fly.

Mr. BLANDFORD. What would you say would be the minimum altitude at which they could fly, the A-1's and the B-57's, from your own experience?

Captain BARNES. And be secure, sir?

Mr. BLANDFORD. And hit the target. To find you to start with and then hit the target?

Captain BARNES. I would say, about, maybe [deleted].

Mr. BLANDFORD. [Deleted.]

Captain BARNES. To fly over and find us.

Mr. BLANDFORD. No further questions, Mr. Chairman.

Mr. PIKE. Mr. Nedzi.

Mr. NEDZI. Captain, were there any other planes lost in this particular battle that you described?

Captain BARNES. There were two UH armed helicopters lost, sir.

Mr. NEDZI. No other A-1's?

Captain BARNES. No other A-1's or anything else, sir.

Mr. NEDZI. Now did you have direct communication with the armed helicopters?

Captain BARNES. I did, sir.

Mr. NEDZI. One other question. In this one strike, which you called for and which was denied, was any reason given for the denial?

Captain BARNES. Yes, sir. The reason given for the denial was at this time we had four tubes of 105-millimeter artillery with us, and they said use this instead of the airstrike.

Mr. NEDZI. Was that sound advice in your judgment?

Captain BARNES. Yes, sir; it was sound advice.

Mr. NEDZI. I have no further questions.

Mr. PIKE. Mr. Chamberlain.

Mr. CHAMBERLAIN. Mr. Chairman, I have one question, one matter I would like to get cleared up in my mind a little, if I may.

You say that you are operating in conjunction with an L-19, liaison plane, is that it?

Captain BARNES. Yes, sir.

Mr. CHAMBERLAIN. Well now that plane—you don't have that plane in the area. That plane comes with the others, is that it?

Captain BARNES. No, sir. In most cases—

Mr. CHAMBERLAIN. Where does that plane come from?

Captain BARNES. These were Army L-19's, sir.

Mr. CHAMBERLAIN. Yes.

Captain BARNES. And they were located at our airfield, where our home station was, our division headquarters, and they were there before fighters or anything else was there.

Mr. CHAMBERLAIN. Well, are they aloft as you are out in the field then?

Captain BARNES. Yes, sir.

Mr. CHAMBERLAIN. You don't have to call them to get them in?

Captain BARNES. No, sir.

Mr. CHAMBERLAIN. I see.

Captain BARNES. They are all aloft.

Mr. CHAMBERLAIN. How far were they from their strip, then?

Captain BARNES. On this particular operation, they were about, I would say about 70 kilometers away from their home strip, but they were using an unimproved strip that was right in the area there, maybe 30 kilometers away.

Mr. CHAMBERLAIN. Now you have a Vietnamese aloft, too, in that plane?

Captain BARNES. There is a Vietnamese in most cases that rides in the back seat, sir.

Mr. CHAMBERLAIN. So as to help with the language problems that might develop?

Captain BARNES. Yes, sir. He helps with the language problems, and he also adjust artillery fire that is fired by the Vietnamese. And we did have—we finally equipped our L-19's with dual radio where he could talk and the pilot could talk at the same time.

Mr. CHAMBERLAIN. Now have you ever encountered any difficulties in your close air support problems in say having the combat aircraft come in and your liaison plane unavailable because they have had to return to refuel or something like that? Have you ever had any problems with this observation plane?

Captain BARNES. Sir, I can't think of anywhere the observation plane was not there to direct the strike.

Mr. CHAMBERLAIN. Thank you very much, Mr. Chairman.

Mr. PIKE. Mr. Irwin, do you have any questions?

Mr. IRWIN. I would like to ask two questions. One: Could the helicopters be more effective if they were heavier and could carry more armament, and the second question I would like you to respond to is for you to put in your own words what you think is needed over there, without regard to all the problems that your superiors might put in your way and we might put in your way. If you were suddenly to come back from Vietnam and be a Congressman, what would you advocate?

Captain BARNES. Well, sir, in answer to your first question, the helicopters could very definitely be more effective if they were heavier armed, with heavier armament and were able to stay in the area longer.

In answer to your second question, the one thing that I would like to see, sir, would be additional aircraft of the type of the A-1E or the B-57. These are the two I observed. I feel they did a good job. And have them located out in the country, at more convenient locations.

Mr. IRWIN. Closer to you?

Captain BARNES. Closer to the troops so we could get them faster when we needed them.

Mr. IRWIN. Now is there a problem that you are aware of in bringing them closer to you in terms of protection for the planes and what not?

Captain BARNES. No, sir. When I was with the infantry battalion, it was one of our missions for a month and a half to secure a new airfield they were constructing in the field and to handle these types of aircraft. And when I left in the latter part of May of this year, this airfield was not actually operational. But they were working to solve this problem by building an airfield closer to us.

Mr. IRWIN. Thank you, Captain.

Mr. PIKE. Mr. EVANS.

Mr. EVANS. A few quick questions, Captain.

No. 1. Is it a problem to identify and mark targets for tactical air support?

Captain BARNES. In my area, no, sir.

Mr. EVANS. Why do you prefer the B-57's?

Captain BARNES. I prefer them, sir, because they carry more ordnance. They carry more bombs, I believe. I am not sure of this. But it seems to me they carried more ordnance and the type of cannons and guns that they have seem to me more effective than the ones on the propeller driven aircraft.

Mr. EVANS. Can they stay in the area longer?

Captain BARNES. I don't know what their stay time is, sir. I know they can get there faster.

Mr. BLANDFORD. They can't.

Mr. EVANS. One final question. Looking back and comparing what you had in your training to what you faced in Vietnam, do you think your training was adequate?

Captain BARNES. Overall, I believe my training was adequate, sir.

Mr. EVANS. Thank you.

Mr. PIKE. Mr. Wilson, did you want to ask another question?

Mr. WILSON. Just one question. Did you have occasion to see any of the Century series aircraft in operation, the 100's or 104's?

Captain BARNES. No, sir.

Mr. WILSON. Have you had any scuttlebutt over there, have you talked to anybody who saw them being used in this particular type of operation, as to whether they were a good type to be using for this rather unusual use?

Captain BARNES. I have heard people talk about their use, sir. In most instances they said they were good; good planes.

Mr. WILSON. All right.

Mr. PIKE. Thank you very much, Captain Barnes. We appreciate your being with us this morning.

Mr. Marshall.

Mr. MARSHALL. Yes. The next witness is Lt. Col. Frank S. Plummer, U.S. Army, Infantry.

(The biographical sketch of Lt. Col. Frank S. Plummer is as follows:)

BIOGRAPHICAL SKETCH OF FRANK S. PLUMMER, LIEUTENANT COLONEL, ARMY—INFANTRY

Born at Coalgate, Okla., in 1925. Entered military service in 1943. Served as platoon leader, executive officer, and commanding officer of Infantry units of Infantry and airborne divisions (100th, 1st, 82d). Prior to departure for Vietnam served 3 years as Assistant Secretary of the General Staff Office, Chief of Staff, Army.

In Vietnam, served for 1 year as G-3 adviser, III Vietnamese Corps. In reference to tactical air support, participated as follows:

- (a) Tactical air support planning for over 300 airmobile operations.
- (b) Participated in and assisted in directing tactical air support for over 100 airmobile operations.
- (c) Called and directed tactical air strikes for numerous operations from helicopter.
- (d) Participated in ground operations where tactical air strikes were made from 300 yards to 1 mile in front of his position.
- (e) Planned and participated in first combined US-ARVN ground operation where combined tactical air was used.
- (f) Planned and participated in first massive tactical bombing of 342 sorties in Vietnam using carrier based Navy-Marine air to include air based in Vietnam.
- (g) Planned and participated in first operations utilizing B-52 bombing.
- (h) Planned and participated in first operations utilizing B-57 air strike.
- (i) Allocated through Vietnamese counterpart all tactical air in corps area.
- (j) Participated in rewriting air agreement to allow ground unit commanders to direct air strikes.

Lieutenant Colonel Plummer is currently assigned as battalion commander, 18th Battalion, Army Training Center (Armor), Fort Knox, Ky.

STATEMENT OF LT. COL. FRANK S. PLUMMER, U.S. ARMY

Mr. PIKE. Colonel Plummer, would you tell us when you went to Vietnam?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. And how long you stayed there?

Colonel PLUMMER. Yes, sir; I went in July 1964 and returned in July 1965.

Mr. PIKE. And where were you stationed during that period?

Colonel PLUMMER. I was the G-3 advisor, III Corps, which is at Bien Hoa, east of Saigon.

Mr. PIKE. So you were in the planning of the operations, is that correct?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. Were you on the ground with the ground troops during any of the combat operations?

Colonel PLUMMER. Yes, sir; I was.

Mr. PIKE. About how many?

Colonel PLUMMER. Actually participating in anywhere between 20 and say 30.

Mr. PIKE. And did you ever serve as a forward air controller?

Colonel PLUMMER. Yes, sir; to a degree both on the ground and especially in the air with the command chopper.

Mr. PIKE. And you were in a command helicopter?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. The missions which you were involved in were again then the preplanned missions, is that correct?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. So when you had a preplanned mission, roughly you knew where you were going to be and you knew at least, to the extent necessary, to keep them on alert what you were going to need in the form of close air support, is that correct?

Colonel PLUMMER. That is right, sir. We planned missions daily and allocated the resources.

Mr. PIKE. Did you also allocate the bomb loads for the planes?

Colonel PLUMMER. Yes, sir; in most instances we did, along with, of course, our liaison officer from the Air Force.

Mr. PIKE. Now, let's talk about some of the ground operations in which you were on the ground. Can you tell us first about the best close air support you ever saw? Give us an example of the best you ever saw in a ground operation.

Colonel PLUMMER. There are several operations of course. I guess even though I was on the ground, the most perfect was the Dong Xoai operation.

Mr. PIKE. And you were on the ground?

Colonel PLUMMER. Yes, sir. We were on the ground at the position, but we were in a command chopper during the actual strikes. Then we got on the ground. As a battalion adviser.

Mr. PIKE. When the battle of Dong Xoai started, where were you?

Colonel PLUMMER. At night I was at Bien Hoa.

Mr. PIKE. Right.

It started at a quarter of 12 one night.

Colonel PLUMMER. Yes, sir.

Mr. PIKE. You were at Bien Hoa?

Colonel PLUMMER. At Bien Hoa.

Mr. PIKE. What was the time of the first request that you got for air support?

Colonel PLUMMER. I requested immediately air support as soon as they were hit at a quarter to 12.

Mr. PIKE. This is what you requested at Bien Hoa. Do you know what time the request was made from Dong Xoai?

Colonel PLUMMER. Yes, sir. I got a call about 20 minutes after they were hit. It was a telephone conversation between myself and the 5th Division commander. He said, "Dong Xoai is hit, this could

be what we are looking for." He said, "I think we are going to have to stay pretty alert on it."

Mr. PIKE. And did he call for air support at that time?

Colonel PLUMMER. He didn't say air support by word, sir. He said we were going to need everything probably that we had planned and we had planned air support for this.

Mr. PIKE. Did he call for a strike at that time?

Colonel PLUMMER. No, sir, he did not. Each night—let me explain, if I may, sir.

Each night we may get anywhere from 10 to 20 requests such as this. And after the initial hit, then we immediately, or they, the division commander or regimental commander, develops it and decides at this time if it is going to be a sustained hit or simply light rifle fire.

Mr. PIKE. Well, the first attack on Dong Xoai was mortar fire, was it not?

Colonel PLUMMER. The first one I think, sir, was very light rounds, followed immediately by a mortar attack, almost simultaneously.

Mr. PIKE. Simultaneous rifle and mortar fire?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. Now, when that happened at about a quarter to 12 at night, there were no planes orbiting.

Colonel PLUMMER. No, sir.

Mr. PIKE. There was no such thing as a combat air patrol going on at that time; is that correct?

Colonel PLUMMER. No, sir; there was not.

Mr. PIKE. When were planes first sent to Dong Xoai?

Colonel PLUMMER. Approximately—again I am not sure, sir. Approximately an hour and 25 minutes later.

Mr. PIKE. That was a flare plane, was it not?

Colonel PLUMMER. Flare plane was about 45 minutes, sir. They have them orbiting in the area. We immediately dispatched the flare ship to the area.

Mr. PIKE. Then there was a plane orbiting?

Colonel PLUMMER. Yes, sir, a C-47.

Mr. PIKE. That was a flare plane?

Colonel PLUMMER. A flare plane.

Mr. PIKE. What time did he get there?

Colonel PLUMMER. I think he dropped his first flare approximately 45 minutes after the first hit.

Mr. PIKE. All right. Then when was the first strike conducted?

Colonel PLUMMER. I think roughly at 2 o'clock, sir.

Mr. PIKE. Two o'clock in the morning?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. Who conducted that strike?

Colonel PLUMMER. The strike was by—I am not sure whether it was an H or E. I believe it was the E, because we have [deleted] aircraft on standby at all times.

Mr. PIKE. Was the first strike conducted by American or Vietnamese pilots?

Colonel PLUMMER. I can't answer that, sir. I believe it was American piloted E's, A-1's; but I can't say for sure.

Mr. PIKE. This is a situation I was somewhat familiar with. The information we got was the first strike was conducted by Vietnamese pilots. What happened in the first strike?

Mr. Marshall, can I have that piece of paper you are looking at?

Mr. MARSHALL. Yes.

Colonel PLUMMER. The first strike was called off, sir.

Mr. PIKE. The first strike which got on the scene about 2 hours after the attack was called off.

Colonel PLUMMER. Yes, sir, it was passed over.

Mr. PIKE. And at what level was that called off?

Colonel PLUMMER. At the level on the ground.

Mr. PIKE. The ground people asked—

Colonel PLUMMER. To my knowledge, it was the ground.

Mr. PIKE. The ground people said "Don't pursue this strike"?

Colonel PLUMMER. No, sir—well, yes, to this degree. The aircraft is dispatched—

Mr. PIKE. Let me clarify that. Ground people where?

Colonel PLUMMER. Ground people at the scene, at Dong Xoai.

Mr. PIKE. At Dong Xoai.

Colonel PLUMMER. Yes, sir. Communications were lost, and it was regained. The reason given to us was that they could not maintain contact with them and they were afraid to drop because they did not know the distance the patrols were out from the area.

Mr. PIKE. Well, Colonel Plummer, I don't want to go round and round too much on this. But let me just quote from the report which MAC-V in Saigon gave to our subcommittee when we were out there on this very situation.

"0155"—which is within your time frame, of roughly 2 hours after the request was given—"two Vietnamese air force A-1H's arrived overhead, but did not expend because of bad weather.

Now, you were telling us it was because it was called on the ground?

Colonel PLUMMER. Yes, sir. They could not find out where to strike, sir.

Mr. GUBSER. That could be consistent.

Colonel PLUMMER. I am again not sure of my exact facts. I do know it was called off because they could not strike on the ground.

Mr. PIKE. Well, did another request for air support come in?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. What time did that come in?

Colonel PLUMMER. I am afraid, sir, I don't have the records.

Mr. PIKE. Do you know when the strike was launched?

Colonel PLUMMER. No, sir, I don't.

Mr. PIKE. Well, I will continue to read here.

"0400. Two American A-1E's take off."

Do you know what happened after this, this takeoff? Do you know what these pilots were able to accomplish there?

Colonel PLUMMER. Sir, I believe these two pilots didn't strike either, to the best of my memory.

Mr. PIKE. It wasn't that bad. These two actually did. And they were both recommended for silver stars as a matter of fact.

But now let's get on to what makes you think that this operation was the best one you have seen as far as close air support. Now, you pick it up and tell us in your words what you saw at Dong Xoai.

Colonel PLUMMER. The next morning—we were there, of course, in daylight the next morning, in the command ship, with the general in command of the Third Corps, General Vien.

Mr. PIKE. Why do you wait until daylight, Colonel?

Colonel PLUMMER. The division commander is responsible for his area. I was up during the night after immediately calling him, arranging helicopters to be used, to move additional fuel and tanks, and this sort, for the next morning, knowing if we had to launch an attack we had to have all the helicopters available, and lining up troops and making plans. This was during the night hours.

The next morning we went to the scene to see what we could do to assist the division commander.

Mr. PIKE. When you got to the scene, did you go on the ground?

Colonel PLUMMER. At that time, no, sir, we did not.

Mr. PIKE. You couldn't get on the ground, could you?

Colonel PLUMMER. Sir?

Mr. PIKE. It really wasn't healthy to get on the ground.

Colonel PLUMMER. No. We flew over it. You could see the automatic weapons firing at our aircraft. We could see the recoilless weapons firing on the ground.

Mr. PIKE. The military compound had been overrun at that time, had it not?

Colonel PLUMMER. Yes, sir, it had. They had withdrawn back to the little compound where you went to, the first part.

Mr. PIKE. Right.

All right, you take it from there. What did you call for and what did you see?

Colonel PLUMMER. Well, at that time, of course, we had an Army liaison aircraft. MAC-V was aware it was a sustained fight, which is an immediate indication it could be similar to another fight that we had had back in December, at Phouc Tuy. This was an immediate indication to us that in sustained battle—the VC had never been able to have sustained battle and therefore it was going to be a big one. Over the area, the air strikes were coming in. They diverted [deleted] air strikes [deleted] into us. There was a scrambling of pilots. Our forward air controllers in the air were coming in. We were talking to the people on the ground from our command chopper, discussing with them where to hit. The forward air controller was discussing with the sergeant on the ground, who was at that time alive, by PRC 10 radio—they were directing the strikes completely around their area.

The spot where you landed: Just behind that was the schoolhouse. And in one instance here, he said, "They are firing at us from the schoolhouse with an automatic weapon now", and he said, "I can't stick my head up over the sill." And the forward air controller asked if he wanted us to hit it and he said, "Destroy it."

It is sort of humorous here, I guess. The forward air controller in the air talked to the pilot in A-1E and said "Destroy that schoolhouse," and he identified it, and the pilot asked him if he wanted the center or either side. Two of them came in and destroyed—direct hits, both of them—destroyed it immediately and all that was inside of it.

Then you also saw alongside, where they dropped the napalm.

Mr. PIKE. What happened to the sergeant you were in communication with at that time?

Colonel PLUMMER. What happened to him? He was evacuated—he survived, the sergeant—with a Navy man and a lieutenant. They survived. They were picked up that afternoon in a quick raid around 3 o'clock, or 3:30.

Mr. PIKE. That was in the open field——

Colonel PLUMMER. Yes, sir; just where you landed. They came out of the compound. They evacuated them and the district chief.

Mr. PIKE. Of all of the people who had been in that military compound, do you know what the total number of people were?

Colonel PLUMMER. Yes, sir. I think it was just about 22 American. There were about 70 Regional or Popular Forces which he described. There was a Navy liaison team.

Mr. PIKE. Of the 22 Americans in the compound, how many survived?

Colonel PLUMMER. I think 16, sir.

Mr. PIKE. Now as this battle developed, they flew in—it was the 5th Division of the Army of the Republic of Vietnam or—I guess it was three battalions of them.

Can you tell us what happened to the first battalion that they flew in in relief?

Colonel PLUMMER. Yes, sir. They were piecemealed into the battle. They landed to the north, about a kilometer away from Dong Xoai. They were annihilated there.

Mr. PIKE. They were annihilated. And what kind of air support was being given to this battalion at the time that they were annihilated?

Colonel PLUMMER. We had air cover, we had ships coming in every 20 minutes, and probably the most outstanding air support that I have ever observed.

Mr. PIKE. And despite this, they were annihilated?

Colonel PLUMMER. They were, sir.

Mr. PIKE. Why do you describe it as the most outstanding air support you have ever observed, Colonel Plummer?

Colonel PLUMMER. I was talking to the lieutenant on the ground, the battalion adviser, and talked to him just before he left. He called for the airstrike directly in front of him. They laid napalm down along the tree line, the square that came in there, and it landed within 30 meters of him, splashed within 30 meters of him, and all he could shout was "Outstanding, outstanding." They were right on the edge of the tree line. The tree line extended 400 meters.

Mr. PIKE. So at that given moment the napalm was on target and you presume that it killed any Vietcong who were right in that area?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. Then what happened?

Colonel PLUMMER. They came back in and made another pass, both 1-E's and 1-H's. They put it on the straight line, right down the tree line. They made a 90° turn and put it right down the tree line where he was again.

We expended all the tactical aircraft we had that was available at that time. We had, I would say, roughly 18 aircraft that helped him.

Mr. PIKE. You had roughly what?

Colonel PLUMMER. Eighteen at this particular—18 tactical aircraft.

Mr. PIKE. The report we got was better than that. The report we were given said 24 Vietnamese A-1H's and 35 A-1E's.

Colonel PLUMMER. This was at the specific time, sir, before he was killed.

Mr. PIKE. I see. You only had 18 planes available at the time that this battalion went in and got wiped out?

Colonel PLUMMER. Yes, sir. Of course, more was en route, and more continued, and we continued to bomb the entire area, until he was killed.

Mr. PIKE. Roughly, what time was he killed; do you know that?

Colonel PLUMMER. I would say, sir, 10 o'clock, 10:30.

Mr. PIKE. In the morning?

Colonel PLUMMER. Yes, sir.

Mr. PIKE. And this was some 10 hours after the battle had first started?

Colonel PLUMMER. After it had first started.

Mr. PIKE. After the first attack.

Colonel PLUMMER. We had moved troops to the area, which again was accomplished with tactical aircraft.

Mr. PIKE. In other words, Colonel Plummer, it seems to me that you describe it as outstanding close air support, in that the pilots laid their bombs right where they should have been.

Colonel PLUMMER. Yes, sir.

Mr. PIKE. In close proximity to the forces. However, there weren't enough aircraft. They expended everything that there was. Is that what you said?

Colonel PLUMMER. That is right.

[Deleted.]

Mr. PIKE. And this was after the airstrikes had—

Colonel PLUMMER. Yes, sir. We prestruck the area.

Mr. PIKE. Right.

Colonel PLUMMER. The area was prestruck. The troops landed and were almost completely unopposed.

Mr. PIKE. Right.

Colonel PLUMMER. But they didn't move off the field of course fast enough or the area was wide enough. The Vietcong were able—it was an air mobile ambush, which is exactly like we had last December. This is why we were very cautious. We knew this was a probability, when you tried to hold a town, that they were going to ambush us as we came in to reinforce them.

Mr. PIKE. What was cautious about the operation of sending in one battalion?

Colonel PLUMMER. We had about, again roughly, 150 people left in those compounds, calling for assistance and help. We had to make a choice of where to land. There were roughly six, or eight different landing places in there. We picked this area, which was about a kilometer away, roughly 1,000 meters of clear area, where we could be able to support them there.

We had no artillery. We were depending entirely upon tactical aircraft and helicopters. The cautious approach was that we landed to the north—

Mr. PIKE. The fact was, though, that after they were landed—you picked this area because it was wide and open and you could support them from the air.

[Deleted.]

Mr. PIKE. Mr. Wilson, you want to ask some questions?

Mr. WILSON. Yes, sir, Mr. Chairman.

Now, Colonel, you mentioned being in a command helicopter. When you are in a command helicopter in an operation of that type with airstrikes, do you in effect direct the operation of the airplanes? Do you call them in, so to speak?

Colonel PLUMMER. No. We use our forward air controller, which is normally in an L-19 in most cases, sitting right next to me.

Mr. WILSON. But I would like to know what you did in this particular case. Was there an L-19 in the network there, too?

Colonel PLUMMER. Yes, sir. In this case I came in, in the air, broke up the priority, and set new priorities for them and told the L-19 where to strike.

Mr. WILSON. You told the L-19 you—you were in a helicopter. You told the L-19 and the L-19 told the A-1?

Colonel PLUMMER. Yes, sir.

Mr. WILSON. Did you have any armed helicopters?

Colonel PLUMMER. Yes, we did.

Mr. WILSON. Did you directly tell the armed helicopters or did you tell the L-19 to tell the armed helicopters?

Colonel PLUMMER. No, the L-19s worked on our command liaison, where we also had a frequency to the command of the helicopters, who instructed them.

Normally, the helicopters, Mr. Wilson, would talk directly to the ground commander and he would tell them where to strike. But while the tactical airstrikes were coming on, we told the helicopters to move out of the area—move back.

Mr. WILSON. What advantage was there to have a command helicopter? Do you think you could get a little bit better picture of the total operation by operating from a command helicopter?

Colonel PLUMMER. Yes, sir. In this area, it is almost vital because the forward ground air controller or whoever is on the ground can't see through the jungle to strike ahead of him. In the jungle, when you strike ahead of you, you can't tell the distances from your troops. So it is almost vital that we have a command chopper to keep all the elements going in the direction that you desire.

Mr. WILSON. Then you became another element in this chain.

Did you eliminate your FAC?

Colonel PLUMMER. No, sir.

Mr. WILSON. Did you take his place, in effect?

Colonel PLUMMER. Only in this case, when the lieutenant was killed, I turned to the Vietnamese commander and I recommended that we take control.

Mr. WILSON. Let me try to reconstruct it. I mean under a normal operating situation, if you have a command helicopter, does the forward air controller talk to you and then you talk to the L-19?

Colonel PLUMMER. No, Mr. Wilson. He talks directly to the ground commander. We monitor.

Mr. WILSON. You are just sort of the superintendent up there?

Colonel PLUMMER. Yes, sir.

Mr. WILSON. Do you find the L-19's—are they vulnerable to ground fire?

Colonel PLUMMER. Yes, sir.

Mr. WILSON. Did you lose any of them in any of the operations you were concerned with?

Colonel PLUMMER. Yes, sir.

Mr. WILSON. What happens when the L-19 gets shot down and then you don't have any communication with your A-1E's?

Colonel PLUMMER. Well, we have, sitting next in the command chopper, another air liaison officer or a forward air controller with us in the command chopper. He just automatically takes over. In addition to this, we also have the backup forward air controller that we can launch into the air.

Mr. WILSON. But your helicopters are somewhat vulnerable to ground fire, too, aren't they?

Colonel PLUMMER. Yes, they are.

Mr. WILSON. Would it appear that there seems to be an extra step in here that might be unnecessary if the FAC could directly talk to the airplanes and say "This is where I want you in," and not have to go through a liaison?

Colonel PLUMMER. No; I don't think so, Mr. Wilson. You see the Vietnamese commander—as advisers there we really don't command their troops. Therefore they have to make the decision of where the bomb strikes. [Deleted.]

So we almost have to have a liaison officer to talk to the aircraft to bring them in, to mark the target.

[Deleted.]

Mr. WILSON. He was just—he was caught calling them a little too close, is that it?

Colonel PLUMMER. A little too close. In the jungle it is too hard to identify a target. In this case it was identified but it just happened that he marked it by azimuth and by grid coordinates and the identification of terrain feature, and there were two identical terrain features, two identical rivers or streams.

Mr. WILSON. You don't employ any visual-type marker such as a smoke bomb or anything of that kind?

Colonel PLUMMER. Yes, sir; we do, Mr. Wilson. It is very difficult because the smoke will not rise above the jungle. It can't. We fire smoke grenades up through there, but they only last fleetingly, and you have to know the arc that they travel. If he marked it with white phosphorus, again it would mark down through the trees and they couldn't strike. This is a difficult problem.

Mr. WILSON. Just one other question. You mentioned getting back to the vulnerability of the L-19. Have you had any occasions that you can recall when the L-19, the link between the FAC and the A-1's, was shot down and therefore you lost communication with the A-1's?

Colonel PLUMMER. Yes, sir.

Mr. WILSON. There have been some instances?

Colonel PLUMMER. Yes, sir.

Mr. WILSON. Would it be a good idea to have a backup L-19 or maybe two or three of them to pick up in case your vulnerable ones are shot down?

Colonel PLUMMER. Normally, we do. But in other cases we have simultaneous operations, going on through the corps area and we can't have this. Yes; it would be a good idea if we could.

Mr. WILSON. Thank you, Mr. Chairman.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. No questions.

Mr. PIKE. Mr. Gubser.

Mr. GUBSER. Did your ground commander—your FAC, is that what you call it?

Colonel PLUMMER. Forward air controller; yes.

Mr. GUBSER. Did he talk with the helicopters?

Colonel PLUMMER. Yes; he did.

Mr. GUBSER. Thank you.

Mr. PIKE. Mr. Nedzi.

Mr. NEDZI. I have no questions.

Mr. PIKE. Mr. Blandford, did you want to ask?

Mr. BLANDFORD. Is this a jerry-rigged arrangement or was it a jerry-rigged arrangement while you were there with respect to close air support, this L-19 concept and the idea that you were literally able to control from the ground? Was this done because of the advisory status that you are in over there?

Colonel PLUMMER. Partially; yes.

Mr. BLANDFORD. Now let's take the 1st Cavalry Division that is over there now. Now how will that forward air control operate over there? Will they use the L-19 system?

Colonel PLUMMER. Yes; they will, sir.

Mr. BLANDFORD. But will the ground commander also have the right to vector the aircraft?

Colonel PLUMMER. Yes, sir.

Mr. BLANDFORD. Doesn't the ground controller—when we have an all-American operation, doesn't the ground commander now have the right to vector those aircraft?

Colonel PLUMMER. Correct.

Mr. BLANDFORD. Now you participated, I note here, in rewriting an air agreement to allow the ground unit commanders to direct air-strikes. Would you tell us something about that?

Colonel PLUMMER. Yes. The Vietnamese Air Force, of course, had a hard time differentiating the United States and the Vietnamese. They run the Air Force. They make the strikes. Their concept—where they got it I don't know—is that the ground commander would make the decision of where the strike should go.

Mr. BLANDFORD. At what level? You mean the ground commander on the spot?

Colonel PLUMMER. The unit commander on the spot would make it. And if the troops were killed, it was his responsibility. Their air force works separately from the army.

When he made the decision, the U.S. personnel in there was simply an adviser and furnishing communications, in case their communications went out.

Mr. BLANDFORD. I get the impression, Colonel, that you are more than pleased with the close air support that you received while you were over there, but like everyone else you could use more aircraft. But apparently you had no particular problem with communications. But, of course, you were at division level most of the time?

Colonel PLUMMER. That is right.

Mr. BLANDFORD. And you were coordinating these air strikes in the sense that you were sitting in division on occasion trying to determine who needed the air cover or the air strike more, if you were getting requests from different sources, would that be correct?

Colonel PLUMMER. Yes, sir. We were at corps level.

Also I didn't want to give the impression that I was highly pleased with the air support there.

Mr. BLANDFORD. I got that impression. Why weren't you highly pleased?

Colonel PLUMMER. Well, I guess I am talking myself into a corner. [Deleted.] There were bad examples of tactical air just as well as bad decisions on our part, of the ground forces. But as to the time progress, from the time I was there, starting off in July we were getting about seven sorties a day. We built up when I left to roughly [deleted] sorties per day. And this is a tremendous amount of aircraft.

Mr. BLANDFORD. Yes.

Colonel PLUMMER. Not counting the actual planning.

I have seen examples—in every air mobile operation we plan of course, we plan the tactical air that we would use, and the A-1H's would strike a different LZ. We learned by trial and error—I learned. Then thereafter I made a requirement to have A-1E's on a standby basis with A-1H's striking first, with the E's to come in to strike the area to make sure.

Mr. BLANDFORD. Is it aircraft that causes the problems, is it communications that causes the problem, or is it target identification that causes the problem, or is it simply time?

Colonel PLUMMER. I think it is a combination. The aircraft are good. They are doing a fine job. The E's and H's both are. The majority of the time the Vietnamese are excellent. American pilots are outstanding, from what I have seen.

The trouble, the main trouble is target identification. This is the big bugaboo. They can bomb—if the target is marked they can hit the target.

Mr. BLANDFORD. You think some effort should be made toward devising a method that would—for example, possibly firing a mortar shell with a homing device in it, instead of an explosive: I mean is it that sort of thing for this kind of warfare that we need?

Colonel PLUMMER. No, sir; it is not.

Again, I spent almost about 2 to 3 hours a day working with tactical air, because it is very vital to us. Outside of artillery range, we had to have it.

We have tried to figure every possible way to mark the target. I think Dr. Cheatham right now is working on the most valuable asset that we could possibly have over there. It could be used for marking artillery and for air, any number of things.

Mr. BLANDFORD. It is not only target identification but where you are yourself, too?

Colonel PLUMMER. This is the bugaboo. It stops all the operations for the troops. Sometimes the air may be on the station but they can't identify the troops and meantime the VC made contact.

Mr. BLANDFORD. So some little simple thing could be the answer?

Colonel PLUMMER. Yes.

Mr. BLANDFORD. But basically identification, and identification of friendly troops, to you is the most serious problem over there?

Colonel PLUMMER. This is. Generally they can mass the air in sufficient quantity to do it. On occasions they have not been able to do it.

Mr. BLANDFORD. Do you find the napalm canisters that we are using over there in the jungle are less effective because the fluid or the canisters are penetrated before the canister gets down to the ground, and an awful lot of leakage is involved, and you are losing a great deal of your napalm?

Colonel PLUMMER. That is what I have been told. I have seen them drop, and maybe six napalms failed to explode. They hit the forest. We have to be careful or they will block our LZ's when we use them. Napalm can be used—for instance on targets bombs will not affect—in each village, as an example, across the Oriental-Vico. We had a heavily entrenched Vietcong. We bombed extensively in there, with no apparent results. No one killed. Each of the huts in this area has a concrete bunker inside of its house. And in almost every Vietnamese house there is a trench built on the bottom of it. And they just pull the floor boards.

[Deleted.]

So the napalm is effective, and is used on good targets. It is very important.

Mr. BLANDFORD. When used properly?

Colonel PLUMMER. Yes.

Mr. BLANDFORD. It is not—so ordnance is also a problem here, the prototype of ordnance.

Colonel PLUMMER. Yes.

For instance, we specify, or in discussion among ourselves, that we are getting ready to have an attack, in our preplan—we specify the type of ordnance we would like to have.

Mr. BLANDFORD. To summarize, would you say in your opinion we could certainly stand to vastly improve our close air support weaponry, or equipment? In other words, do you think that we ought to concentrate in this area for this type of warfare?

Colonel PLUMMER. I really cannot answer you truthfully.

Mr. BLANDFORD. Well, compared, for example, to your new rifles, compared to artillery, recoilless weapons, and compared to your personnel carriers, your tanks, where would you put the importance, in your own experience, of close air support with everything else that we have made advances in in the art of warfare?

Colonel PLUMMER. I would leave the aircraft just exactly like they are. For instance, the B-57 can put it on the dime, almost. I have watched I don't know how many.

Mr. PIKE. How do you compare a B-57 with an F-100 or an F-105 or an F-104 or an F-4 as far as putting it on the target?

Colonel PLUMMER. I really cannot compare—I have seen the B-57 many times, and I have seen them hit right on the target, a tree line, or an edge of a stream, and just almost a knife edge.

Mr. PIKE. You haven't seen the jet fighters?

Colonel PLUMMER. Yes, sir; I have seen the F-100's. In fact, we had one shot down over there. I have seen them strike from the air and from the ground. They were on target, too.

In one instance they were way past the target. It took a while to identify the target as they approached. The fact is they fought the wrong side of the road, and in discussing, in listening to the pilots, they couldn't identify the area. They had to back up and come back through a long approach, again. The E's and H's didn't have too much trouble in identifying the exact target.

Mr. PIKE. Right.

Colonel PLUMMER. I think—of course any improvement perhaps would be good, but the target identification, including the troops, I think is the most vital thing.

Mr. BLANDFORD. To you that is the greatest deficiency we have today in the close air support problem?

Colonel PLUMMER. From the ground troops' point of view, it is the most. Of course, more aircraft we could use constantly. But, again, this could be a deterrent. In some cases the Vietnamese have come to depend, as the sergeant said, upon the air strike so much that [deleted].

So quick response, of course, aircraft in the air, is vitally important in this area, to use tactical air in emergency call. It must be in the air within 15 minutes.

Mr. BLANDFORD. To summarize your testimony, then, in your opinion, when you called for a strike, if you cannot get them on target within 15 minutes it loses its effectiveness in geometric proportion to the loss of time, would that be correct?

Colonel PLUMMER. That is correct, sir.

Mr. BLANDFORD. Thank you.

Mr. PIKE. Mr. Irwin.

Mr. IRWIN. What kind of a helicopter were you in there when you were in a command helicopter?

Colonel PLUMMER. We had an HU-1B and later we set up one with a D, a Delta model, which is the same but carries two more people.

Mr. IRWIN. You haven't talked about using helicopters in close ground support at all right now. Have you seen that done, and how does it work?

Colonel PLUMMER. Oh, yes, many times.

Mr. Irwin, in my opinion, again, the helicopter is for suppressive fire. The machineguns that it has doesn't hurt the VC unless you catch them in the open. It simply makes them duck down behind something. The penetration is very small. I have been on many LZ's, landing zones, and I have never seen a VC killed exactly by helicopter fire. I have been on the ground as they fired above us.

Mr. IRWIN. Right.

Colonel PLUMMER. And, again—

Mr. IRWIN. What will work? What kind—

Colonel PLUMMER. Tactical air.

Mr. IRWIN. What kind of actual—

Mr. WILSON. Ordnance.

Mr. IRWIN. Ordnance would you need? You are talking about bombs, rockets.

Colonel PLUMMER. We need bombs.

Mr. IRWIN. Bombs, OK.

Colonel PLUMMER. Helicopters cannot replace tactical air. They are just playing a suppressive role.

Mr. IRWIN. Right.

Colonel PLUMMER. The vital thing about them is that they are immediately responsive, immediately. If an ambush occurs, and we have had many of these ambushes, if we are not there immediately, within 10 to 15 minutes, the VC will hit with all their power, strip and move out. In many cases helicopters have saved many people by simply being there, suppressing the VC until we could get tactical air.

I was in an action similar to this once, where it really did save.

Mr. IRWIN. So it is bombs you really need in this kind of a situation?

Colonel PLUMMER. Bombs, and our tactical air which is using a 10 millimeter cannon. They will drop heavy ordnance to penetrate the trenches, and penetrate the tunnels that they have.

Mr. IRWIN. Now, on the question of marking areas, it seems to me that the techniques that have been used up to now are ones that normally work anywhere else. The smoke bomb, for example, is a very, very fine thing in terrain work. What you have to do, it seems to me, is to mark it from above.

Is there a possibility that the jungle can be marked from above, say, a thing like a liquid or a powder that came down, to mark it from on top?

Colonel PLUMMER. Yes, sir. We have asked Research, and they are researching this now. The point was to mark the jungle with a white liquid, as an example, or a powder.

Mr. IRWIN. Thank you.

Mr. PIKE. Mr. Evans?

Mr. EVANS. No questions.

Mr. WILSON. Mr. Chairman.

Mr. PIKE. Go ahead.

Mr. WILSON. Just one question.

What if you had an airplane such as the proposed COIN airplane that could be pretty well—like a helicopter—attached pretty close to your operation up front. It could operate from a ready or a small field and so forth, and that carried rockets and maybe some light bombs in addition to machineguns and observation capability.

Would something like this be valuable to you?

Colonel PLUMMER. I am not sure of the aircraft, but anything I believe, as you have stated here, that would be responsive, be immediately responsive.

Mr. WILSON. Immediately responsive.

Colonel PLUMMER. That is the key.

Mr. WILSON. Yes.

Colonel PLUMMER. Immediately responsive and able to identify the target.

Mr. WILSON. And this is the advantage you found with helicopters, that you could call them in real fast, and while the firepower wasn't much at least you had something going to make them keep their heads down.

Colonel PLUMMER. We immediately suppress them. We had a forward observer in the helicopters who could identify targets.

Mr. PIKE. Mr. Gubser.

Mr. GUBSER. To follow up on what Mr. Wilson is saying, and to put it in another way, if you had an aircraft which was more or less hangared in the field commander's tent and had the capabilities of the A-1E's and the A-1H's, you feel this would be a distinct asset, wouldn't you?

Colonel PLUMMER. In my opinion it definitely would be for operational control.

Mr. GUBSER. One other question. This area that you have been describing, the action of this ideal operation or a very fine operation which you have described, is a totally different type terrain than what the sergeant was describing; isn't that right?

Colonel PLUMMER. That is correct, sir.

Mr. GUBSER. This is more dense cover, whereas in the delta area there is more open space and target identification is not the problem.

Colonel PLUMMER. That is correct, sir.

Mr. GUBSER. In other words, you have two totally different air wars going on there, just a couple of hundred miles apart, is that right?

Colonel PLUMMER. To a certain degree we have both jungle and open delta flatlands, similar to the area that he was in there.

Occasionally, in marking the target, the VC will mark, as we do, with smoke. [Deleted.]

Mr. PIKE. Colonel Plummer, your biographical sheet here indicates that you planned tactical air support for over 200 air mobile operations. How many of those 300 air mobile operations were night operations?

Colonel PLUMMER. I planned several, sir, but they didn't come off.

Mr. PIKE. They didn't come off?

Colonel PLUMMER. No, sir.

Mr. PIKE. Why didn't they come off?

Colonel PLUMMER. We had trouble, again with support by tactical air.

Mr. PIKE. What about your tactical air? I am interested in our tactical air reasons for not working at night.

Colonel PLUMMER. We had trouble identifying the target on the ground. We could program it, but we really couldn't use it because we had limited ways of having to strike. Really I am trying to answer—

Mr. PIKE. [Deleted.] That is all, Colonel Plummer. Thank you very much.

And we have got a quorum call on. We will reconvene at 10 o'clock tomorrow morning.

(Whereupon, at 12:11 p.m., the subcommittee adjourned to reconvene on Thursday, September 23, 1965, at 10 a.m.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON TACTICAL AIR SUPPORT,
Washington, D.C., Thursday, September 23, 1965.

The subcommittee met at 10:13 a.m., Hon. Otis G. Pike (chairman of the subcommittee) presiding.

Mr. PIKE. First of all I would like to ask the members of the subcommittee whether, if the House is in session tomorrow, they want to

have a meeting tomorrow morning or not, or would they rather go over to next Tuesday?

Mr. GUBSER. You have two members from California on the subcommittee who are leaving for San Francisco tomorrow.

Mr. PIKE. Oh, yes; I had forgotten.

All right. We will establish that as a matter of policy that we will not try to meet again until next Tuesday at 10 a.m.

Mr. Marshall, would you call your next witness?

Mr. MARSHALL. Capt. Alan L. Rennick.

(The biography of Capt. Alan L. Rennick is as follows:)

BIOGRAPHICAL SKETCH OF CAPT. ALAN L. RENNICK

Capt. Alan L. Rennick was born in Wichita, Kans., January 23, 1938. He graduated from the University of Arkansas in January 1961.

Upon entry into the Air Force in March, he was assigned to primary flight training at Webb AFB, Tex., and basic at Randolph AFB, Tex. He attended the F-100 gunnery course at Luke AFB, Ariz., during 1962.

January 1963 brought about his assignment to the 615th Tactical Fighter Squadron, England AFB, La., where he served as a squadron pilot until April 1964. After 60 days of A-1-E transitioning at Hurlburt Field, Fla., Rennick was assigned to Bien Hoa AFB, Vietnam.

The officer arrived in the second group of A-1-E pilots in Vietnam, and was assigned to the 1st Air Commando Squadron. The squadron was at this time undergoing the transition from T-28's and B-26's to A-1-E's.

In February 1965, Rennick volunteered for a 60-day tour as forward air controller, with the Vietnamese airborne brigade. On his first operation, some 4 days later, the 2d Battalion Task Force to which he was assigned was ambushed on landing and under heavy Vietcong attack during the entire night. His next ground operation was not nearly so exciting.

The following 2 months saw him in the central highlands working with another airborne task force assigned to protect the route between Qui-Nhon and Pleiku. He also conducted FAC duties with AF A-1-E's, F-100's, and B-57's.

April saw his return to Bien Hoa and the A-1-E. June 26 he left for England AFB, La.

Captain Rennick is not married.

Mr. PIKE. Captain Rennick, you were here yesterday, I know.

Captain RENNICK. That is right.

Mr. PIKE. And heard the way we proceed here.

Would you go ahead and tell us about when you got to Vietnam and what you did when you were over there?

Captain RENNICK. Yes, sir.

STATEMENT OF CAPT. ALAN L. RENNICK, U.S. AIR FORCE

Captain RENNICK. I was in Vietnam from June 1964 until June this year. I was assigned to Bien Hoa Air Base, 15 miles northwest of Saigon, as an A-1-E pilot. From February until April I served a tour with the Vietnamese airborne brigade, out of Saigon, and my job with them was to act as a forward air controller, both airborne and on the ground on any operations they might have undertaken.

Mr. PIKE. Before you went to Vietnam, you were with the 615th Tactical Fighter Squadron at England Air Force Base, La.; is that correct?

Captain RENNICK. Yes, sir.

Mr. PIKE. What did you fly with them?

Captain RENNICK. The F-100, sir.

Mr. PIKE. And so when you got to Vietnam, you stepped from an F-100 into an A-1-E; is that correct?

Captain RENNICK. Yes, sir.

Mr. PIKE. Were there any F-100's in Vietnam at that time?

Captain RENNICK. I don't know if they actually were in the country, sir. However, I do know they were not striking until some time in February.

Mr. PIKE. They weren't using F-100's when you went to Vietnam?

Captain RENNICK. No, sir.

Mr. PIKE. So you stepped back from a jet plane to a prop plane; is that correct?

Captain RENNICK. Yes, sir. It was a fancy sidestep.

Mr. PIKE. Having had the experience in both the F-100 and the A-1-E, would you care to make any comments on what you would rather be flying in close air support operations?

Captain RENNICK. I would rather fly the F-100, because it has an air-conditioned cockpit.

Mr. PIKE. Well, I can understand that very readily. Everybody would like the air-conditioned cockpit. But I am talking now about laying a bomb or gunfire on a target in close proximity to your own forces.

Captain RENNICK. Yes, sir. I have not flown the F-100 in combat. However, I have many friends who have had that opportunity, and I think I can speak with a certain degree of authority on the F-100.

I think that to draw a comparison between the two airplanes, we must first consider the country of South Vietnam and its complicated topology. In the south we have delta, where we have no problem with target identification or marking. In the north and central highlands we have the jungles. And actually, it is a different complex set of situations, and to say that one aircraft would be better in the delta or the woodlands would—well, I couldn't draw that.

I will say, however, that in certain roles the A-1E is superior to the F-100. It has—for close air support—a long loiter time. It carries more armament and has a slower, a lower speed envelope, and at times is able to effect better close air support than the F-100.

However, we must talk about distances. We have to talk about reaction time. There the F-100 has a distinct advantage on the A-1E. It is capable of taking off and flying—

Mr. PIKE. Well, if you assume they both leave from the same air base to come to the same target, the F-100 flies faster?

Captain RENNICK. That is right, sir.

Mr. PIKE. Right.

Captain RENNICK. Therefore, in varying situations, one aircraft might do a better job in one situation where the other aircraft could do a better job in the other.

Mr. PIKE. What, in addition then to the loiter time, if anything, makes you feel that in certain situations the A-1E is a better plane?

Captain RENNICK. Well, it hauls more ordnance, for one thing. I hope I haven't been misunderstood. I say in certain situations the A-1E is a better aircraft; not all.

Mr. PIKE. I see.

Now, let's talk about the difference between the delta region where there is no problem of target acquisition, and the jungle, which is, I guess, about 80 or 75 percent of the area of Vietnam.

When you are flying over a jungle and trying to find a target—have you done any of this kind of work?

Captain RENNICK. Yes, sir.

Mr. PIKE. How would you characterize the capabilities of the A-1E and the F-100 in this context?

Captain RENNICK. You are speaking now from my standpoint as a strike pilot?

Mr. PIKE. That is right.

Captain RENNICK. Well, a large percentage of our missions in the jungle regions were interdiction-type missions—and I would hate to give a percentage—but I will just say that the greater number were interdiction-type missions. They were preplanned and we had a forward air controller.

We would rendezvous with the FAC at a predetermined point. He was familiar with the area. He would take us to the area, mark the target, and we would expend our ordnance. In this case, I can see very little difference between the type of airplanes involved.

Mr. PIKE. Now, suppose the FAC hadn't been there to mark the target for you?

Captain RENNICK. I can't remember any time that we expended ordnance outside of a predetermined free strike zone without a forward air controller. We had zones set up in-country so that if we had radio difficulty, or the FAC couldn't make it off the ground, or there were emergencies with our airplanes, or something, we could expend in these areas. D zone was a good example. Up until I left, part of it was a free strike zone. I don't know what has happened now, since the last of June.

Mr. PIKE. Roughly, how many combat missions did you fly in Vietnam?

Captain RENNICK. Over 300, sir.

Mr. PIKE. Roughly, how many times in those combat missions did you drop bombs on targets?

Captain RENNICK. About 200 of my missions, or a little over, were in the A-1E, and I would say a little over half of them were bomb-dropping missions.

Mr. PIKE. Roughly about 100?

Captain RENNICK. Yes, sir.

Mr. PIKE. You have gone out with a load of bombs to dump on a target.

How many times would you have been able to identify your target, if the FAC hadn't been there, pinpointing it for you?

Captain RENNICK. Then I would have to speak with degrees. I think that normally I would have known the general area where the target was, especially on the interdiction-type missions, if I would have had a 1-to-50,000 scale map. But the problems associated with navigation, and if I was at the time leading the flight, would have been so great that I think it would have distracted from my ability to lead the mission or to perform the mission, if we didn't have an FAC, sir.

Mr. PIKE. How many times, if ever, did you see enemy troops?

Captain RENNICK. Sir, I would be guessing. Most of our interdiction-type missions were suspected troop concentrations or supply areas. Now, of these, I am not sure how many. But of the times troops were actually on the ground and we knew were either in contact with the enemy or were there, I would guess 20 to 25.

Mr. PIKE. How many times, if ever, did you see enemy troops?

Captain RENNICK. I have seen them several times, sir.

I would guess 15 to 20—10 to 15, I mean.

Mr. PIKE. When you saw the enemy troops, were you attacking them?

Captain RENNICK. Yes, sir.

Mr. PIKE. When you saw the enemy troops, what were they doing?

Captain RENNICK. Sometimes they were shooting back and at those times I didn't see them very clearly; and sometimes they were running, scurrying for cover. I can remember one instance when three were going right in the front door of a house, and I was on a napalm pass. I pickled one can and I was getting ready for another—

Mr. PIKE. Would you translate "pickled one can" for us?

Captain RENNICK. All right, sir.

We were going to drop two cans singly per pass in this area, and I had dropped one and was looking around for another target, I was right above the top of the trees, and I saw three people, three men running into this house, and we knew it was an enemy area because we were getting small arms fire. Just as these three people went under the nose, out of my line of sight, I pickled the can and pulled up, and they were just at the door of the house, and it was a direct hit on the house. I remember the looks on their faces real well. That is one time I can remember.

I can also recall striking down along the rivers, when people were in the barges and sampans.

Mr. PIKE. You heard the Army witnesses yesterday talk about quicker reaction time?

Captain RENNICK. Yes, sir.

Mr. PIKE. As what they would ask for as their top priority.

From the air point of view, how many of the missions that you flew were not preplanned, but were sent out in response to urgent demand on the ground?

Captain RENNICK. I would have to think about that. Let me see if I could estimate it. Many of our missions were diverted when we were in the air, but as far as not preplanned, all our night alert missions were an immediate-request type. I would—I couldn't venture a guess as to how many of those I was on; probably two or three a month.

As far as day scrambles go, sometimes we had a requirement above and beyond the number of aircraft we had flying when someone really got hit and was in trouble. Dong Xoai was a good example.

Other than that, sir, I really couldn't say how many times we thought our duty day was done and everything and we needed more aircraft and pilots than we had standing by but there were several times.

Mr. PIKE. Would you agree that quick reaction would be perhaps the prime consideration? If not, where would you classify quicker reaction as a need?

Captain RENNICK. I think that we could improve close air support by a number of means. Quick reaction is important, very definitely.

I think that primarily we could cut down on our need for immediate air requests by essentially better coordination between the ground and air commanders. This is a level beyond my realm. I can only as a layman, as a pilot, discuss it, however, not with authority. But it seems to me that many times we have to react to immediate requests when, if we had known there was going to be some operation in the area, we could have set aside air resources to cover this operation, that is, airborne alert.

Mr. PIKE. There were times, in other words, when the ground troops were moving out on operations and as far as you could tell——

Captain RENNICK. We had no knowledge.

Mr. PIKE. The Air Force was not aware of it?

Captain RENNICK. That is right, sir.

Mr. PIKE. All right. That is a pretty solid criticism, it seems to me.

What else?

Captain RENNICK. Well, up until I left, we had a shortage of aircraft. From Bien Hoa to the southern part of the delta was an hour and 20 minutes flying time. So from gearup to TOT is an hour and 20 minutes. And that is a long time, especially when you are on the ground, getting shot at.

Mr. PIKE. Sure it is.

Captain RENNICK. Can Tho was supposed to alleviate this problem. It was supposed to be ready some time last Christmas. I don't know if it is ready yet or not, sir. It wasn't when I left.

Mr. WILSON. What is Can Tho?

Mr. PIKE. It is another airport that they are building in the delta region.

Captain RENNICK. I feel that we need multiple-type aircraft. We need aircraft with a quick reaction time, you know, good speed, a high-speed envelope. They would help cut down on this reaction time.

Mr. PIKE. What about just keeping the planes in the air?

Captain RENNICK. That is something I think should be considered. If we have the resources, and if we do not have airbases available in certain regions to provide quick, adequate close air support, I think we should seriously consider airborne patrols 24 hours a day.

Mr. PIKE. Do you think that your planes, either the A-1's or the F-100's enable you to eyeball the target on the ground as well as you ought to be able to?

Captain RENNICK. You mean do you think that we could work without a forward air controller?

Mr. PIKE. Yes.

Captain RENNICK. No, sir; I do not.

Mr. PIKE. And that would have to be a flying air controller?

Captain RENNICK. I would say that an airborne forward air controller over any situation where close air support is required as——

Mr. PIKE. Essential?

Captain RENNICK. Necessary, sir.

Mr. PIKE. Necessary.

Mr. Wilson, I have been going on for quite a while now. Do you want to ask a question?

Mr. WILSON. Just as a follow-on to some of the questions you have put.

Mr. PIKE. Very well.

Mr. WILSON. Captain, when you were a FAC, were you an airborne air controller, on on the ground, with the troops?

Captain RENNICK. I served in both capacities, Mr. Wilson.

Mr. WILSON. Which did you think was most effective?

Captain RENNICK. Again, we have to determine the terrain in which we are operating. Eighty percent of the country is jungle, so 80 percent of the time at least the airborne FAC is most effective.

Mr. WILSON. You mean in the jungle situation you have a much better view of the whole operation—

Captain RENNICK. Yes, sir.

Mr. WILSON. Airborne?

Captain RENNICK. Yes, sir. In a jungle situation, a man on the ground just can't effectively get the job done.

Mr. WILSON. When you weren't in the jungle situation, the other 20 percent of the time, did you live right with the ground troops that you were controlling for?

Captain RENNICK. On operations, I went with them, and I lived with them the duration of the operation; yes, sir.

Mr. WILSON. So you got to know them pretty well?

Captain RENNICK. I got to know the people that I immediately associated with, the task force commander and his staff, as well as the Army adviser.

Mr. WILSON. Were you the only Air Force officer with that particular Army detachment?

Captain RENNICK. Yes, sir.

Mr. WILSON. As a pilot, did you get to know any of the troops? You were stationed at what base?

Captain RENNICK. Bien Hoa.

Mr. WILSON. Bien Hoa.

And this was an hour and some minutes away.

Actually you never got to know any of the troops that you were working with when you were being controlled, when you were flying the A-1-E's, right?

Captain RENNICK. I am sorry, I don't follow the question, sir.

Mr. WILSON. Well, it is pretty obvious that you didn't actually get to live with or know any of the troops that you were providing the air cover for as a pilot.

Captain RENNICK. As a strike pilot?

Mr. WILSON. Yes, sir.

Captain RENNICK. No, sir, I didn't come in contact with them.

Mr. WILSON. I just wondered whether there was any attempt by either the Air Force or the Army to bring you together socially, or some way, to kind of talk about the mutual problems and so forth.

Captain RENNICK. When I was there, sir, I was working with a Vietnamese outfit. I want to reemphasize this.

Mr. WILSON. Yes.

Captain RENNICK. They had Army advisers, and I was the Air Force FAC assigned to the entire brigade.

Mr. WILSON. Yes. All right.

Now, a couple of other things. I don't think we straightened out the nomenclature of "pickled the can" adequately. I suppose this means a can of napalm, and you drop it down the pickle barrel. A good hit with a can of napalm, is that "pickled the can"?

Captain RENNICK. No, sir.

Pickle is a term for release. A can of napalm is, of course, a can of napalm.

Mr. WILSON. I imagined the "pickled" comes from dropping it down the pickle barrel, but that is beside the point.

When you were flying, did you ever use a photograph with a marked out hut or any such device that might help you locate a target, rather than listening to an FAC to tell you where the target was? In other words, were you given, when you started out a sortie, a photograph saying here is some suspected activity; knock this hut out, or some such thing?

Captain RENNICK. I think that on occasion we did have access to photographs, on one or two occasions.

However, I don't really know if this was very effective or not, because normally it seems to me if I were a VC and I thought that somebody had my position located, I would pack up and move. So I am not sure of the effectiveness of photo intelligence.

Mr. WILSON. Well, in the area you were working in, particularly in the jungle, weren't there some instances where you could spot a garden plot from the air and you could tell there was a hut of some sort, like the one that you talked about where the three men ran in?

Captain RENNICK. Yes, sir.

Mr. WILSON. Now, isn't it conceivable that aerial photographs taken of suspected positions might be used as a locating device for pilots on a strike?

Captain RENNICK. Yes, sir; it is.

Mr. WILSON. But you never had much experience with that particular device?

Captain RENNICK. I didn't have much experience with it; no, sir.

Mr. WILSON. OK.

One thing I wondered if we could clear up, when you take off with a couple of cans of napalm on your aircraft, do you ever come back in and not have dropped them?

Captain RENNICK. The A-1E, sir, has 14 external stations that we carry ordinance on, plus a center line station for fuel. As we normally flew—with eight cans of napalm—you are well over 5,500 pounds, and with a full tank of fuel you greatly exceed your landing gross weight.

Mr. WILSON. Yes?

Captain RENNICK. Therefore, we had to release our cans prior to landing. It was an aircraft limitation.

Mr. WILSON. I understand. I don't think I would want to land with any of these attached to the bottom of the plane, either. But I wondered if this was a normal practice, when you didn't find a target, to just jettison them.

Captain RENNICK. When we didn't find a target, sir, we had free strike zones—D zone is an example I can remember quite well—and we would go out and drop them in these zones. We had also had

free strike zones down in the south where it was strictly territory controlled by the VC, and anything we saw in there was free game.

Mr. WILSON. I see.

Just one further thing. I notice in your biography you did some combat and student training over in Vietnam. Now you were obviously training the Vietnamese pilots?

Captain RENNICK. Yes, sir.

Mr. WILSON. Were you training them in A-1E's or in F-100's?

Captain RENNICK. In A-1E's. I did not fly the F-100 in Vietnam.

Mr. WILSON. Did you see any Vietnamese pilots being trained in the F-100?

Captain RENNICK. No, sir.

Mr. WILSON. Is there any training program?

Captain RENNICK. To my knowledge there is not, sir.

Mr. WILSON. Only in the A-1E's.

Now, why would that be, in your opinion?

Captain RENNICK. Sir, I am sure that that has some implication that I know nothing about.

Mr. WILSON. It is a rather complicated airplane to learn to fly. You learn to fly the F-100 and it is pretty obvious that it would be hard to train a group of non—

Mr. BLANDFORD. I can answer that question, Mr. Wilson.

I think, if you will recall, that was discussed by the Secretary of Defense during the executive session we had last spring, with respect to the time factor involved, that with the A-1E airplanes the time required for the South Vietnamese to be able to acquire the skill of flying is quite rapid.

Mr. WILSON. Yes. I am just trying to develop that point now.

I think in trying to determine the type of aircraft that would be most suitable for the particular operation you were in that the problem of having a relatively simple airplane for new pilots to quickly learn—I mean, it is a crash program. Obviously, to train somebody who probably has never ridden in an automobile, some of them, and put them in an airplane fast and teach them how to fly it, that the simpler the airplane—obviously there is quite a difference in the A-1E's and the F-100's.

Are you familiar with any of the proposed airplanes that the Defense Department is talking about for operations in that area, the so-called COIN airplane or any of the others that have been suggested as a follow-on for the A-1E's?

Captain RENNICK. I subscribe to Aviation Week, but I haven't been doing my homework too much, sir. I just faintly, vaguely, am familiar with it; yes, sir.

Mr. WILSON. I mean just as a pilot, are you concerned that we are using airplanes that are 15, 20 years old, and they are using them up fast, and what are we going to have when they are gone?

Captain RENNICK. Army officers go into combat carrying—even I did—a gun made in 1917, that seems to work real well.

Mr. WILSON. As long as you know you have a lot of them back in the armory, I suppose you don't have to worry too much. But the big problem with aircraft is they wear out a lot faster than a 1917 revolver would.

Captain RENNICK. Surely.

I will say this. The A-1E—I don't know when the last manufacture date on it was, sometime in the mid fifties.

Mr. WILSON. It is a darn good airplane. I am not running it down, at all.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. Captain, I notice in February of this year you volunteered for service as a forward air controller with the Vietnamese airborne brigade. That was the one you mentioned.

On your first operation you were pinned down every night by heavy Vietcong fire. Did you call for close air support at that time?

Captain RENNICK. Yes, sir.

Mr. ICHORD. Did you get it?

Captain RENNICK. Yes, sir.

Mr. ICHORD. How long was it in arriving?

Captain RENNICK. At the time—would you like a little—30 seconds of background on this?

Mr. ICHORD. Yes. Go ahead.

Captain RENNICK. Well, I was to be an FAC on a two-battalion airborne operation, and my battalion landed in a landing zone approximately 2 kilometers from a larger landing zone. We were to proceed to this large landing zone, meet up with the rest of the task force, and move out on the operation. Unfortunately, the second landing zone, the large landing zone, was being protected by VC, and the battalion that landed there suffered heavy casualties on landing. They finally did make it, and we spent, or they spent the rest of the afternoon evacuating the dead and wounded.

About 1700 that night—1700 or 1730—the VC pulled up parts of three battalions around this zone, and we had only penetrated maybe 75 to 100 meters, at the most, into the woods, and they caught us on the zone with mortar fire, small arms, recoilless rifles, and whatever they have. We had choppers in the area, both armed choppers and the slick's, the troop transport type. They were there and were able to react immediately to us. I requested through an airborne radio relay for A-1E's from Bien Hoa. A first flight arrived approximately 15 minutes later. However, they had expended their ordnance elsewhere, and just made some dry passes.

Mr. ICHORD. It arrived 15 minutes later, after you called them.

Captain RENNICK. With no ordnance. They had expended all their ordnance elsewhere, but they knew we were in trouble and they just made some low passes, which was morale building if nothing else.

I suppose from the time we initiated the request for A-1E's until the time we got them—I couldn't give an exact estimate, but it was within 45 minutes. They scrambled—they had the night alert bird's set up. We have four night alert airplanes that we maintain every night.

Mr. ICHORD. How many of them did you get at that time, 45 minutes later?

Captain RENNICK. We got the first flight of two immediately. The other flight of two arrived as the first flight was still on station and they were delivering ordnance.

Then it was probably, I think another half hour to 45 minutes before we got another flight of four. And we had A-1E's and A-1H's with us all night. I don't know the total flights we had—

Mr. ICHORD. You had them with you all night long?

Captain RENNICK. We had numerous sorties, sir.

Mr. ICHORD. And were they expending?

Captain RENNICK. I believe they were all loaded with HE bombs, from 100 pounders, to maybe some 250's and frag bombs. We had no napalm. We didn't want it. But I had no way—I would take everything there. But it worked out we didn't have napalm.

Mr. ICHORD. Now, Captain, you agreed that we did need quicker reaction time?

Captain RENNICK. Yes, sir.

Mr. ICHORD. And you inferred that we could get the quicker reaction time by either having a plane that would get there faster or having the airports down closer to the battle area.

Where is this airport that you indicated was under construction?

Captain RENNICK. The airport under construction, Can Tho, is right in the central delta.

Mr. CHAMBERLAIN. Whereabouts, here?

Captain RENNICK (addressing Captain Sands). Point it out to him.

Captain SANDS. Right here, sir.

Mr. CHAMBERLAIN. Here is Saigon, right here.

Mr. ICHORD. How far is that from Vinh Long? I remembered—did we fly into a pretty good airfield at Vinh Long?

Captain RENNICK. Vinh Long is down to the southeast, there, sir.

Mr. CHAMBERLAIN. Here [indicating].

Captain RENNICK. I don't know, 25 miles or so. Is that Vinh Long?

Mr. CHAMBERLAIN. This is Can Tho [indicating], and Saigon is here [indicating].

Captain RENNICK. OK.

Vinh Long is 25 miles northeast of Can Tho.

Mr. ICHORD. That is a pretty good sized airstrip, isn't it? How come that hasn't been used for A-1E flights?

Captain RENNICK. As I recall, when I was there, sir, Vinh Long was only an emergency strip for us, because it didn't have sufficient runway.

Now, they might have lengthened it, but we never even considered operating out of Vinh Long, due to the length of the runway.

Mr. ICHORD. What do you need for an A-1E?

Captain RENNICK. It would be best to have 5,000 or 6,000 feet.

Mr. ICHORD. Now, of course, if you take the route of getting the faster plane—you are going to lose some of the advantages that the A-1E has, aren't you? Namely, increased bomb load, increased loitering time, easier to identify the target and better eyeball sight, I believe is the way the chairman put it.

Captain RENNICK. Yes. Well, there are advantages and disadvantages to any two types of systems.

Mr. ICHORD. All in all, I take it that you think that the A-1E is a pretty good airplane?

Captain RENNICK. I think in a given set of circumstances it is a good airplane. It does have its shortcomings, shortcomings that a faster airplane, an airplane similar to the 100, is able to overcome.

Mr. EVANS. Would the gentleman yield to me?

Mr. ICHORD. That is what I wanted to know.

Do you think that you need different airplanes for the calls that are made?

Captain RENNICK. Right now, sir, I think that a mixed fleet of aircraft is better than any one specific aircraft that we could name.

I think we have gone over the various advantages and disadvantages of two airplanes, considering say the A-1E and the F-100, and I think that there is a definite need for both airplanes in this theater, and they both complement one another.

Mr. PIKE. Other than speed, what can the F-100 do better, and the fact that it is air conditioned?

Captain RENNICK. Well, I think speed is the big thing. It can get to the target quicker. It is less susceptible to ground fire, because of the—

Mr. PIKE. Speed?

Captain RENNICK. Yes, sir, of the faster delivery speed. Those are the two big points for it.

Mr. WILSON. How about load-carrying capacity?

Captain RENNICK. It does not have the capacity of the A-1E.

Mr. ICHORD. Well, if you had increased antiaircraft capability on the part of the Vietcong, you would be more inclined to move into the F-100 and take some of its disadvantages, wouldn't you?

Captain RENNICK. That is right; yes, sir.

Mr. EVANS. Could I?

Mr. ICHORD. I would yield to the gentleman.

Mr. EVANS. On that question, if you are over a target with an A-1E or an F-100, which plane—let's say the target is easily identified—can deliver more hardware more effectively from the pilot's standpoint, the test being delivery of more hardware more accurately?

Captain RENNICK. Well, again, I have never flown the F-100, but I can give you a personal opinion on that. We are not considering ground fire?

Mr. EVANS. No, sir. We are just talking about delivery of hardware accurately.

Captain RENNICK. There is a strafe panel down there and a bombing, and we want to drop bombs for the longest time, and most accurately?

(Mr. Evans nods.)

Captain RENNICK. Then I would say the A-1E would be the airplane.

Mr. EVANS. Thank you.

Mr. ICHORD. Well, what—you have a pretty high opinion of the A-1E, even though it is a 20-year-old airplane, as Mr. Wilson put it.

Captain RENNICK. Yes, sir. I think that in the given set of circumstances, that we have discussed, that it is doing a real fine job. And I don't—it is as good an airplane as we have in the inventory right now for a given set of circumstances.

Mr. PIKE. I can understand why it would drop more bombs. Why is it more accurate?

Captain RENNICK. Slower release speed, sir.

Mr. PIKE. How about angle of attack?

Captain RENNICK. You can release your ordnance at a lower altitude and effect the recovery in much less distance. Therefore, you can release closer to the target.

Mr. PIKE. Are you through?

Mr. ICHORD. Yes, sir.

Mr. PIKE. Mr. Gubser.

Mr. GUBSER. You mentioned that up until the time you left there was a rather chronic shortage of aircraft, Captain. And, of course, the downtime of aircraft on the line and the maintenance problem enters into that.

Was your experience with maintenance good, bad, indifferent? Do you feel that the plane has had a minimum of downtime?

Captain RENNICK. Well, Mr. Gubser, maybe I didn't make—I didn't think we had a chronic shortage of aircraft, sir.

Mr. GUBSER. I shouldn't have put words in your mouth.

Captain RENNICK. Yes, sir.

As far as maintenance goes, I never experienced any more than routine difficulty.

We, at one time, had a little problem with engines, but before I left I think it had been remedied. And I have no complaint as to the maintenance.

Mr. GUBSER. Did you usually fly the same aircraft?

Captain RENNICK. No, sir.

Mr. GUBSER. In other words, you may have a different one every day?

Captain RENNICK. Yes, sir.

Mr. GUBSER. But did you find, though, that they were pretty constantly ready and on the line?

Captain RENNICK. Yes, sir. I don't think I aborted over two airplanes in the several months that I was flying A-1-E's.

Mr. GUBSER. What is the runway requirement, comparatively speaking, between the F-100 and the A-1-E's?

Captain RENNICK. The F-100 requires a longer, deeper, heavier runway, sir.

Mr. GUBSER. It probably gets up. You have to have about 7,000, 8,000 feet, at least, for an F-100, wouldn't you?

Captain RENNICK. Yes, sir.

Mr. GUBSER. Did you say that you figured that the A-1-E required—you should have 5,000 to 6,000 feet?

Captain RENNICK. I would say that would be minimum, yes, sir.

Mr. GUBSER. In other words, it can only operate from a prepared strip; is that right?

Captain RENNICK. That is right, sir.

Mr. GUBSER. What would your opinion be, from your experience, if we were lucky enough to have an aircraft of reasonable speed and reasonable ordnance carrying capability and reasonable loitering time that did have a STOL capability so that you could get it right up near the frontline?

Captain RENNICK. I think, sir—

Mr. GUBSER. Something you could operate from an unprepared strip, of 1,000 feet, or a little strip of road or something like that?

Captain RENNICK. What we would do with this plane, sir, would be observation or—

Mr. GUBSER. No; I mean use it in the same capacity that you would use the A-1-E's.

Captain RENNICK. Then—

Mr. GUBSER. For close-in support?

Captain RENNICK. On the surface, it sounds good, but we have to consider the problem of supply. How are we going to supply this airplane? How are we going to defend our supply depot where we mix our napalm, where we fuse our bombs? To operate an airplane like this with a 3,000 or 4,000 pound load, that we are going to turn around two to three times a day. We are talking about 15 or 20 tons of bombs.

Mr. GUBSER. What does turnaround mean?

Captain RENNICK. It is the time required from when the plane lands until it is fueled, loaded, and goes again. Then we have a logistics problem, sir. That is completely out of my realm, but it seems to me if we had many of these places over the country, if we had aircraft operating within 2 or 3 miles of the frontlines, and if they were secure, we would no longer have the need for them, because we would, in effect, control the country.

Mr. GUBSER. That is very interesting.

You operated where your L-19's were identifying targets and relaying messages from the FAC to the pilot?

Captain RENNICK. Yes, sir.

Mr. GUBSER. Did you ever see an L-19 go down, so that you were without the relay?

Captain RENNICK. No, sir; I did not.

Mr. GUBSER. They were vulnerable; are they not?

Do you know of any losses of L-19's, acting in that capacity?

Captain RENNICK. I know of losses; yes, sir. I guess every aircraft is vulnerable in any given set of circumstances. The L-19, of course, can't stand a 50-caliber or even a 30-caliber machinegun. Even in intensive automatic weapon fire, its lifespan is fairly low.

Mr. GUBSER. You want to ask a question, Bob?

Mr. WILSON. Yes.

I just wanted to ask you: What type of guns were used against you over there? Were they conventional anti-aircraft? What were they firing at you that made you nervous?

Captain RENNICK. Well, sir—

Mr. CHAMBERLAIN. Anything.

Captain RENNICK. In the south mostly small arms fire, automatic weapons fire, and on occasion 50-caliber. I don't know of any instances when they used 20-millimeter. We had some reports, but I don't know, because it is hard to tell apart a 20-millimeter and a 50-caliber. But normally, unless you run into a well dug in, fortified battalion, most ground fire will be small arms and automatic weapons.

Mr. WILSON. Thank you.

Mr. GUBSER. What has been your experience with our radio equipment? Yesterday I believe the sergeant indicated that it was less than ideal, the equipment that they were forced to use on the ground? What is your experience with it, Captain?

Captain RENNICK. Well, sir, when I was with the airborne brigade I was equipped with a PRC-25, which—I am not familiar with these radios to a large degree—but I think it is an improvement over the PRC-10. It has preset crystals. I found that it was very adequate to communicate with the airborne radio relay.

As far as the range goes, when you got in dense jungle you had trouble communicating with other units that were a kilometer or

two or three away. But we could pick up aircraft, oh, 15, 20 miles away, possibly, with an antenna.

Then you have an antenna problem. With a short antenna that range decreases greatly. But my own self, when I was on the ground, I experienced very little communications difficulty. But I have heard of cases where it was a problem.

Mr. GUBSER. Mr. Chairman, I don't want to single out any one of these witnesses, because they have all been superb, and I don't intend to continue doing this, but I just want to say once more that the candor and the direct answers that we are getting from all of these witnesses is the finest thing I have ever experienced in the 13 years that I have been in Congress; and I am just delighted with you, Captain, and all the others who have testified before you, and I suspect, those that will come after you.

Mr. PIKE. I think maybe the precedent we set in going down somewhere below the general staff level might well be emulated in future hearings.

Mr. GUBSER. Amen.

Mr. IRVIN. Mr. Chairman.

Mr. PIKE. Yes?

Mr. IRVIN. I wonder if the record couldn't just show that we all subscribe to what Mr. Gubser said, so we won't have to spend an awful lot of time repeating it.

Mr. PIKE. Yes.

Mr. Nedzi.

Mr. NEDZI. Mr. Chairman, I just want to associate myself with Mr. Gubser's remarks. This is one thing we agree on, Charlie. I have no questions.

Mr. PIKE. Mr. Chamberlain.

Mr. CHAMBERLAIN. Yes, I have two or three questions I would like to ask, Mr. Chairman. Thank you.

First, I agree with my colleague here, Mr. Gubser.

You know, a year or so ago we had—there was a big furor created here at home because the wings were falling off some of these A-1-E's out there, and we had a lot of anxiety about it, and made some inquiries here.

I gather from what you have said about the A-1-E's that you feel that they are an entirely adequate plane. Do you have any comments with respect to this fatigue factor that entered into that, at the time that some of the planes were tired?

Captain RENNICK. Well, Mr. Chamberlain, it has been my recollection that it was the B-26 that had the fatigue problem, and not the A-1-E. The B-26's—

Mr. CHAMBERLAIN. The (T)——

Mr. MARSHALL. (B).

Mr. PIKE. (B).

Mr. GUBSER. Side by side.

Mr. PIKE. How about the T-28?

Mr. IRVIN. Yes, T-28's.

Mr. CHAMBERLAIN. That is right, T-28's.

Captain RENNICK. Before the A-1-E, the primary strike aircraft in South Vietnam was the T-28 and B-26.

There was, on the B-26, what came out to be a structural problem with the wing. Now, the A-1-E has replaced, to my knowledge, all of the 28's and B-26's in the Republic of South Vietnam.

The A-1-E is built like a tank, and, in fact, when you first get in one, it flies like it.

Mr. WILSON. Then you come to love it.

Captain RENNICK. It is kind of like an ugly wife. You get to love her.

Mr. WILSON. You are a bachelor.

(Mr. Irwin remarks to Mr. Wilson off the record.)

Captain RENNICK. Anyway, sir, I think that we can disregard any fear of structural problems in the A-1-E. At least, that has been my experience.

Mr. CHAMBERLAIN. And we have no more T-28's out there, anyway, so far as you know?

Captain RENNICK. No T-28's and no B-26's, as far as I know.

Mr. CHAMBERLAIN. You say that you have worked with the Vietnamese pilots out there?

Captain RENNICK. Yes, sir. A part of my duty when I was at Bien Hoa was to instruct Vietnamese pilots in the A-1-E. [Deleted.]

Mr. CHAMBERLAIN. Mr. Chairman, I apologize for being a few minutes late, and perhaps this was covered earlier. If it was, I would skip it, but we haven't heard anything said about night operations here.

Has that been gone into?

Mr. PIKE. No. You go ahead.

Mr. CHAMBERLAIN. I don't know that I can.

Mr. PIKE. Captain Rennick, did you say you flew on some—

Mr. CHAMBERLAIN. Tell us about the night operations. Any difficulties encountered there, limitations, or whatnot? Address yourself to that whole subject.

Captain RENNICK. All right, sir.

Mr. CHAMBERLAIN. Just briefly, please.

Captain RENNICK. Well, as someone said, the only difference between flying night and day is that it is exactly the same, but at night, you can't see where you are going. My night experience has been limited to fort defense, when I was flying A-1E's. We had four airplanes that we maintained on alert every night, and they were scrambled through the immediate air request system. They rendezvoused with a flare ship that was maintaining airborne alert the entire night—we had one Vietnamese and one American type. Normally, they would scramble us, we would go to the fort, get radio contact with the flare ship that had a Vietnamese FAC on board in contact with the fort, and we would receive instructions from him as to where to expend our ordnance.

Mr. CHAMBERLAIN. Where did this plane come from?

Captain RENNICK. Sir?

Mr. CHAMBERLAIN. Where did this plane come from?

Captain RENNICK. The flare ship was based at Tan Son Nhut, sir.

Mr. CHAMBERLAIN. Well, that is if you are right in that area, but—

Captain RENNICK. Yes, sir. It maintained airborne alert wherever an area of suspected activity might be. In other words, it might be 50 or 70 miles south of Saigon, for example.

Mr. CHAMBERLAIN. Yes.

Captain RENNICK. The flare ship has some sort of pattern that it flew, and whenever it got the word to go to a target, it went directly there.

Mr. CHAMBERLAIN. It was there, if you were there?

Captain RENNICK. No, sir.

Mr. CHAMBERLAIN. No?

Captain RENNICK. It was there normally before us, because we were setting ground level, on 10- to 15-minutes ground alert.

Mr. CHAMBERLAIN. That is what you mean. They were there and called you when you got there?

Captain RENNICK. Yes, sir.

Mr. CHAMBERLAIN. You had no problem with this other ship then?

Captain RENNICK. No, sir. Sometimes it was sufficient for the flare ship to get to the fort, drop a few flares, and the attack would cease. Many times it would drop flares and we would not be called, because there was no requirement for strike aircraft.

Mr. PIKE. Were the flare ships C-47's?

Captain RENNICK. The Vietnamese were, sir. The American ships were 123's.

Mr. CHAMBERLAIN. There are some of us on the committee that were at Dong Xoai. What was your assignment in connection with Dong Xoai?

Captain RENNICK. I was not in on the initial day's activity at Dong Xoai, Mr. Chamberlain. The following night—it would actually be about 24 hours after the initial attacks—I led a flight up there.

Mr. CHAMBERLAIN. At night?

Captain RENNICK. At night, yes, sir. The night that I was there, we flew—every 2 hours. We took off in flights of two, orbited the area, expended our bombs when our fuel ran low, and returned and landed at Bien Hoa. So we had entire coverage of the area at night.

Mr. CHAMBERLAIN. Did you have a forward air controller there at night, too?

Captain RENNICK. Yes, sir.

Mr. CHAMBERLAIN. And you were expending ordnance on target or in zone D?

Captain RENNICK. In the general area of Dong Xoai. The time I was there there was no attack. But the forward air controller who was in contact with the men on the ground got from the people on the ground areas they suspected concentrations of the enemy were, and we would go out and dump our bombs there, prior to returning home. We were mainly airborne alert or airborne cover, in case anything broke.

Mr. CHAMBERLAIN. Just one final question.

Going back to your A-1E's and inventory, you have made reference to this mix that we have with seemingly a high degree of satisfaction. Now, some of us here are concerned about providing a plane that might not be in the inventory to do these things.

Do I gather from your testimony, Captain, that it is the talk around with your fellow officers at the club and so forth that there is no COIN aircraft needed, that you have everything that you want right now to do the job out there, or is there a little chatter that maybe you could come up with something that would be of greater help in doing the job that has to be done?

Captain RENNICK. Yes, sir; Mr. Chamberlain. I think that it is important that we always strive to improve our weapons systems. If I left you with the impression that I am satisfied with the A-1E or the F-100 or whatever it might be, well then I didn't mean to do that.

What I am saying there is that I think they are doing a real good job. But I think that we should be constantly trying to improve our weapons systems. And the thing we need is an aircraft that will carry a fairly large payload, an aircraft that will be able to take off from bases—not right here at the frontline, because that is impractical, we can't support them, but from bases as close as we can get them, within 50, 75, or 100 miles—that will have a quick reaction time, can fly rapidly to the target, with a low enough speed envelope for the capability of effectively dropping in close support and with a large load of ordnance, and with a good loiter time.

I think we should try to improve our weapons systems in any way possible.

Mr. CHAMBERLAIN. Thank you very much, Mr. Chairman.

Mr. PIKE. Mr. Irwin.

Mr. IRWIN. I have no questions, Mr. Chairman.

Mr. PIKE. Mr. Evans.

Mr. EVANS. Are you familiar with the features of COIN aircraft?

Captain RENNICK. I have seen, or I have read about a couple of projected COIN aircraft, sir.

Mr. EVANS. Do you have any opinion as to the usability of such an aircraft, as one that would take the place of the plane you are describing? Are you that familiar with it?

Captain RENNICK. I don't think that I am really that familiar—I am certainly not an expert on it.

Mr. EVANS. Do you have any opinion on it?

Captain RENNICK. Well, I think that any new airplane that we develop specifically for close air support should have a good capacity to carry—a large capacity to carry ordnance. It should have a long loiter time, and be able to respond rapidly. I would think that these three things would be of most importance.

Mr. EVANS. Do you have sufficient knowledge of the COIN's characteristics, at least the characteristics they are shooting for, to be able to say whether or not you feel such a plane would meet these requirements that you specify?

Mr. RENNICK. No, sir, I do not have that knowledge.

Mr. EVANS. I have no further questions.

Mr. PIKE. Captain, what is the speed at which an A-1E travels from takeoff to its target?

Captain RENNICK. With a full ordnance load, sir, about 150 knots indicated, which would be about 180 miles an hour true.

Mr. ICHORD. What altitude?

Captain RENNICK. 4,000 to 5,000 feet, sir.

Mr. PIKE. What is the speed at which an F-100 travels to its target?

Captain RENNICK. I am not familiar with that, sir. I would guess it to be somewhere around 350 to 400 knots indicated.

Mr. PIKE. More than twice as fast?

Captain RENNICK. I wouldn't know. I would say twice as fast, but I am not sure.

Mr. ICHORD. Well, Captain—

Mr. IRWIN. Mr. Chairman.

Mr. PIKE. Go ahead.

Mr. ICHORD. Captain, I take it what you are more or less reaching for is an airplane that will have the capabilities of an A-1E when it gets there to the target, but have the in-out cruising speed of an F-100?

Captain RENNICK. If you have it, I will buy it.

Mr. WILSON. Could I ask one question?

Mr. PIKE. Mr. Irwin.

Mr. IRWIN. I wonder, Mr. Chairman, if it would be possible for someone to give us these facts (exhibiting brochure) so we can look at them all on one sheet, and maybe include in it, to the extent that it is available, some information on, say a COIN aircraft, so that we could see it all at one time?

I have been trying to sort of pick my way back and forth, and I can't remember what I see on one sheet to another, here.

Mr. WILSON. In other words, the points that the captain was making about the size of payload of the different aircraft?

Mr. IRWIN. Right.

Mr. WILSON. Comparatively, on a chart?

Mr. IRWIN. Right.

Mr. WILSON. And speed?

Mr. IRWIN. The speed, takeoff.

Mr. WILSON. The loitering speed.

Mr. PIKE. You can't get all the information you need on one page. That is the whole problem.

Mr. IRWIN. You could get a big page, Mr. Chairman. I have seen you thumbing back and forth. And I have a hard time remembering.

Mr. PIKE. I'll tell you what I will do. As long as you can maintain the classification of secret, I am going to give you permission to cut the pieces out of this thing and paste them all on one page.

Mr. IRWIN. I was about to do that, but I thought maybe you would be watching me.

Mr. GUBSER. May I ask, when you are through—

Mr. PIKE. Yes. All I was going to say—you go ahead. We are going to have to adjourn.

Mr. GUBSER. I just wanted to ask this question.

All the operations you have been on as a pilot which provided close support for ground troops were, of course, in single place A-1's; is that right?

Captain RENNICK. No, sir. The A-1E.

Mr. GUBSER. One or two.

Captain RENNICK. It is side by side; yes, sir.

Mr. GUBSER. Did you have a copilot, or were you alone?

Captain RENNICK. There was a requirement up until, well, for the first few months, I was there, to have a Vietnamese on board. Then after that, they deleted that requirement and we flew them solo.

Mr. GUBSER. What is your opinion, insofar as your effectiveness is concerned, on a single pilot, versus two pilot mission?

Captain RENNICK. Again, sir, this is just a personal opinion.

Mr. GUBSER. That is what I want.

Captain RENNICK. But I think that when you add the second seat to any strike aircraft you just add 80 (sic) pounds, and that is it.

Mr. GUBSER. Another pair of eyes isn't helpful?

Captain RENNICK. We operate in flights of four, and the difference between four and eight eyes is—I don't know.

Mr. WILSON. It would be 8 and 16 eyes.

Captain RENNICK. Yes, sir.

Mr. GUBSER. Do you like the single engine concept for close in air support?

Captain RENNICK. Sir, I have never flown anything but the single engine for close air. I couldn't draw a parallel there, then.

Mr. GUBSER. Is your forward vision good, not impaired in any way?

Captain RENNICK. Pretty good, yes, sir. The A-1 was limited in that you couldn't see out the right side. But, of course, in the A-1H, which has a single cockpit you don't have this problem.

Mr. GUBSER. Thank you very much.

Mr. PIKE. Did you want to ask anything else?

Mr. ICHORD. No, sir.

Mr. PIKE. Captain, where did you do all your training?

Captain RENNICK. I went to primary training at Webb Air Force Base, Tex., sir. Basic at Randolph. Gunnery school at Luke, Phoenix, Ariz. I was assigned to England Air Force Base, La., and then went 60 days to A-1-E transitioning at Hurlburt Field, Fla.

Mr. PIKE. You had 60 days of training in an A-1-E before you went to Vietnam; is that correct?

Captain RENNICK. Yes, sir.

Mr. PIKE. In that training, what was the doctrine given to you as far as close air support is concerned?

For example, what did they tell you about how close you should or could drop to friendly troops?

Captain RENNICK. Maybe I should expand a little bit on my training, sir. I also attended air-to-ground operations school when I was at England Air Force Base, and served in the squadron as a forward air controller for simulated strikes in Louisiana, for quite a while. I had never dropped any live ordnance until I got to Hurlburt. We were given the approximate explosion—the radius of effective shrapnel and things, of these bombs. We never, of course, were right near when a bomb went off, and we couldn't witness the blast from eye level.

Mr. PIKE. No. But what did they tell you, about how close you could drop to friendly troops?

Captain RENNICK. Well, you just drop as close as the people on the ground or the forward air control wants it, I can't remember if any definite guidelines were ever presented to me that said, "Memorize these for different sizes of bombs, the distance that can be safely dropped from troops." I don't recall this, sir. It is just good judgment.

Mr. PIKE. In other words, this is a decision which is not made by the pilot, but is always made by the people on the ground or the forward air controller?

Captain RENNICK. Being a pilot, if you know where the friendly troops are located, even though you are working with a forward air controller, you know about where the bombs should go. He might mark a target and then give you a correction from that mark in feet or meters, and if you know where the friendlies are, you know

pretty instinctively about how close the bombs can go and still not do any damage to the friendly forces.

It is something, sir—it is sort of second nature with you. I am sure you recall that.

Mr. PIKE. You have been pretty well briefed on us, haven't you?

Captain RENNICK. No, sir; but you look like a fighter pilot to me.

Mr. WILSON. Well, that is the first mistake you made today.

Mr. IRWIN. It is half right.

Mr. PIKE. What about angle of attack in a bombing run?

Captain RENNICK. Well, it has been my experience that the steeper dive angle you have, the less longitudinal, or 6–12 error that you will have. In other words, if we are trying to hit a pinpoint target, and we are coming in this way, the closer we get, we won't have the problems of dropping either long or short. This is something that also comes up in close air support. You always drop parallel to the line of the friendlies.

Mr. PIKE. If you know where the line of the friendlies is.

Captain RENNICK. If you know where they are. You normally don't want to drop unless you know.

Mr. PIKE. In other words, the steeper the dive, the more accurate the bombing?

Captain RENNICK. Within reason; yes, sir. That is just a general rule.

Mr. PIKE. Now, I will tell you, I was not a fighter pilot, I was a dive bomber pilot. And I am glad to get your statement on the record to the effect that the steeper the dive the more accurate we can aim and hit.

Now, you talked about a 30-degree angle that you used in an A-1E, did you not?

Captain RENNICK. I might have, sir. I don't recall.

Mr. PIKE. Well, at what angle were you taught to dive an A-1E, to release?

Captain RENNICK. I believe, sir, it was either 40 or 45. I am not sure.

Mr. PIKE. Forty or forty-five?

(Bells ring.)

Mr. PIKE. Well, I am afraid we have to adjourn.

Mr. IRWIN. Ask that last question.

Mr. PIKE. All right.

Would we not be better off if we had some planes that we could dive a great deal more steeply than 40 or 45, consistently?

Captain RENNICK. Well, the thing, too, to remember is, the steeper your dive angle, the higher you are going to have to pickle to effect a safe recovery altitude.

Mr. PIKE. That is true.

We used to have to release it at about 1,500 feet, in order to get out, with the dive flaps and everything.

Captain RENNICK. So——

Mr. PIKE. You are always a smaller target.

Captain RENNICK. Yes, sir. So I personally like a steep dive angle.

Mr. PIKE. But the trouble is that without dive flaps, et cetera, we can't dive them in as fast as we used to; isn't that correct?

Captain RENNICK. I like to come across the target fairly rapidly, sir. I don't like—

Mr. PIKE. Whether it interferes with your accuracy, or not?

Captain RENNICK. Well, let's maintain—let's get the degree of proficiency where we can accurately deliver this ordnance at a fairly rapid speed so we don't suffer too many hits. I think that is the answer.

Mr. PIKE. Well, I think we have got to adjourn at this time.

Mr. WILSON. Let me just ask two brief questions.

At what speed, when you are dropping your ordnance, does your A-1E fly?

Captain RENNICK. It releases the dive bomb at 260 knots, sir.

Mr. WILSON. You are going about 260 knots when you cut her loose?

(Captain Rennick nods.)

Mr. WILSON. What about—would you have any knowledge about your F-100?

Captain RENNICK. No, sir, I would not.

Mr. GUBSER. How many G's do you pull at 260 knots, Captain?

Captain RENNICK. Four and one-half to five.

Mr. PIKE. You have been a most interesting witness. That is why we can't get this meeting adjourned.

The meeting is adjourned.

Mr. MARSHALL. Tuesday?

Mr. PIKE. Yes, Tuesday, at 10 o'clock.

Mr. MARSHALL. Tuesday at 10 o'clock.

(Whereupon, at 11:20 a.m. the subcommittee was adjourned to reconvene Tuesday, September 28, 1965, at 10 a.m.)

HOUSE OF REPRESENTATIVES, COMMITTEE ON ARMED SERVICES,

SPECIAL SUBCOMMITTEE ON TACTICAL AIR SUPPORT, *Washington, D.C., Tuesday, September 28, 1965.*

The subcommittee met at 10:10 a.m., Hon. Otis G. Pike (chairman of the subcommittee) presiding.

Mr. PIKE. We want to finish with the Air Force witnesses today. We have two Air Force witnesses. They both had tremendous experience in Vietnam.

Last week we heard from an A-1 pilot, and today we have another witness, Capt. David A. Sands, who has flown an F-100 in combat. He may have some different views about the relative missions and competencies of the two aircraft.

(The biography of Capt. David A. Sands, U.S. Air Force, is as follows:)

BIOGRAPHICAL SKETCH OF CAPT. DAVID A. SANDS, U.S. AIR FORCE

Captain Sands was born on December 11, 1931, in Wooster, Ohio, and later moved to Arcadia, Calif., where he was graduated from high school and attended 2 years of college. He entered the Air Force as an airman basic in January 1951 and served 2 years as a clerk-typist. After a break in service of approximately 3 years, he enlisted in the Air Force in April 1956 as an aviation cadet and received his commission on August 29, 1957.

Captain Sands served as an F-100 fighter pilot at Cannon Air Force Base, N. Mex.; Misawa Airbase, Japan; and England Air Force Base, La. He deployed from England Air Force Base to Takhli, Thailand, in October 1964 for 2 months and again to Da Nang Airbase, Republic of Vietnam, in February 1965 for 4 months.

Captain Sands participated in 91 combat missions in RVN flying the F-100. Most of these missions were flown in-country but 10 missions were flown in North Vietnam. The last 3 weeks of his Vietnam tour was spent at Bien Hoa.

Captain Sands has approximately 2,300 hours in fighter aircraft, of which 1,850 hours are in the F-100.

He was married to the former Miss Joan Evans of Clovis, N. Mex., on August 24, 1960. Captain and Mrs. Sands now have a son and a daughter.

Captain Sands' military decorations include the Air Medal with two Oak Leaf Clusters and the Air Commendation Medal with one Oak Leaf Cluster.

STATEMENT OF CAPT. DAVID A. SANDS, U.S. AIR FORCE

Mr. PIKE. Captain Sands, when did you go to Vietnam?

Captain SANDS. The last part of March of this year, sir.

Mr. PIKE. When you were in Vietnam, were the majority of your missions in support of preplanned operations?

Captain SANDS. Yes, sir; the majority of them.

Mr. PIKE. How many times were you—of your total number of missions, how many of them would you say resulted from standing by on ground alert?

Captain SANDS. Are you speaking just of close air support?

Mr. PIKE. Let's start with the broad figure first—total.

Captain SANDS. I would say I had about 15 to 20 missions.

Mr. PIKE. Fifteen to twenty missions where it was not a preplanned operation but you were standing by waiting for the call.

Now, of those 15 to 20 missions, how many of them would you describe as in close support of ground troops?

Captain SANDS. About 10, sir.

Mr. PIKE. You had 10 missions which were not preplanned. You were standing by. And you were called out to support ground troops.

Were the troops that you were called upon to support on those 10 missions engaged in offensive operations, or were they under attack?

Captain SANDS. Most of them were offensive operations, sir.

Mr. PIKE. Does it seem at all strange to you that on these offensive operations you were merely standing by on ground alert, and there was no preplanning which required your knowledge of what your mission was to be ahead of time?

Captain SANDS. Strange, sir?

Mr. PIKE. Yes. Where the troops were engaged—where the ground troops were engaged in offensive operations, does it not seem strange to you that you would not be aware of these operations ahead of time?

Captain SANDS. Well, we would sit ground alert for the ground operation, and we would also have some airplanes on airborne alert, also, at the same time, sir.

Mr. PIKE. So at the same time you were sitting on the ground, on alert, there were aircraft in the air supporting these operations?

Captain SANDS. Yes, sir.

Mr. PIKE. Now, on these occasions, what made it necessary to call the ground-alert planes into the air in addition to the ones that were already there?

Captain SANDS. Well, if they made contact, then we would scramble.

Mr. PIKE. You mean aircraft or ground troops made contact?

Captain SANDS. Beg pardon, sir?

Mr. PIKE. You mean the aircraft made contact?

Captain SANDS. If the ground troops made contact, they called the airborne alert down, and we would replace the airborne alert immediately.

Mr. PIKE. I see. When you went up you didn't engage directly or initially in close air support, you went to replace the planes that had been on airborne alert, is that correct?

Captain SANDS. Yes, sir; in this particular instance we are speaking of, yes. In other cases, we have been scrambled for fort defense, so to speak, and this would not be the offensive operation we are speaking of.

Mr. PIKE. I didn't mean to be talking about any particular instance. I thought you said there were about 10 of these occasions where you were on ground alert and then were scrambled to go up for close air support?

Captain SANDS. I wanted to expand it, to show it was not all in this one type of operation.

Mr. PIKE. Right. Can you make an estimate of what the average length of time was between when you got the word to take off and when you arrived either at your air-alert station or in support of the ground targets?

Captain SANDS. Yes, sir. Let me cite two specific examples here, if I may.

Mr. PIKE. All right. Give me the best one and the worst one.

Captain SANDS. All right. I will give you the worst one first, sir, that was Dong Xoai where we were stationed at Da Nang.

Mr. PIKE. You flew all the way from Da Nang to the battlefield?

Captain SANDS. Yes, sir; that is a distance of 300—I think it is about 330 miles from Da Nang to the Dong Xoai area, Dong Xoai is only 32 miles north of Saigon, I believe.

Mr. PIKE. As I look at this chart which the Air Force has given me, you have a combat radius of 350 nautical miles, and with a typical load, and this particular flight was 330 miles. How much gas did you have when you got there?

Captain SANDS. We had 6,000 pounds when we got there, and we had a 4,500-pound come-home fuel. When we reached 4,500 pounds, we had to go home. We had 1,500 pounds, which would give us about 15 minutes on the target area, sir.

Mr. PIKE. So—

Captain SANDS. From takeoff, to answer your first question, sir, from takeoff to the time that we arrived over the target was about 40 minutes.

Mr. PIKE. Right.

Captain SANDS. And the other example would be from the time we were stationed at Bien Hoa supporting the 173d Brigade that was also stationed at Bien Hoa was a matter of 3 minutes across the river until we got on station.

Mr. PIKE. That was not a preplanned operation from the time you got the word to go, you were over the target in 3 minutes? It was not preplanned?

Captain SANDS. It was preplanned; yes, sir.

Mr. PIKE. I was talking about the ones not preplanned here.

Captain SANDS. Oh.

Mr. PIKE. Give me the best example of the situation where you are scrambled up on an emergency. I have gotten the worst one out of the Dong Xoai situation.

Captain SANDS. Yes, sir.

Mr. PIKE. Now, the best one.

Captain SANDS. Well—

Mr. PIKE. On a nonpreplanned operation.

Captain SANDS. Yes, sir; that was out of Bien Hoa, we were sitting 15-minute alert. I think we got airborne in about 12 minutes, and we had to go south of Bien Hoa. The distance I am not sure, but I think we were on station approximately 10 to 12 minutes after we were airborne, sir.

Mr. PIKE. That would have been a total of 22 to 25 minutes from the call to an on-station.

Captain SANDS. The distance was about, as I recall, it was south of Can Tho, if you recall where the Can Tho area is.

Mr. PIKE. Yes.

Captain SANDS. A little over 100 miles away, sir.

Mr. PIKE. In this Dong Xoai situation, you had about 15 minutes over target. How big a weapons load were you carrying then? What were you carrying?

Captain SANDS. We had two Lau-3 rocket launch pods carrying 19 rockets each. We had two napalm cans, and—

Mr. PIKE. Before this particular strike, how was your target marked?

Captain SANDS. The target was marked by an airborne controller, sir, with smoke, white smoke.

Mr. PIKE. This was a daytime operation?

Captain SANDS. Yes, sir.

Mr. PIKE. And I presume you were successful. Which did you do first, do you drop the napalm first?

Captain SANDS. Fire the rockets first.

Mr. PIKE. Is this standard doctrine?

Captain SANDS. Pretty much so, sir. Once we fire the rockets we can blow the pods off and this gets rid of a lot of drag.

Mr. PIKE. There is a greater drag from the rocket pods with the rockets than there is from the napalm?

Captain SANDS. Yes, sir. You know what the pod looks like.

Mr. PIKE. Yes, a big round thing with holes?

Captain SANDS. Once you fire the rocket, the round part is fragile, and comes off. This presents a flat surface for drag.

Mr. GUBSER. The same pod the Navy calls Aero 7-D?

Captain SANDS. I am not familiar with that, sir.

Mr. PIKE. Some of the helicopters have these pods, do they not?

Captain SANDS. I don't know what they use, sir; I am not certain of that.

Mr. PIKE. Would it be a fair statement to make that 15 minutes over the target—15 minutes worth of fuel over the target area—is cutting it very, very thin?

Captain SANDS. I don't think so, sir. In this instance it doesn't take us that long to get rid of our ordnance. We have, say, a flight of four, which quadruples everything we carry, of course. I think we can effectively deliver that ordnance in that length of time. And I don't think we are going to send just four airplanes, sir.

Mr. PIKE. How far were you from friendly ground troops at the Dong Xoai target area?

Captain SANDS. We were outside the perimeter of the compound. I would estimate—

Mr. PIKE. Did you know where the friendly troops were?

Captain SANDS. Yes, sir, they were all within the compound at the time I was down there. That is what I was told.

Mr. PIKE. There hadn't been reinforcements for them as yet?

Captain SANDS. Sir, I don't know at this point. In the mission, I was scrambled off on an alert situation, and I got down there, he marked the target, told me where I was to drop, and he said, friendlies are all within the compound, and I was working west of the compound.

Mr. PIKE. Right.

Captain SANDS. I don't believe there were any troops dropped into that area.

Mr. PIKE. The only thing you fired at, then, was a smoke bomb which had been released by the O-1?

Captain SANDS. Yes, sir. He described the target. It was a wide spot in the road that they were using as an airfield. He said there were 50-caliber automatic weapon sites within the trees along that site. We fired the rockets and dropped napalm and then we strafed in there.

Mr. PIKE. How much training in close air support specifically did you have before you went to Vietnam?

Captain SANDS. I had run, oh, at least four or five missions where we dropped hot ordnance for firepower demonstrations.

Mr. PIKE. Where was this done?

Captain SANDS. Fort Campbell, Ky., sir. We also practiced at Fort Hood. They were dry missions, but you get the feel of working with a forward air controller. He describes the layout of the land, and he marks the target with smoke, and you get—you know, the feel of working that way.

Mr. PIKE. Were all of the missions that you ran in Vietnam in close air support run through a forward air controller?

Captain SANDS. Yes, sir.

Mr. PIKE. He always marked the target for you?

Captain SANDS. Yes, sir.

Mr. PIKE. You didn't at any time have to go up on your own and find a target without a forward air controller to do it?

Captain SANDS. No, sir.

Mr. PIKE. Did your training include that kind of—did it include training which would enable you to go up and on your own spot a target being vectored out to it on the ground, and dropped?

Captain SANDS. Referring to Vietnam again, sir, I think it is a little bit unrealistic, so to speak, to try to train for a situation such as that. I think it takes experience in the theater to train your eye to find certain things in a jungle environment, sir.

Mr. PIKE. Don't you think if you had training in a jungle environment you could learn it?

What you are saying is we don't have any jungle environment in which to train, isn't that it Captain Sands?

Captain SANDS. Well, I think in Louisiana we do, sir.

Mr. PIKE. Well, but we don't use it for this purpose?

Captain SANDS. Yes, sir; we are conducting some now under the code of Red Rio, and it is being staged there where we are doing this kind of work.

Mr. PIKE. You are doing this close air support training?

Captain SANDS. Yes, sir.

Mr. PIKE. Why do you say it is unrealistic to train for it?

Captain SANDS. Well, you can get a certain amount of training for this but until you actually see it, it is going to be a little bit different. It is good training in that it helps you work with the forward air controller. It helps you to look down at a jungle situation.

Mr. PIKE. Have you done this yourself?

Captain SANDS. At Peason Ridge?

Mr. PIKE. Yes.

Captain SANDS. Not yet, sir.

Mr. PIKE. You are speaking not from your own knowledge, but either from what somebody else told you about it or something you read about it, is that correct?

Captain SANDS. I am envisioning this in my mind, sir.

Mr. PIKE. You are envisioning it very favorably but you really don't know what the training in this environment consists of?

Captain SANDS. That is right.

Mr. PIKE. I have no other questions.

Mr. Gubser.

Mr. GUBSER. This mission which you described as the poorest and the worst mission, close, air, support mission you were on, why do you call it the worst?

Captain SANDS. Let me clarify one thing, if I may, sir. I think we were talking about poorest reaction time at that time, were we not?

Mr. PIKE. Yes, sir.

Mr. GUBSER. I see.

Mr. PIKE. How long did it take?

Captain SANDS. Forty or forty-two minutes.

Mr. PIKE. That is from the time you were airborne?

Captain SANDS. Yes, sir.

Mr. PIKE. About another 12 minutes from the time you got the word to go, or 15 minutes from the time you got the word to go?

Captain SANDS. I estimate it was between 10 and 15 minutes of the time to airborne, because you have to stop to arm.

Mr. GUBSER. In other words, the thing that was wrong was that you just didn't have an aircraft close enough to the area that needed help, is that the idea?

Captain SANDS. At that time there were only two F-100 squadrons stationed in Vietnam, we were both in Da Nang.

Mr. GUBSER. What happened, did you accomplish your objective?

Captain SANDS. Yes, sir. I think there were four gun placements in the jungle, and we got two and damaged one, as far as I can recall.

Mr. GUBSER. When you go in to deliver ordnance with an F-100 at what speed are you traveling?

Captain SANDS. For napalm we like to do 450 knots, and everything else is 400 knots, sir.

Mr. GUBSER. At that speed, if you didn't have a precisely marked target, you just couldn't go in and identify anything to level, and deliver ordnance, strafing, for example?

Captain SANDS. It depends, again, on the target, sir. I can recall one time where the O-1F, or the airborne forward air controller was out of smoke. He merely flew over the area and said do you have that area in sight, and I said yes. He said, all right, and he physically described the area, and there were a bunch of rice paddies there, and he described the shape of the rice paddies. We said, yes, we understand that. He flew over the area. He said all right, I want you to strafe and drop napalm along that hedge row on the south side of that rice paddy. Which we did. He was out of smoke.

Mr. GUBSER. Of course, this is down in the delta region, isn't it?

Captain SANDS. No, sir; this is up about 35 miles south of Da Nang.

Mr. GUBSER. I see.

Mr. PIKE. Still a level coastal plane in that area, isn't it?

Captain SANDS. Yes, sir.

Mr. GUBSER. But you couldn't do anything like that with an F-100 in this heavy jungle area, what area do you call this?

Mr. PIKE. Any of the highlands—the jungle.

Captain SANDS. In the jungle.

It is going to be pretty much an area he wants to cover in that kind of an environment, is that what you mean?

Mr. GUBSER. Yes.

Captain SANDS. If he can fly over that area, and say "I am over the area now, and put your bombs in that area," something like that, yes. But I cannot see a hut way down in the bottom of the jungles, if that is what you are getting at, sir, unless I have a good idea of where to look, I can't really get in there. I have seen them.

Mr. GUBSER. In that area it is questionable whether an A-1 could see them?

Captain SANDS. Yes, sir. I have seen them, but it is after a few passes over that spot.

Mr. GUBSER. That is all I have.

Mr. PIKE. Mr. Nedzi.

Mr. NEDZI. I have no questions.

Mr. PIKE. Mr. Chamberlain?

Mr. CHAMBERLAIN. No questions, Mr. Chairman.

Mr. PIKE. Mr. Irwin.

Mr. IRWIN. No questions.

Mr. PIKE. Mr. Evans.

Mr. EVANS. What methods were used in marking targets besides these smoke bombs, and word description from flying over them?

Captain SANDS. I cannot recall that they marked them any other way, sir. I have never seen any panels.

Mr. EVANS. Did they use more than one smoke bomb?

Captain SANDS. Yes, sir.

Mr. PIKE. How do they mark them at night?

Captain SANDS. Flares—with the C-123, or C-130, they drop flares.

Mr. PIKE. They don't do it with a smoke bomb on the ground, they light up the whole area with flares, and then they use a smoke bomb, is that it?

Captain SANDS. They light up the whole area with flares, and then describe the target to you.

Mr. EVANS. How long does it take to verbally describe and receive and understand a description of a target?

Captain SANDS. Oh, gosh.

Mr. EVANS. I suppose you are circling while you are watching air control?

Captain SANDS. We try to stand off a distance, to get maximum surprise attack if we can. We are up to 10,000 to 15,000 feet, if we can. If we have to get down lower to get target acquisition, then we do.

To answer your question, it depends upon the situation, sir, how hard it is to describe.

Mr. EVANS. A minute, a half minute, 2 minutes.

Captain SANDS. If it were in a rolling terrain, it may take him a while to get it out to us. If it were flat, then he can get it to us sooner.

Mr. EVANS. If you had your choice, which kind of marking system would you like to see used?

Captain SANDS. I like the smoke, sir, I think it works quite well.

The O-1F, you see, has the smoke rockets hanging under the wing, he can put that smoke fairly accurate. I have seen him mark a smoke here, and a smoke there, and he will say, anything in between. It gives us something.

Mr. PIKE. You cannot see that smoke at night?

Captain SANDS. We can see it as it goes off; yes, sir. Up until recently, and I don't know how much they have been doing it lately, but they were not using O-1F's at night for forward air control. The forward air controller was in the C-123.

Mr. PIKE. You didn't have anything except the flares; is that correct?

Captain SANDS. That is right.

Mr. PIKE. You didn't have anything except the flares. You like to circle or stay off at an altitude of 10,000 to 15,000 feet, which is something better than 2 miles, on the average, and no smoke to mark the target, but you just get a word description?

Captain SANDS. You are speaking of night again, sir?

Mr. PIKE. Night.

Captain SANDS. At night this is a different situation, sir. We don't stand off like that at night. We are usually in flights of two at night, and we will be blacked out so that they can't tell where we are, and it is fairly obvious there is not going to be too much surprise anyhow, with all these flares popping off.

There is no problem. We will sit right there with the flare ship, orbiting around the flare ship, in as tight as we can, to see exactly what he is describing to us.

Mr. PIKE. Do you think you get a lot of surprise in the daytime with that smoke rocket going off? Doesn't that sort of put the enemy on the alert?

Captain SANDS. Yes, sir, but how long have they got to run, once that smoke rocket goes off?

Mr. PIKE. You tell us.

Captain SANDS. Yes, sir. I am posing the question, now. We tried to work it this way, where the O-1F will mark the target, he will call 30 seconds to mark, which he has done quite regularly.

Mr. EVANS. What does he mean by that?

Captain SANDS. He is calling 30 seconds from his time now, then he is going to mark the target. The rocket will be away in 30 seconds. We "roger" that call and start our pass. We can see him starting to roll in on his pass, and as soon as that smoke rocket goes off, we like to be over the target as soon as possible thereafter. It usually works out sometimes less than 30 seconds, sir, and I don't think they can run too far.

Mr. PIKE. If that smoke rocket goes off in the jungle, isn't it true quite often the smoke doesn't even get up about the trees in 30 seconds?

Captain SANDS. It can take that long, yes, sir.

Mr. PIKE. In which case you would have a dry run over the target, and circle around and wait for it to come up; is that correct?

Captain SANDS. Again, sir, we have a flight of four airplanes.

Mr. PIKE. Yes.

Captain SANDS. By the time we get in, and by the time say the last airplane or even the third airplane is across the target, we will have a hot pass.

Mr. EVANS. Does this smoke bomb leave a trail of smoke as it goes in?

Captain SANDS. Sometimes the rocket motor will leave a little trace.

Mr. EVANS. A big trail?

Captain SANDS. While the rocket motor is burning it will leave a trace of smoke.

Mr. EVANS. Have you ever flown the O-1?

Captain SANDS. No; sir.

Mr. EVANS. I have no further questions.

Mr. PIKE. You say by the time the fourth plane makes the pass, it will be a hot pass.

How close together are the passes made by the four planes in the flight?

Captain SANDS. In time, sir?

Mr. PIKE. Yes.

Captain SANDS. It would be 5 to 10 seconds. It depends on the situation, sir. I wouldn't want to pin it down.

We try to tailor our tactics for each individual situation. In other words, I don't want to come in directly behind another man for fear I will get shot down by the guy shooting at the man in front of me.

Mr. PIKE. I see.

Now, at night, when you don't use the smoke, you say you approach—you don't stand off from the target?

Captain SANDS. That is correct.

Mr. PIKE. You have a target visually described to you and it is the general area which is illuminated by flares?

Captain SANDS. Yes, sir.

Mr. PIKE. Without the smoke.

Captain SANDS. Yes, sir.

Mr. PIKE. Don't you find an awful lot of difficulty picking up your targets at night?

Captain SANDS. No, sir. I haven't had any particular problem finding targets at night.

This flare is going to limit your visibility—I mean your eyesight, to that particular area where the flare is over, so you are oblivious to everything else because it is dark. He starts explaining things in this area.

Mr. ICHORD. In relation to the flare?

Captain SANDS. Yes; it is right under the flare.

He can call hedgerows, or he can visually describe the target, if it is 100 meters or 100 feet from X building down there, north, south, east, or west.

Mr. PIKE. You don't have trouble finding these buildings at night?

Captain SANDS. No, sir. A flare is pretty bright.

Mr. PIKE. A flare, just to get the record straight, it is not on the ground, it is hanging on a parachute?

Captain SANDS. It is on a parachute. He will drop anywhere from three to six flares. It is 2.1 million candlepower.

Mr. BLANDFORD. Captain, doesn't it strike you as a little bit awkward to have a close air support system that depends on the airplane to mark the target and another airplane to carry the armament? If the airplane that marks the target is susceptible to ground fire, in placing the armament on the target, you would assume the aircraft delivering the armament would also be susceptible. Doesn't this seem like an awkward system?

Here is an O-1F, firing rockets to a target area, asking another aircraft to come down and hit those targets. Wouldn't it be a better system if we had one aircraft that could not only identify the target, but deliver the armament also?

Captain SANDS. I think the system that we have going right now with the O-1F's has worked very well in the past, sir, and I can't argue with success on this. I don't know how many O-1F's we lost over there, but it hasn't been very many.

Mr. BLANDFORD. Should we lose—the O-1F is a much slower aircraft, and obviously he can't stand off too far; he has to be reasonably close to the area to mark the target.

If we haven't lost any O-1F's, we shouldn't lose any F-100's. The F-100 is going in at 400 to 450 knots while the O-1F is rolling at 130 knots, at the maximum, I presume.

If the O-1F is not vulnerable to ground fire, then the F-100 should not be vulnerable. Doesn't it strike you to be a strange system where you have a fire engine on the scene to bring another fire engine to put the fire out?

Captain SANDS. Well, again, sir—

Mr. BLANDFORD. Isn't the answer that we don't have anything else to do the job at the present?

Captain SANDS. That might be true, sir, but however, I would like to see a better aircraft than the O-1F to do the job.

Mr. BLANDFORD. How about a much improved aircraft, which would actually eliminate the necessity for bringing in the F-100's? How about developing an airplane that would have the loiter time, carrying the armament, mark the target, and destroy the target all in one airplane? Wouldn't that be your idea of an ideal close air support weapon?

Captain SANDS. If you are speaking of close air support alone, sir; you may be right.

However, I think we must think of more than just the close air support. You are thinking along the terms that we have got air superiority, and we will always have air superiority, but we have got to have an airplane that can also do so many more things. As you will remember in my opening testimony, sir, I stated all the different jobs of the F-100 while we were over there. I think we must retain that capability.

Mr. BLANDFORD. You have to have an aircraft capable of air interception; nobody will question that.

What I am talking about, and what we are talking about here is close air support. What I am suggesting is that most of the people who fly an airplane think the airplane they are flying is the best thing that has ever been made. This is fine. This is because they have become accustomed to it.

Captain SANDS. I don't mean to imply that, sir. I mean to use the airplane I am flying as an example.

Mr. BLANDFORD. You are using 100 pounds of fuel per minute, roughly. You carry an average of 11,000 pounds of fuel?

Captain SANDS. 11,200.

Mr. BLANDFORD. You have 1,100 minutes, really, all told, depending on where you start from, maximum.

Now, here is an airplane over here, for example, that has had some prototypes on an OV-10A, that has a 1-hour loiter time. You indicated your loiter time, of course, depends entirely on the distance from the airfield. You are using a very high rate of speed, 400 knots on your rockets, and 450-knot approach on napalm, which gives you, of course, a much better chance of survival after you dropped your ordnance. But here is your O-1F sitting off marking these targets, and apparently they are not marking them out of the skies; just from the viewpoint of close air support, not the versatility.

I am not trying to say the F-100 isn't a versatile airplane, but looking at it from, say, the Pentagon viewpoint, and the amount of dollars expended for results obtained, aren't you really using a pretty awkward system to provide close air support today?

Captain SANDS. No, sir; I don't think so. When you put it in the light of dollars spent and things like that——

Mr. BLANDFORD. I am putting it exactly in that light. Aren't we using a pretty expensive airplane to do a job that a much less expensive airplane can do? Do you think the F-100——

Captain SANDS. The F-100——

Mr. BLANDFORD. What I am saying is you are using an O-1F, that if it were properly equipped could do the job of the F-100 right now. It is obvious if the O-1F can mark the target with rockets, if it were a larger aircraft it could also destroy the target. Wouldn't that make sense to you?

Captain SANDS. Yes, sir.

Mr. BLANDFORD. Why use an expensive F-100 to go down and knock out ground targets?

Captain SANDS. Because, I think that the O-1F, of course it can't carry all that extra stuff, and you are talking of another airplane to replace the O-1F and the capabilities of the F-100?

Mr. BLANDFORD. I am trying to combine them; economy minded.

Captain SANDS. Yes, sir. I believe in testimony given last Thursday Captain Rennick set down some principles he would like to see in a close-support aircraft.

Mr. BLANDFORD. That is what I would like to hear from you. What are your principles?

Captain SANDS. I would like to see an airplane that has a long loiter capability, the capability to fly slow, react fast, and have forward firing guns, and all these other things. I think, too, we must keep in mind the total capability of being able to not only have close air support capability but also to go back and do interdiction, because let's think for a minute, if we did nothing but close air support, the enemy's complete effort would be pushed up to close air support. If we didn't harass him in the rear areas—

Mr. BLANDFORD. I am not talking about eliminating the F-100's. I am talking about using the F-100's or the F-105, or anything else, for what you might call tactical air support, or even strategic support, as contrasted with close air support. This is where you are in contact with the enemy on the ground.

But hasn't it occurred to you people in discussion that this is a pretty expensive way of providing close air support?

Captain SANDS. I still think, sir, that we can build an airplane that has these different capabilities, and use these airplanes to our advantage.

Mr. BLANDFORD. That is the point. We don't have one like that today, do we?

Captain SANDS. No.

Mr. PIKE. How fast is your airplane, the one you envision?

Captain SANDS. The one I envision?

Mr. PIKE. Yes.

Captain SANDS. 1.4 mach.

Mr. PIKE. Do you think you could hit a target with it without an O-1 up there to mark it for you?

Captain SANDS. It doesn't have to go that fast, at that environment, sir.

Mr. PIKE. How slowly would it go?

Captain SANDS. Eighty-five to ninety knots.

Mr. PIKE. That is a pretty good range.

Captain SANDS. Yes, sir.

Mr. PIKE. There is no question about it.

If you can get one that will go 85 knots and also 1.—what did you say?

Captain SANDS. 1.4.

Mr. PIKE. 1.4 mach. That outperforms the F-111, doesn't it?

Captain SANDS. I don't know what its capabilities are, sir.

Mr. PIKE. I am afraid you have envisioned a plane better than anything anybody has thought of thus far.

I agree with you, it would be wonderful if it could go that fast and that slow, in one airplane, but I am afraid, again it is technically unfeasible. I didn't mean to interrupt you.

Mr. BLANDFORD. My point, Mr. Chairman, the speed of 400 knots approach, or 450 approach for the kind of close air support operation we have in South Vietnam today, obviously isn't indicated as an ab-

solute necessity when you have O-1F's going 130 knots, firing targets, and you go in to fire rockets to destroy.

Captain SANDS. My thinking against the O-1F now is if I scramble from any airport over there, then with my speed capability to get to the target—the O-1F does not have the same speed capability to get to the target.

Mr. WILSON. Where does the O-1F operate from?

Mr. BLANDFORD. That is right there with them, frequently. That is the point. The aircraft is invariably right with the troops in a sense—it can be.

Captain SANDS. This was not the case several times when I was involved.

Mr. BLANDFORD. No, but it is basically a question—and this gets into the whole concept of close air support—if you can develop the O-1F, it needs how much of a runway, do you know?

Captain SANDS. No, sir. It is very short.

Mr. BLANDFORD. About a 800-foot runway would be adequate, I would think. You could practically just chop some grass down—I have seen it done—and make your own runway. You can't do that with an F-100.

Captain SANDS. No, sir.

Mr. BLANDFORD. You can't land an F-100, except on concrete or asphalt runways.

Captain SANDS. No, sir.

Mr. BLANDFORD. You have an airplane spotting, delivering missiles or rockets on the targets to be followed by other aircraft to come in and destroy the targets, which indicates that we do not today have a close air support aircraft made for the purpose of this type of warfare. Would you agree with that statement, an aircraft? I am not talking about a combination of aircraft.

Captain SANDS. An aircraft for one specific job?

Mr. BLANDFORD. Close air support.

Captain SANDS. Again, sir, I think we are wasting money by building an airplane to perform one specific job.

Mr. BLANDFORD. You think the B-52 was a waste of money?

Captain SANDS. The B-52 could do many jobs, sir.

Mr. BLANDFORD. Bomb, period; that is all it does.

Captain SANDS. It is performing strategic missions.

Mr. BLANDFORD. I wouldn't get into a discussion, put you on the spot, or myself, in that respect, but what you are saying is that you think you need an airplane that can go 1.4 mach, and down to 85 knots?

Captain SANDS. I am going to a rather extreme there, I know.

Mr. PIKE. That doesn't hurt anything, Captain.

Quite frankly, it is nothing that is not within our capability, as far as doing it; a vertical takeoff aircraft can go at zero knots, as far as forward speed is concerned.

Captain SANDS. Yes, sir.

Mr. PIKE. We can make a 1.4 mach vertical takeoff plane, if we have to. But it is going to be an awful expensive piece of equipment to be used in close air support.

Captain SANDS. Yes, sir.

On the other hand—well, I don't want to—I am not really versed in these matters.

Mr. PIKE. Let me ask you this: You think in the nighttime, without the O-1 dropping smoke flares to mark your target, you do fairly well at close air support, is that correct?

Captain SANDS. Well, I haven't had any—I personally haven't done any close air support at night. The squadron has done some over there in the Quang Ngai operation—close air support.

Mr. PIKE. It was done without O-1's?

Captain SANDS. I am not sure.

They had O-1's.

Mr. PIKE. It was done with O-1's?

Captain SANDS. Yes.

Mr. PIKE. I think, unless there are any other questions for Captain Sands—

Mr. EVANS. I have just one brief question.

Mr. PIKE. Go ahead.

Mr. EVANS. What is your major problem in terms of close air support; you, as a pilot? What is the biggest problem. What is the biggest problem for you to overcome, to become as effective as you possibly can be, as a pilot flying in close air support?

Captain SANDS. I think accurately marking the friendly troop's lines.

Mr. EVANS. Thank you.

Mr. CHAMBERLAIN. Mr. Chairman, I think it might be well if we could pursue just a moment this question of night operations.

Mr. PIKE. The reason I thought we would go on to Colonel Hays, Captain Sands says he hasn't done any of it. I think Colonel Hays can testify better on that subject. That is the reason.

Mr. CHAMBERLAIN. If that is so, I will withhold any questions for him.

Mr. PIKE. I gather that is probably the case.

Does anybody else have any questions for Captain Sands?

If not, thank you very much, Captain Sands.

Again, I want to say, on behalf of the full committee, we are not here for the purpose of giving you a rough time. We are here for the purpose of learning what we can, and we are not only very grateful for the job that you have done over there—you and all of the pilots have done over there—we are tremendously impressed by the job that you have done over here. We thank you for coming here and sharing your views with us.

Captain SANDS. Thank you, sir. It has been my pleasure.

Mr. MARSHALL. The next witness will be Lt. Col. Emmett L. Hays. (The biographical sketch of Lt. Col. Emmett L. Hays, U.S. Air Force, is as follows:)

Emmett LeRoy Hays was born in Van Buren, Ark., November 24, 1921. He entered active military service as an Army Air Force Aviation Cadet on March 15, 1943. Upon graduation from flying training school at Luke Field, Ariz., on January 7, 1944, he was commissioned a 2d lieutenant.

His first assignment was a student pilot at Punta Gorda, Fla., flying P-40 fighter-bombers. Upon completion of training, he was retained as an instructor pilot in P-40 and P-51 aircraft.

In April 1945 he transferred to India for further training and subsequently to China. He completed 36 hours of combat in P-51's before V-J Day. He remained in China until November 1948 flying fighters, liaison, and cargo aircraft.

Upon return to the United States, he was assigned to Hamilton Air Force Base, Calif., to fly F-84D Thundjet day fighters. After 1 year the unit converted to F-89 all weather jet fighters. He remained in Air Defense operations in the United States and Labrador flying various types of all-weather jets.

In 1957, he attended command and staff school and upon graduation in June 1958 he was assigned as an Air Force adviser to the Washington Air National Guard.

He remained as adviser to the Air National Guard until June 1962. His next assignment was squadron commander on the 416th Tactical Fighter Squadron in Misawa, Japan.

When the squadrons returned to the United States under Project Clearwater, Lieutenant Colonel Hays led the squadrons redeployment to England Air Force Base, La. On March 13, 1965, he deployed with the 416th Tactical Fighter Squadron. The unit flew combat missions from Da Nang, Republic of Vietnam, on an augmentation basis until April 22, when the entire unit moved to Da Nang, Republic of Vietnam. The unit flew combat missions in North and South Vietnam until June 23, 1965, when the squadron was transferred to Bien Hoa, Republic of Vietnam. The unit redeployed to England Air Force Base, La., on July 18, 1965.

Lieutenant Colonel Hays flew 118 combat and combat support missions in Vietnam flying F-100D aircraft. He has been awarded the Bronze Star, Air Medal with four oak leaf clusters, Air Force Commendation Medal, Army Commendation Medal, and various service medals.

His wife is the former Anne Gavrilkin of San Francisco, Calif. He has two sons; Richard Lee, age 15, and George Eric, age 7. They reside with him at England Air Force Base, La.

Lieutenant Colonel Hays is presently the Assistant Deputy Commander of Operations, 3d Tactical Fighter Wing.

STATEMENT OF LT. COL. EMMETT L. HAYS, U.S. AIR FORCE

Colonel HAYS. Mr. Chairman.

Mr. PIKE. Colonel Hays, would you tell us what your—well, tell us first when you went to Vietnam and how long you stayed there.

Colonel HAYS. Sir, I went to Vietnam, the first date was March 18 of 1965.

Mr. PIKE. What were your duties in Vietnam?

Colonel HAYS. I was the squadron commander of the 416's, Tactical Squadron F-100's.

Mr. PIKE. Were you stationed at the same places at the same time that Captain Sands was?

Colonel HAYS. Yes, sir.

Mr. PIKE. Was he in your squadron?

Colonel HAYS. Yes, sir.

Mr. PIKE. So by and large your testimony is going to be somewhat similar to his, as far as the operations which were performed?

Colonel HAYS. Yes, sir.

Mr. PIKE. But you are more familiar with the overall picture of what the squadron as a whole did and accomplished; is that correct?

Colonel HAYS. I believe so, sir.

Mr. PIKE. Colonel Hays, of the total missions that your squadron flew, how many of them—let's do this: How many missions did your squadron fly in that period of time?

Colonel HAYS. The total time we were there in North and South Vietnam, it was around 2,150.

Mr. PIKE. Of the 2,150 missions, how many of them were what you would describe as "close air support missions"?

Colonel HAYS. Well, in the classic sense that you have a forward line of troops against an opposing group and you are called in to support them directly, I would say the percentage would be around 10 percent, sir.

Mr. PIKE. Now, if you eliminate the words, "a forward line"—

Colonel HAYS. Perhaps less.

Mr. PIKE (continuing). And just say it was air support with friendly forces in the immediate vicinity, how many would that come to? There doesn't seem to be any line in Vietnam.

Colonel HAYS. Close to 30 percent. However, in our particular case we may not know just exactly how close we are supporting the ground troops.

In other words, it might be 2 miles away, or something like this. In other words, how close is close?

Mr. PIKE. You wouldn't have the knowledge when you took off on a mission as to where the friendly forces were?

Colonel HAYS. Not on a map, specifically; no, sir. We wouldn't be in the planning, at our level, the squadron level, as to exactly where they were going to be. We know the coordinates, the general area of where the battle is going to be fought, but we wouldn't know exactly where the contact would be.

Mr. PIKE. Don't you think this would be useful information to have, at the squadron level, as to where the friendly forces were?

Colonel HAYS. Well, sir, the thing is, it is quite a massive operation. The way it is being worked, at the time I was there, you would be briefed on an operation, but trying to keep up-to-the-minute contact with this fluid situation, would be extremely difficult. I don't think it would be that advantageous to our point of view.

Mr. PIKE. Do you think it might be advantageous to the point of view of the boys who are down on the ground, to think they knew where you were?

Colonel HAYS. I don't think it is particularly important that we would have to know exactly where they were at that specific moment, because they are moving all the time.

Mr. PIKE. Do you have any incidents where friendly forces were hurt by your operation?

Colonel HAYS. No, sir.

Mr. PIKE. Of the roughly 2,150 missions, you say approximately 30 percent would have been in conjunction with relatively close friendly forces. So that is somewhat over 700 or 750 missions, of that nature. How many of those 750 were at nighttime?

Colonel HAYS. At night, I would say a very, very small percentage.

Mr. PIKE. How do you account for that, Colonel?

Colonel HAYS. Primarily I don't think the Army was on the offensive enough, or had enough contact at night.

Actually, we began—if you will recall, as this thing escalated over there, how we phased in to the operation. In other words, it was Vietnamese, primarily. The Vietnamese Army used primarily Vietnamese Air Force aircraft to help them, rather than calling on us. In other words, this was not our specific mission. As the war progressed, and the longer time we were there, we got into this thing, this night operation, more.

Most of our night operations were the result of fort defense, or some large operation, such as Quang Ngai, where the Vietcong were on the offensive, and then we were called in to support by air.

Mr. PIKE. The Vietcong almost always go on the offensive at night, don't they?

Colonel HAYS. I would say this is a fair statement.

Mr. PIKE. That is their pattern over there. If they are going to attack, they attack at night. If we are going to attack, we attack in the daytime.

Colonel HAYS. I wouldn't go so far as to say that, because this is out of my bounds.

Mr. PIKE. Well, your experience would indicate where you did fly night missions, you just said it was in fort defense. This is where the Vietcong is attacking?

Colonel HAYS. Yes, sir.

I would like to emphasize in our mission, our particular mission, that it was not necessarily to support these units, because there were other units that were tasked to support them, rather than ourselves, you see; Vietnamese units, A-1 units, and so forth.

Mr. PIKE. Your essential mission over there was not, as you looked at it, a mission of close air support?

Colonel HAYS. Not strictly. In other words, we started out in North Vietnam and worked our way south, and we wound up with a certain percentage of our missions as direct close air support.

There are other units, and other F-100 units that later came over that assumed this direct close air support role, but this did not mean that we didn't do this sort of thing, you see.

Mr. PIKE. Would you say the F-100 is an aircraft which was basically intended for close air support?

Colonel HAYS. It is a tactical fighter, and it has many capabilities. One of its capabilities is a close air support role.

Mr. PIKE. Would you say that was its—when they drew up the F-100, did they draw it up essentially for the role of close air support?

Colonel HAYS. The first one that came out, I think it was coming out as an air superiority fighter.

Mr. PIKE. That is what I thought. And from air superiority, we got into the realm where you say tactical fighter. Basically the principal number of your missions were interdiction missions, a large percent?

Colonel HAYS. A large percent.

Mr. PIKE. Yes.

That, again, would be the other role for which the F-100 was basically intended, isn't that a fair statement?

Colonel HAYS. Not necessarily.

You see—

Mr. PIKE. All right. You said the F-100 was originally designed as an air superiority fighter.

What else was it basically designed for?

Colonel HAYS. You take an F-100 through the evolution, this is a "D" that we are talking about. In other words, they change, even though it says "F-100," it doesn't mean that that particular model is air superiority. This one certainly isn't. This is a heavier airplane. It is designed to carry bombs, and for ground support, primarily. This is the main thing this "D" aircraft is for, and for a nuclear role.

Mr. PIKE. Do you think we arrive at an optimum close air support program, by designing an airplane for superiority, and then remodeling it for close air support of ground troops later?

Colonel HAYS. I don't think there is any reason why a good airframe can't be changed and modified in such a way as to perform both roles.

Mr. PIKE. There is no question about that, Colonel. But don't you think, really, you are going to get a better aircraft if you design an airplane for close air support?

Colonel HAYS. Frankly, I don't think that you will gain enough more by taking away the other capabilities, and just concentrating in one small area. I don't think that gain is sufficient to throw out all the other capabilities of the airplane.

Mr. PIKE. In other words, you are satisfied with the capabilities of an F-100 as a close air support aircraft?

Colonel HAYS. Yes, sir.

Mr. PIKE. In your squadron operation, how often were you supporting, if ever, American troops on the ground?

Colonel HAYS. When we moved to Bien Hoa—and this was at the end of June—this is where we got primarily into helping the American forces.

Mr. PIKE. That was the 173d?

Colonel HAYS. Yes, sir.

This doesn't mean that we didn't help American forces prior to this time.

Mr. PIKE. I understand.

When you were backing up the 173d, did you back them up in any instance other than a preplanned operation of theirs, in close air support?

Colonel HAYS. I can't recall of any, other than where the Dong Xoai incident happened, and things like that.

Mr. PIKE. Dong Xoai, they weren't ever committed as a ground unit.

Colonel HAYS. Primarily, after we moved to Bien Hoa, any time we worked with them, it was preplanned exercise. And though we had our aircraft on alert, so to speak, we knew what we were on alert for, and what we were trying to do for the whole operation.

Mr. PIKE. All right.

Now, in a preplanned exercise, between the Army and the Air Force, in close air support, how close to the front lines, or the forward edge of the battle area, as they call it, would your pilots strike?

Colonel HAYS. Well, the pilots would strike where they were requested to strike. In most cases I would say it would be about a quarter of a mile, unless there was a contact closer.

Mr. PIKE. Day or night, the strike would be marked by an O-1 aircraft; is that correct?

Colonel HAYS. Well, in day, all operations in the daytime, were marked. The reason for marking with an O-1F, it is not necessarily a requirement for the jet aircraft to hit target. I would like to clarify this.

Mr. PIKE. It is because he can see them more readily, isn't it?

Colonel HAYS. Not only this, but it is to identify and make darned sure you don't hit a friendly village, for example, because the villages

are fairly close together, and you can have a friendly one and an unfriendly one.

Mr. PIKE. What you are saying is the O-1 knows where the friendly village is, and the F-100 doesn't know where the friendly village is?

Colonel HAYS. Essentially this, because his backyard, so to speak, is considerably smaller than ours. If we operated in the same area all the time, such as we were doing at Da Nang, we knew pretty well exactly where everything was, and it wasn't—it wouldn't have been necessary in that case to go out and hit a specific target. It was an area we knew already, you see.

Mr. PIKE. Did you operate out of Da Nang in these areas that you knew without O-1's marking the targets?

Colonel HAYS. Never; no, sir.

Mr. PIKE. But you say it wasn't necessary.

Colonel HAYS. It wouldn't have been necessary.

In other words, because we knew the area so well, working in it, after 2 or 3 months' time, we knew exactly what was friendly and what was not friendly, and where we could go.

Mr. PIKE. It wasn't necessary for them to mark the targets operating out of Da Nang; if that is so why did you use it?

Colonel HAYS. The rules of engagement required at this time that we have an observer to identify the target, just to make positive we didn't hit anything that wasn't the correct target, sir.

Mr. PIKE. The O-1 always carried a VNAF?

Colonel HAYS. At this time they did, sir. However, as I understand, when you are working strictly with American forces now, it isn't required.

Mr. PIKE. When you operated with the 173d, there was no VNAF observer?

Colonel HAYS. I don't believe there was; no, sir.

Mr. PIKE. Any questions?

Mr. WILSON. Yes, Mr. Chairman.

First of all, I want to say in defense of Captain Sands' requirement, I notice in this propaganda, National Geographic, the F-4C can fly at mach 2.1 and can loiter at 130 miles an hour. He wasn't too far off in his ideal.

Colonel Hays, what are the typical targets that you were striking? I mean, specifically. Is this an area, or was it a hut, or tell me some of the types of targets on your mission.

Colonel HAYS. I think we hit just about every conceivable type of mission that we could run into, from a hut——

Mr. WILSON. Possible headquarters?

Colonel HAYS. To a possible headquarters, or weapons factory that was hidden underneath the trees. Even the O-1 couldn't tell exactly where it was, because he couldn't see that.

Mr. WILSON. A factory?

Colonel HAYS. A factory is one case that we hit underneath the trees, a building I would say about 80 feet long by 20 feet wide, that was completely obscured. We hit the area strictly on intelligence information. "It is here, hit it, and destroy it."

Other concentrations—some of the missions I was on, close air support, with the Vietnamese troops, I think the closest one that I was ever on was they had half the town and the Vietcong had the other

half. They had one side of the main street, and we took out the other side where the Vietcong were. This is about as close as I could say, just across the width of the street.

Mr. WILSON. Did you have any targets of troop concentrations, 100 people or so?

Colonel HAYS. Yes, sir.

One particular case there at Quang Ngai, we caught a group of them in foxholes, that had entrenched themselves right out in the middle of an open field, in long hedgerows. Here we had the troops that we could see, and after we napalmed and rocketed, they started to run, and then you could pick them off with your cannons.

Mr. WILSON. Any other particular targets that you can think of—water tanks, or anything like that?

Colonel HAYS. Well, an interdiction type target in the Vietcong area, we have hit areas of food supply, and things like that.

Mr. WILSON. Ammunition dumps?

Colonel HAYS. Yes, sir; everything that is interdiction type target, we hit.

Mr. WILSON. Wouldn't you say most of the targets you specified here, except for the foxholes, and the trenches, and so forth, are pretty much a tactical target, or even strategic targets? A factory would be more a strategic target than a close air support type.

In other words, you know where it is. You don't have to have any troops nearby, necessarily, to knock it out. And I have no—I mean, I think the fact they are located and knocked out on a regular basis is obvious an ideal. But what we are interested in, really, I would think, would be to try to develop the proper airplane that could operate closely with the troops, like the O-1's, and admittedly the O-1 would be useless as a carrier of any consequence of any ordnance. But an airplane that would be able to fly fairly close with the troops. When the troops moved 100 yards forward, they would know it, and move 100 yards—move their target 100 yards, rather than a pre-planned target, where you had a chance to really get an idea where it was, and so forth.

I assume in your duties you pretty well knew about how these airplanes operated, where they came from. Where did the O-1's come from, that are used with the troops in these situations?

Colonel HAYS. The ones that we flew with, they were out of Da Nang and also out of Bien Hoa, and they would have smaller strips that they could go into, like the Quang Ngai strip, where they could refuel.

However, many of these—

Mr. WILSON. How long a runway did they need to operate on?

Colonel HAYS. I would say it would work on a 2,000-foot strip most of the time. There are dirt strips.

Mr. WILSON. How many miles would that be from where the troops were, the frontline?

Colonel HAYS. The Quang Ngai operation of course is right at Quang Ngai. But this was an area where the Vietnamese were not on the offensive. The Vietcong were on the offensive, and they were on the defensive there. As a matter of fact, it was just a matter of trying to secure that particular spot.

Mr. WILSON. Did you have any—did you know any of the pilots that flew the O-1's?

Colonel HAYS. Yes, sir.

Mr. WILSON. Did they feel closer to the operation, perhaps, than the pilot that was stationed at Da Nang? Didn't they move closer with the troops? They had the job of trying to find out what the problem was, didn't they? In other words, where the target was specifically? Did they ever actually go up as frontline observers and get an idea from the ground, perhaps, what they were trying to mark?

Colonel HAYS. I suppose so. I am not entirely familiar with their operation. The O-1 pilots that I knew were stationed either at Bien Hoa, right with us, we talked to them after the mission, and before the mission, and the same way at Da Nang, because they are near corps headquarters.

Mr. WILSON. I am trying to find out where they got their information on exactly the target, and the procedure that was used to instruct them on what the target today was. How did they get it, just from radio contact?

Colonel HAYS. Well, they have—I hate to get into their area of operation, but our frag orders for the following day operations are identical. In other words, they task them to go to a specific place, contact the ground echelon, for example, and this is the unit they are going to work with that day. They tell them where to go and what to do, and the same thing for us.

Mr. WILSON. This is old hat to you but we are trying to get a little better picture for all of us as to specifically how you conduct these operations.

Colonel HAYS. Yes, sir.

Mr. WILSON. The details are interesting and important to us, I think.

Colonel HAYS. They obtain a preplanned strike, the exact coordinates on a map, where to go, frequencies to contact people on the ground, the call signs, all of this is in one single frag order. It also shows what fighters we have, but it doesn't show what Army units are there, actually. In other words, how many troops or anything else we are in support of.

Mr. WILSON. In other words, when they are flying over the target, they are getting pretty detailed information of it.

Colonel HAYS. They have detailed feed-back, back and forth between the ground commander and the forward air controller who is in the air.

Mr. WILSON. Would a typical message from the ground say there are 30 men along that hedge row, and then they are spread out about 10 feet apart?

Colonel HAYS. Well, they would say, don't bomb past this line, for example, or next to this creek on the north side of the creek, our friendly forces are on the north side of the creek, or there is a road, or something, or some geographical point we could recognize. Here again I would like to point out to operate with ground troops it isn't necessary to have an airborne forward air controller, as long as we can tell where the friendly forces are and where the enemy is. In other words, all we need is for somebody to tell us where do you want us to put it. Whether he is on the ground or in the air is relatively immaterial, as long as we can identify it.

Mr. WILSON. Of course, in looking ahead, at the types of terrain and so forth, you might need close air support for, isn't it conceivable you have a mobile force either retreating or advancing—hopefully advancing—with the front line changing constantly, and maps are really of little consequence, do you think it would be worthwhile to have the type airplane that perhaps could fly from the same modest strips, or short strips, that the O-1's can fly from, closer in, in other words, and be able to, rather than to take secondary information, get it right from the front lines and then unleash their ordnance on it?

Colonel HAYS. This thing moves very fast. Whether you have an O-1 or a bombing type of airplane, C-47, kicking the bombs out the door, or whatever it is, is immaterial. You've got to have contact all the time with the people on the ground, because they are moving all the time. Even the ground people can't keep track of themselves in many cases.

Mr. WILSON. Well, as a pilot of an F-100 you didn't have any contact with the ground at all, did you? Yours was always through the O-1's?

Colonel HAYS. In Vietnam it has always been through the O-1, because it is easier to get around. In other words, whether it was an O-1 or helicopter—I worked with a lot of helicopters, too—the people sit up there and coordinate the strike with you, where they want it. I have done a lot of work with forward air controllers on the ground. They normally have to get an advantage point, so to speak, up on a hill, where they can view the surrounding terrain in order to describe it to you. The O-1 is just another means of putting this guy up on a pole so he can see down where the enemy is. The field artillery uses the same setup for spotting artillery drops and correcting them.

Mr. WILSON. You have to admit we have a rather unusual situation in Vietnam on both sides. In the first place, we don't have any enemy in the air against you. If you had the type of sneak and run enemy air that could perhaps knock down your O-1's, you would be in a pretty tough spot to try to depend on the F-100, wouldn't you?

Colonel HAYS. No, sir.

Mr. WILSON. In other words, you maintain that, again, the O-1's are just sort of an unnecessary link in the chain?

Colonel HAYS. The O-1's is a bird dog affair, and an assist. It speeds up the operation, marks the target for you where you can get in and get out quickly if you want to. The F-100, as far as I am concerned, I never found a target, in North or South Vietnam, that I couldn't handle.

Mr. PIKE. What do you mean by "handle"?

Colonel HAYS. I mean strike and hit accurately.

Mr. GUBSER. Without the O-1?

Colonel HAYS. With the O-1's. In other words, I needed somebody to identify where he wanted me to hit, unless it is a strategic target. I can find it on a map just as well as anybody else can. But it takes time to do this. If you take an F-100 pilot, of example, that is on alert, and you scramble him off, he will contact the radar site in most cases in order to save time, and he will direct him directly to it. Unless you know about where this operation is, then you rendezvous with somebody or contact a man on the ground, and then hit the target. It is just that simple.

Mr. PIKE. How would you mark the target without the O-1 in a jungle environment?

Colonel HAYS. If the ground forces are in contact with the enemy, they should be able to release smoke or put up panels of some kind to identify the thing.

Mr. PIKE. Release it how, you mean on the target area, or where they are?

Colonel HAYS. Where they are, and from where they are then they can direct you to where the enemy is, or they use, they have in Vietnam used a mortar round to mark the target. In other words, they shoot a white phosphorous round to mark the target and it is just as good a marker as the airplane marker.

Mr. PIKE. When did the O-1 come into the Air Force?

Colonel HAYS. I don't know.

Mr. PIKE. Have they always had them as far as you remember?

Colonel HAYS. Well, in the Korean war we used a different type of airplane. We used a T-6, it is just an available type of airplane actually.

Mr. WILSON. Are these O-1's operated by the Air Force or the Army?

Colonel HAYS. The Air Force.

Mr. WILSON. The Army doesn't have any?

Colonel HAYS. They have them. We fly our own over there, and we borrow theirs occasionally.

Mr. WILSON. It says in the book they are from the U.S. Army. Evidently they were Army originally?

Colonel HAYS. They were Army; however, they transferred over to the Air Force.

Mr. PIKE. They thought the Air Force needed some, even though you don't think they are essential to the operation?

Colonel HAYS. What I am saying is if a target is identified, it isn't essential to have an O-1 go up and mark it for you. Anybody can mark the target, and a jet aircraft can hit it. But it works a lot smoother to have the capability with an O-1 to go out and identify the target, because you can move airplanes in a lot faster.

Mr. WILSON. Wouldn't you agree that what you have been describing, the operations you have been describing, and that Captain Sands has described, certainly would all come under the category of air support? You are vitally concerned. But really, would you call all those operations close air support? You are really mixing in a lot of strategic bombing with your air support in your operations with the F-100's, weren't you?

Colonel HAYS. In the role; yes, sir.

Mr. WILSON. You have the combined support of air support and close support, right?

Colonel HAYS. We had interdiction and close air support. And in some cases we were—in North Vietnam—we were flying air-to-air role, air escort role.

Mr. WILSON. In your broad category of air support, if you broke down part of it into what you classically call close air support, I think the one example you used was a person where you saw the troops, and so forth, what percentage of your total operation was close air support of that type, and what percentage was preplanned strategic type, headquarters, or ammunition dump, or factory?

Colonel HAYS. Yes, sir. Close air support can be preplanned. And is preplanned in most cases. We actually need more of it. You will have fewer brush fires to put out if you do this sort of thing, if you have the airpower all the time available for you.

Mr. WILSON. That leads up to the important question we have asked other witnesses here: Do you think we have had sufficient airpower for the job in Vietnam? Do we have enough airplanes there to really do the job that is necessary?

Colonel HAYS. That is a very broad statement.

Mr. WILSON. I know it is, but in your opinion?

Colonel HAYS. We had limiting factors, we had a limiting amount of Army personnel, or Marine ground personnel actually going out and making contact with the enemy. As this increases, you will need more airpower.

Our primary limitation, as far as I could see, was the lack of suitable airstrips to operate from, and places to park the airplanes. We could use more. I am sure we can use more, but you've got to have more people out there that have the requirement.

Mr. WILSON. We had some witnesses here from the Army who said they didn't feel they were getting enough A-1's, and some of these things, they prayed for more of them, and yet you feel the limiting factors of logistics and so forth are one of the reasons we don't have enough airplanes in there?

Colonel HAYS. This is my opinion; yes, sir. I am not sure, or I don't know whether you asked the witnesses whether they actually preplanned and requested the air support early enough. In other words, you can't just snap your fingers and say "airpower," unless somebody somewhere has made arrangements for this airpower.

Mr. WILSON. You can't preplan in a tactical situation, either, sometimes. You have a breakthrough. For example, one witness testified about an airdrop, or a movement of, what was it, a brigade, or something.

Mr. PIKE. Battalion.

Mr. WILSON. Battalion. This is a time when you don't do much preplanning, you have to have it there, fast and ready.

Colonel HAYS. Somebody back down the line—and I am speaking of headquarters level—has to say, "All right, I am going in with an operation. I need so much airpower to support this operation." If no one asks, say a squadron, or one base, or anybody to do this, the airplanes just don't sit around and wait for somebody to get into trouble, unless some commander directs this, you see.

Mr. PIKE. This was the Dong Xoai situation, Colonel, and I think in that situation they used everything that we had in Vietnam, otherwise they wouldn't have been flying you people down from Da Nang to back it up.

Colonel HAYS. Yes, sir.

Mr. PIKE. And using everything they had, they ran out.

Colonel HAYS. Well, I would hate to second guess, but I don't know whether the Army commander considered the availability of airpower before he dropped his people in there, you see.

Mr. PIKE. There is no question about it, but what you are saying is the availability of airpower would be a limiting factor on his ability to conduct this operation.

Colonel HAYS. Yes, sir. In other words, he should not overextend himself over his ability for support.

Mr. WILSON. I thought it was interesting you made the point as our operations increase more troops are involved, we are going to need more airplanes to provide this.

Colonel HAYS. Yes, sir.

Mr. WILSON. I wish we could get some statistics, Mr. Chairman, which would show at the time of Dong Xoai how many airplanes were available and the number of ground troops concerned, and compare them with what the total ground troops would be and what the eventual needs in the air might be.

That is all, Mr. Chairman; thank you.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. Colonel, how fast do you make a bombing run in the Air Force?

Colonel HAYS. Well, a standard attack, with guns, and dive-bombing release, is around 400 knots.

Mr. ICHORD. 400 knots?

Colonel HAYS. We can go higher than this. I think, as Captain Sands mentioned, if you have a flat target, where there are no trees or anybody else, just structures, for example, Vietcong structures are there, you want to wipe out the whole bunch of them, you go as fast as you can and spread the napalm further, but 400 to 450 knots is what we do.

Mr. ICHORD. You didn't have to worry over there about too much antiaircraft fire.

Colonel HAYS. There are isolated reports, while I was there, of some so-called antiaircraft, in other words, 37 millimeter, some airburst type of antiaircraft weapons, but I never observed any of them.

Mr. ICHORD. How fast will you cruise to your target area?

Colonel HAYS. Our cruise with a full load of bombs is around 430 knots true airspeed. And returning, of course, it gets up to about 495.

Mr. ICHORD. Most of your targets, most of your operations in South Vietnam were fairly close to where your airfield was; were they not?

Colonel HAYS. No, sir.

Mr. ICHORD. How far?

Colonel HAYS. Well—

Mr. ICHORD. You went from Da Nang—

Colonel HAYS. Sir?

Mr. ICHORD. That is about as far as you would get away from your field, down at Dong Xo Ai?

Colonel HAYS. I made many missions from Da Nang all the way down around Saigon, all the way down, a little further than Saigon.

Mr. ICHORD. How many miles is that, for the record?

Colonel HAYS. It is about 330 nautical miles.

Mr. PIKE. From Da Nang to Saigon?

Colonel HAYS. Yes, sir. In some instances we used air refueling, put a tanker en route, and used the tanker, and hit farther south than that. This is one nice feature about the F-100. When we are talking about time on station, or ability to stay on station, all you have to do is put a tanker there, and you can stay all day if you want to.

Mr. ICHORD. Thank you, Mr. Chairman.

Mr. PIKE. Mr. Gubser.

Mr. GUBSER. Colonel, we note that the Army has O-1's in inventory, and so does the Air Force. Have you ever worked with an O-1 that was flown by an Army pilot?

Colonel HAYS. I don't believe so.

Mr. GUBSER. Is this done at all?

Colonel HAYS. No, sir; I don't think it is over there. There are O-1 pilots flying around, controlling Army air strikes, we use Air Force officers for controlling.

Mr. GUBSER. Do you happen to know—and of course I am asking you about somebody else's business—do you happen to know if this is true of the A-1 squadrons, too?

Colonel HAYS. Sir, I have no knowledge of the A-1 operation, that intimate knowledge.

Mr. GUBSER. Thank you.

Mr. PIKE. Mr. Nedzi.

Mr. NEDZI. Did you say that was not visible from the air, that which you blasted in the jungle?

Colonel HAYS. No, sir.

Mr. NEDZI. How did you acquire the target?

Colonel HAYS. We didn't know exactly where this thing was, only an intelligence report saying on top of this mountain there was a little bow, and we bombed the perimeter in the trees around an open field. By process of elimination we picked up the factory that was there, the munitions factory.

Mr. NEDZI. The only thing you had were map coordinates, is that it?

Colonel HAYS. Yes, sir.

Mr. NEDZI. No one marked it for you in any way?

Colonel HAYS. We had the O-1 there, that pointed out the particular field. They said, this is the one right here. He didn't necessarily have to put a smoke rocket on it, but he said, this is it right here, and described there is a peak here, and the field comes to a point, bomb at this particular point, you see.

Mr. NEDZI. Yes. I have no further questions, Mr. Chairman.

Mr. PIKE. Mr. Chamberlain.

Mr. CHAMBERLAIN. Mr. Chairman, perhaps we could inquire of the colonel here about the night operations to the extent that he is familiar with them.

What percent of your operations were in fact night operations, if you know?

Colonel HAYS. Mr. Chamberlain, first I would like to clarify that I personally am not what we call night qualified. However, I had six pilots in the squadron at the time that were, and I had augmentation of other pilots from other resources.

Mr. CHAMBERLAIN. Before you go on, right there, let's stop.

Define "night qualifications" for us. Of the pilots that you had there how many were night qualified then?

Colonel HAYS. I had approximately one-third of my pilots that were qualified for night operation.

The way you become night qualified, other than just say go out and do it, if you need to, we have an operations that operated out of McCoy Airbase in Florida, and we would take our people on a temporary duty down there and go through a training program that lasts approximately a week, and around 12 to 15 missions at night, dropping flares

ourselves, shooting guns, dropping bombs, everything, and then we consider the man qualified. In other words, this is on a scored range, shooting at scorable targets. When a man can qualify, we say, all right, you are qualified. You have met the requirements.

The requirements, I would like to add, are the same requirements, minimum number of hits on the target, and so forth, at night, as it is in the daytime. There is no difference at all.

Mr. CHAMBERLAIN. About a third of your boys in your squadron out there were night qualified?

Colonel HAYS. Yes, sir; at that time. Since return, we have got more. And I think before another unit goes back probably every one will be night qualified.

Mr. CHAMBERLAIN. Now, I interrupted you to have you explain this to me. Could you go on, then?

Colonel HAYS. Yes, sir.

The night operations that we had—we had people standing on alert, and I want to add, again, we did not do this, or there was no requirement of the intensity of the war, it didn't build up into such a state that we needed to do this in our particular area at Da Nang until about the middle of June. Actually, the end of May, we had some operation here in the country, because Quang Ngai was the 30th of May, I believe was when it started, and we, for 3 days, maintained the night operations, all night long, here at Quang Ngai. That is, people either on alert, or dropping at the time. Then the rest of them, as far as our operation was concerned, our particular squadron, which is 18 airplanes—we are talking about 18 airplanes, and about 25 pilots—or 24 pilots—was in fort defense. If the A-1's that the VNAF were flying, or the Marines who were there, they were tasked for this particular job, if they got more than they could handle, then they called on us.

We were used primarily for other missions. In other words, it is hard for one particular squadron to fly day and night together all the time.

Mr. CHAMBERLAIN. Did you have requests for night flights that you know of that you couldn't put in the air?

Colonel HAYS. No, sir.

Mr. CHAMBERLAIN. They were always available?

Colonel HAYS. Yes, sir.

Mr. CHAMBERLAIN. A final question here about communications.

Do you have any problems in that you care to outline for the committee, or any comments at all about its inadequacy or adequacy?

Colonel HAYS. As far as the O-1 is concerned, it has a limited number of frequencies—I mean different channels you can talk on. So consequently I believe we need definite improvements in the communications between the F-100's and the O-1's.

I also think there should be compatible radio equipment between the ground commander and the strike aircraft, so if something should happen to the O-1 aircraft, then we can fall back to the ground commander to identify the target and continue the strike.

Mr. CHAMBERLAIN. Has that ever happened, to your knowledge, Colonel, where something has happened to the O-1?

Colonel HAYS. I have had cases—

Mr. CHAMBERLAIN. Knocked out?

Colonel HAYS. Not shot down.

I have had cases—I have seen them or heard them when they were hit, but they actually weren't shot down. But I have had considerable radio problems with them, because I don't think their radio is the best. I think they should get a better radio.

Mr. CHAMBERLAIN. I appreciate your contribution here.

Mr. PIKE. Colonel, at the present time, I guess this is known to be a fact—I don't think we ever got it in the record—the radios in F-100's are not compatible with the radios on the ground; is that correct?

Colonel HAYS. This is correct, sir. We have one radio which is a UHF, ultrahigh frequency radio. The O-1 has two radios; they have an FM radio, and the UHF radio, but a small number of channels. In other words, I think they can operate possibly—

Mr. PIKE. They have to go to the FM radio to talk to the ground and to the UHF radio to talk to you. I wanted to get that in the record.

Colonel HAYS. Yes, sir.

I think we should be able to talk to all at the same time.

Mr. PIKE. I could not agree with you more.

I think it is rather fantastic in the Vietnamese war for the Air Force and the Army to discover they couldn't talk to each other on their radios.

Mr. WILSON. Along that line, Mr. Chairman, how could you eliminate your O-1's?

Mr. ICHORD. Additional radio.

Mr. WILSON. Wait a minute.

Colonel HAYS. No, sir. In tactical air command the concept has been for ground support to use an Air Force officer, a team, with the man on the ground, who can communicate, but not all Army units in Vietnam are using this type of equipment. We don't have the Air Force people with them. So every little company that goes out doesn't carry this radio around with them, so we don't have a capability to actually talk.

Mr. WILSON. In other words, rather than letting the Army move in on you, you are going to move in on the Army; is that it?

Colonel HAYS. Yes, sir. You will see, if you will refer to this chart, this man who is standing behind the man with the gun, is the forward air controller, and he has this radio equipment, and can talk to us, but when he is not along, we don't have this capability.

Mr. WILSON. He is an Air Force officer?

Colonel HAYS. He is an Air Force officer, yes, sir.

Mr. CHAMBERLAIN. Can anything be done about this, Mr. Chairman, right now?

Mr. PIKE. Yes, there is, and we will get to this point later on. This is one of the things Dr. Cheatham has been working on for some time. I guarantee that it was a shock to me when I learned that the Air Force and the Army were unable to talk to each other.

Mr. Irwin.

Mr. IRWIN. No questions, Mr. Chairman.

Mr. PIKE. Mr. Evans.

Mr. EVANS. As a matter of practice, Colonel, in the field, when you are in Vietnam, would you find the time to have sessions with Army commanders in regard to air support?

Colonel HAYS. Sir, I, at my level, have never had any direct contact with them, other than on a social basis.

Mr. EVANS. Would there be any officers in the Army or Air Force who would get together and talk about, "How are we coming? Are we having good air support? Are we not?"

Colonel HAYS. Yes, sir; there is an air operations center which has an Army representative, Army representatives, and Air Force representatives, and these people are the ones that do the planning for the joint operations.

Mr. EVANS. Are there any reviews of the air support that has been given of one mission or another, on one problem or another?

Colonel HAYS. I am sure every mission is critiqued at this level. However, down at our particular working level, you must remember it is a small piece of this pie sitting down on the airbase delivering the ordnance on the target.

Mr. EVANS. From your experience, in addition to your comments on communication, do you have any suggestions as to what progress can be made, or how it can be made better?

Colonel HAYS. Made better?

Mr. EVANS. Yes.

Colonel HAYS. It seems to me the Air Force has to be in all the major planning, right from the very beginning. And the Army has to specify what their requirements are, what they want, what they are going to do. If you don't do this, you can't expect the Air Force to be responsive. It is a joint operation.

Mr. EVANS. Let's say on those occasions where there has been pre-planning, and you are aware of what the Army is going to do and the Army knows what the Air Force is to do, given such a situation, in close tactical air support, and in addition to your remarks on communications, is there anything else you need to improve, or do you think with the exception of communications, that it is a perfect situation, for close air support?

Colonel HAYS. Well, sir, there is always a chance for improvement. We are going to improve all the time.

Communications will improve. Our coordination will improve. And appreciation by the Army personnel of capabilities of the air power, and what its limitations are, too, this is something that must be developed.

Mr. EVANS. Are we lacking anything you feel we ought to have in terms of equipment and facilities?

Colonel HAYS. Yes, sir. I think we are operating in a very unusual case. When you first move to a base, like Da Nang, we were equipped to handle about 475 hours a month. We had our supplies geared up for this. And then immediately we were tasked to fly about 1100 hours, you see, so the supply support, and all this stuff has to get cranked up to support an operation this big.

Mr. EVANS. Outside of such a situation, which gears up your movement at a greater speed, outside of that, I am talking basically in terms of equipment and ordnance. Do you need things that you don't have?

Colonel HAYS. Well—

Mr. EVANS. Do you need improvement on the things that you do have?

Colonel HAYS. The F-100, for example, has the capability to carry about as much weight as the A-1. In other words, within 500 pounds,

total weight, because we are showing here 3,000 pounds of bombs, but we are not showing that it also has over 4,200 pounds or 4,400 pounds of fuel on board, you see. This can be changed into bombs, if you want to.

Also, we are limited right now because we are using just the four stations, because the F-100, due to its low tail, you have to forcibly eject the munitions off of the airplane, so it doesn't hit the tail. So with this limitation, we have only been able to carry one bomb on each station. But if you would develop a rack, you could have more capability to carry more smaller bombs. In other words, you could equal a total bomb load, or variety of loads that the A-1 has, for example.

So we need development in this area. They are working on this. But I don't have any in my hand today that I could put on my airplane. This is something that we need.

Mr. EVANS. You indicate you don't need any better equipment for target identification, is that correct?

Colonel HAYS. For target identification, in Vietnam, I think the white phosphorus rocket is about the best that I have seen.

When you get into closer contact with the ground forces, these procedures are already set up, designed to where we can get the identification. I am sure the Army, working underneath a jungle canopy, is going to have more of a problem trying to identify where they are.

Essentially I think we have a good system, if we just make the thing work.

Mr. EVANS. Any good equipment?

Colonel HAYS. Good equipment, yes, sir.

Mr. EVANS. Thank you.

Mr. PIKE. Mr. Blandford.

Mr. BLANDFORD. Just one question, Colonel.

You have been flying for 23 years, according to your record, everything from P-40's to jets, and transport aircraft, and everything else.

Colonel HAYS. Yes, sir.

Mr. BLANDFORD. Have you ever attended any joint Army-Air Force courses on close air support?

Colonel HAYS. Yes, sir.

Mr. BLANDFORD. Where do they hold those courses?

Colonel HAYS. Hurlburt Field.

Mr. PIKE. Where is that?

Colonel HAYS. Hurlburt Field, near Eglin Air Force Base, Fla.

Mr. BLANDFORD. That is a joint school?

Mr. HAYS. Yes, sir.

Mr. BLANDFORD. How long is that course?

Colonel HAYS. Well, for commanders, it runs a week. For forward air controller, it runs about 3 weeks.

Mr. BLANDFORD. About 3 weeks?

Colonel HAYS. Yes, sir.

This is the nonflying stage of it. I think the thing has been expanded now. I have been away, of course, but I think it has been expanded now to include training of the airborne, forward air controller in the same program.

Mr. BLANDFORD. How much of your experience from the Tactical Air Command, how much time was devoted to the close air support problems, as distinguished from interdiction, or tactical—the distinction we make between tactical support as an overall description, and close air support as being in contact with ground troops?

Colonel HAYS. Well, I would say approximately 20 percent. In other words, this is a rough thing. Twenty percent is probably channeled directly down the line, close air support, with troops. All this other massive amount of training we get of delivering, strafing, dive-bombing, and all, is strictly close air support.

Mr. BLANDFORD. How long have you been involved in close air support, yourself?

Colonel HAYS. Myself?

Mr. BLANDFORD. Ever since the P-40 days?

Colonel HAYS. Yes, sir.

Mr. BLANDFORD. As the chairman has indicated, it has taken us 23 years, and we still haven't, up until now, the Army and the Air Force have not agreed upon the radio that they can both use jointly. Doesn't that seem kind of strange to you?

Colonel HAYS. No, sir. The Air Force has the radio equipment, as I explained before, available, but I don't think that you want to have every GI down there on this radio. There would be so much chatter you couldn't possibly do it.

Mr. BLANDFORD. Are these radios so limited in their wavelength or their bands that you can only—

Colonel HAYS. Basically, they have an AM, FM, VHF, UHF.

Mr. BLANDFORD. You have only got four?

Colonel HAYS. This concept—I am not saying this is it—but in our particular UHF band, we have got over 1700—about 1710 or 1750, frequencies we can operate on.

Mr. BLANDFORD. Obviously it is not too much for a man to carry; it can be carried on one person's back. Have you noticed at any time the Vietcong—or have you ever heard of the Vietcong intercepting or attempting to vector in any aircraft because they picked up your radio communications and have our communications systems?

Colonel HAYS. No, sir, I have not experienced this myself.

Mr. BLANDFORD. Have you heard of it?

Colonel HAYS. I haven't heard of it.

Mr. BLANDFORD. Thank you, Mr. Chairman.

Mr. PIKE. If we don't put an Air Force man on the ground with one of the Air Force's radios, you can't talk to the ground troops, is that correct?

Colonel HAYS. That is correct.

Mr. PIKE. So what the Air Force is saying, we have got the radios. If you want to talk to us, you have got to take one of our men down and put him with your troops on the ground.

Colonel HAYS. Whether this would be a fair statement or not, I couldn't say, the particular way you phrased it.

In other words, all I would like to say from my level in this system, is that I don't have the capability. The F-100 can't talk to the man on the ground.

Mr. IRWIN. Unless you have an Air Force guy there?

Colonel HAYS. That is right. Why we don't, I would like to beg off on that one.

Mr. PIKE. Why we don't, I think there will be a lot of talk on that.

Mr. IRWIN. You don't have to answer.

Mr. PIKE. If there aren't any further questions, thank you very much, Colonel Hays.

Tomorrow General Thrash will be champing at the bit here to tell us how the Marine Corps conducts its operation. Tomorrow we are going to have the Marines testify on the subject.

Mr. WILSON. I have one question.

Mr. PIKE. I am sorry.

Mr. WILSON. When you were flying out at Bien Hoa, were you closer to the frontlines, or where the troops were, the friendlies?

Colonel HAYS. I was closer to the American forces.

Mr. WILSON. Yes.

Did you work a relatively small area at that time?

Colonel HAYS. At that time we were working primarily in zone D. However, there are other operations on down in the delta that we operated, around Can Tho.

Mr. WILSON. You met some of these army types socially; you mentioned social contact?

Colonel HAYS. Right.

Mr. WILSON. Yet you never once had an official briefing or critique on the joint problems of air support?

Colonel HAYS. Not at my level.

Mr. WILSON. I am not blaming you.

I was wondering if anybody suggested, since you had been trained over in the States to work together with the Army, when you actually got out in the combat operation, you just lost communication with them?

Colonel HAYS. I think the primary thing is we were all so busy fighting the war we didn't take the time out.

Mr. WILSON. This is not important at all—I am not being critical, believe me, Colonel. I admire tremendously what you have done and what all you men have done. I think a cog has slipped in this whole operation, and we have to find it somewhere.

Mr. PIKE. The meeting is adjourned.

Thank you very much.

(Whereupon, at 11:56 a.m., the subcommittee was adjourned to reconvene at 10 a.m., Wednesday, September 29, 1965.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SPECIAL SUBCOMMITTEE ON TACTICAL AIR SUPPORT,
Washington, D.C., Wednesday, September 29, 1965.

The subcommittee met at 10:15 a.m., Hon. Otis G. Pike (chairman of the subcommittee) presiding.

Mr. PIKE. The committee will come to order.

Mr. Marshall, will you call your first witness here today.

Mr. MARSHALL. Yes, Mr. Chairman. The first witness is Capt. David A. Ramsey, U.S. Marine Corps.

(The biography of Capt. David A. Ramsey, U.S. Marine Corps, is as follows:)

BIOGRAPHICAL SKETCH OF CAPT. DAVID A. RAMSEY

David A. Ramsey was born in San Francisco, Calif., on April 19, 1932. He has served continuously since September 1950 in the U.S. Marine Corps.

Enlisting as a privet in 1950 he saw action in Korea, served at the American Embassy in Stockholm, Sweden, and was stationed with the 2d Marine Division with the rank of sergeant when he was accepted for a commission as a meritorious NCO. Since being commissioned in 1955 he has commanded three rifle companies and been a battalion operations officer. His experience includes parachute reconnaissance, amphibious reconnaissance and parachute pathfinding. Captain Ramsey has been to 10 resident service schools, most recent of which was the U.S. Army Unconventional Warfare School from which he graduated first in a class of 145.

Captain Ramsey is presently serving as the commanding officer of Company I, 3d Battalion, 3d Marines which arrived in Chu Lai, Republic of Vietnam on May 19, 1965.

He has participated in Operations Starlight, Thunderbolt, and Golden Fleece.

STATEMENT OF CAPT. DAVID A. RAMSEY, U.S. MARINE CORPS

Mr. PIKE. Captain Ramsey, when did you leave Vietnam?

Captain RAMSEY. About 4 days ago, Mr. Chairman.

Mr. PIKE. And what was your position in Vietnam?

Captain RAMSEY. Commanding officer of Company I, 3d Battalion, 3d Marines, sir.

Mr. PIKE. How long had you been over there?

Captain RAMSEY. We had been in Vietnam since May 17, sir.

Mr. PIKE. I notice you are parachute qualified also.

Captain RAMSEY. Yes, sir.

Mr. PIKE. You didn't do any of that in Vietnam, did you?

Captain RAMSEY. No, sir.

Mr. PIKE. They haven't any Marine parachute operations?

Captain RAMSEY. Not to my knowledge; no, sir.

Mr. PIKE. Would you tell us about Operation Starlight and the role that airpower played in it, from your point of view, from the ground point of view. What did you observe of air support in Operation Starlight?

Captain RAMSEY. On Operation Starlight I was the Battalion—

Mr. PIKE. For the record, let us talk about what the operation was, essentially.

Captain RAMSEY. I was the battalion operation officer on that particular caper, and the operation was a combined amphibious, heliborne landing. One battalion landed by sea, which was my battalion, and one battalion landed by helicopters, which was the 2d Battalion, 4th Marines. It was thought to be a relatively routine search and destroy operation initially, and by noon—we landed at about 6:30 in the morning, and by noon we had our hands full.

And so they brought two companies of another battalion ashore, the 3d Battalion, 7th Marines, and the rest of the battalion was landed the following morning, D plus 1.

Mr. PIKE. When you say "We had our hands full," exactly what did you run up against?

Captain RAMSEY. Well, our battalion ran into an estimated 400 or 500 of them in concentrations. They were all dug in; they were well

entrenched, extremely well entrenched; and they had quite a bit of tenacity. They held on. They fought well.

Mr. PIKE. What kind of weapons did they have?

Captain RAMSEY. 81 mm. mortars, 57 mm. recoilless rifles, 60 mm. mortars, an undetermined number of rocket launchers, both of Soviet and American make, and I believe they had some 75 mm. recoilless rifles, because they knocked out a couple of our tanks, and the holes in the turrets appear to be of 75 mm. caliber. I think they had some of those, although I didn't see any.

And they held on and we had to just burn them out.

Mr. PIKE. Was it any part of your job or assignment over there to order air support or request air support?

Captain RAMSEY. Yes, sir. We were using air almost continuously. Airpower was our most responsive supporting arm on that particular operation.

Mr. PIKE. Was airpower used before the landing?

Captain RAMSEY. Not in our battalion zone of action, sir.

Mr. PIKE. Now tell me when you first decided that airpower might be necessary and exactly how you communicated this decision in order to get it.

Captain RAMSEY. Well, we started preparing objectives with air. Artillery—if I may digress, artillery—we had a little trouble with communications with our artillery people. So we turned to air.

Mr. PIKE. By communications you mean your—this was a radio, or a ground wire?

Captain RAMSEY. It was a radio, sir. So we turned to air. And air was on station and it was just a matter of calling it.

Mr. PIKE. You could call it from the ground?

Captain RAMSEY. Yes, sir.

Mr. PIKE. No problem communicating?

Captain RAMSEY. No, sir.

Mr. PIKE. It may seem like a very obvious question, but it isn't, Captain. Go ahead.

Captain RAMSEY. We have had problems communicating at times, sir, but on this particular operation we just literally snagged them out of the sky. And we commenced using aircraft to prepare objectives with napalm, and we used aircraft all of D-day.

Mr. PIKE. Did you personally call for the aircraft?

Captain RAMSEY. I did not personally talk to the pilot.

Mr. PIKE. Right.

Captain RAMSEY. But I did personally call for the aircraft.

Mr. PIKE. I see. And to whom did you relay your request?

Captain RAMSEY. To our forward air controller.

Mr. PIKE. And was the forward air controller with you?

Captain RAMSEY. Yes, sir.

Mr. PIKE. I mean in proximity, so that you could talk to him directly?

Captain RAMSEY. Right next to me.

Mr. PIKE. Right. OK.

You said to the forward air controller "Get us some planes." Did you request any particular kind of armaments?

Captain RAMSEY. Yes, sir. We requested napalm.

Mr. PIKE. Napalm. And you say the planes were in the air. First all, how did you mark the target for the pilots?

Captain RAMSEY. We used two methods of marking the target. One method, white phosphorus, from a 3.5 rocket launcher.

Mr. PIKE. And that is a rocket launcher on the ground?

Captain RAMSEY. Yes, sir.

And the other method is with an 81-millimeter mortar, white phosphorus. But it is possible to run into problems using this because of the angle of fire, and the aircraft normally are rather low and you might have an accident.

Mr. PIKE. In other words, it is conceivable one of the mortar shells might knock a plane out?

Captain RAMSEY. It is quite possible, yes, sir.

Mr. PIKE. I have seen it happen.

How long was it between the time that you told the forward air controller to bring in the air before the air was there?

Captain RAMSEY. On Operation Starlight the time varied from 3 to 10 minutes.

Mr. PIKE. How close to your lines were the targets that you marked? How close to your friendly forces were the targets that you marked?

Captain RAMSEY. The ranges varied from 250 meters to a thousand meters.

Mr. PIKE. How would you characterize the air support you got on Operation Starlight as to how close they were to on target?

Captain RAMSEY. I don't remember seeing any airstrikes that were not on target.

Mr. PIKE. What sort of targets could you identify? Were they emplacements, or buildings, or was it just a matter that you knew that from a certain area you were drawing a lot of fire?

Captain RAMSEY. There were troop concentrations generally in villages or entrenchments. By this I mean trench lines.

Mr. PIKE. Right.

Captain RAMSEY. I can use an example. On D plus one we passed through a village heading toward the sea. It was our final objective. We passed through it rather easily. We got to the dune line overlooking the sea, and we commenced receiving fire from the rear. This was at the 250-meter range I was talking about.

Mr. PIKE. Right.

Captain RAMSEY. We turned around and—

Mr. PIKE. They had just been down in tunnels; is that it?

Captain RAMSEY. Yes, sir. Well, they were down in these elaborate systems of tunnels and caves and whatnot. And we turned around and we called air. [Deleted] and then we walked in and cleaned up.

But we could see the people shooting at us, and we were taking a fair amount of casualties from this fire.

Mr. PIKE. You could actually see the human beings and you could mark them very precisely at that range?

Captain RAMSEY. Yes, sir. As a matter of fact, we killed a few with the marking round.

Mr. PIKE. I see.

Tell us about the other two operations that I notice you participated in, Thunderbolt and Golden Fleece, and in particular what the—

Mr. GUBSER. Before you leave that.

Mr. PIKE. Pardon me.

Mr. GUBSER. Your air support was from Marine airplanes, was it not?

Captain RAMSEY. Yes, sir.

Mr. GUBSER. Were they carrier based?

Captain RAMSEY. No, sir; based at Chu Lai and Danang.

Mr. PIKE. They are flying A-4's?

Captain RAMSEY. F-4's and A-4's, Armed Hughies. Even the troop transport carrying aircraft got into the act.

Mr. PIKE. What was the effectiveness of the Armed Hughies?

Captain RAMSEY. As a strike aircraft, sir?

Mr. PIKE. Yes.

Captain RAMSEY. Limited on Starlight. We lost one.

Mr. PIKE. All right.

Captain RAMSEY. It was shot down by sniper fire, as a matter of fact.

Mr. PIKE. Were they carrying these 19-rocket pods?

Captain RAMSEY. Yes, sir, one on each side, I believe.

Mr. PIKE. Two 19-rocket pods, one on each side?

Captain RAMSEY. Yes, sir.

Mr. PIKE. Were you able to judge the effectiveness of that rocket fire against any of the targets?

Captain RAMSEY. Not on Operation Starlight.

Mr. PIKE. Tell us about these other two operations, Captain.

Captain RAMSEY. On Operation Thunderbolt I saw them fire these rocket pods.

Mr. PIKE. Tell us what—see, we have very little background in your code words, so tell us what the operation was, its objective, and its intention.

Mr. CHAMBERLAIN. Could we have the dates, too, Mr. Chairman?

Captain RAMSEY. I am a little foggy on the date, sir.

Mr. CHAMBERLAIN. Well, just roughly.

Captain RAMSEY. The Operation Starlight was in August, August 18. Operation Thunderbolt was in July, late July.

Operation Golden Fleece was early this month; as a matter of fact, it was the 8th of September, when the colonel got killed; 8th of September.

Now Operation Thunderbolt was a combined operation with the Vietnamese forces. There was a Vietnamese battalion, and there was a Vietnamese marine battalion and our battalion. And it was a search and destroy operation over an area where we thought there were some Vietcong. And it turned out to be pretty much just a long hot walk in the sun. We met very little opposition. As a matter of fact, we received fire just after departing the landing zone, and that was just about it. Ran into a couple of mines, but nothing serious.

Mr. PIKE. Was there anything to cause you to call an air support on that one?

Captain RAMSEY. No, sir.

Mr. PIKE. All right. How about Golden Fleece?

Captain RAMSEY. Golden Fleece we didn't use any air support other than Air Force escort for the helicopters on the landing. And we

had no occasion to call air strikes on Golden Fleece. We handled what we had up there with ground fire.

Mr. PIKE. The Starlight operation obviously received a great deal of publicity back here in the States. It was by and large very wonderful publicity, and I think it did everybody's morale a lot of good.

This is not really within the scope of this committee, but I can't resist asking you a question. We were advised by the press early in that operation that they thought we had approximately 2,000 Vietcong cut off on that peninsula. Eventually we were advised that I believe somewhere between 600 and 700 Vietcong were killed. What happened to the rest of them?

Captain RAMSEY. I think there were more than that killed, sir. But the people that were not killed I imagine just went underground and got away.

Mr. PIKE. You went over the top of them; they came up and disappeared, is that it?

Captain RAMSEY. More than likely; yes, sir.

Mr. PIKE. Would you tell the committee—I think this is pertinent to our investigation. Tell the committee about what you found in these caves and underground networks. The size of them and the layout and concept of them. Because this certainly has to do with the kind of armaments we have got to use.

Captain RAMSEY. These caves, Mr. Chairman, are mammoth things. They are very elaborately tunneled so that you can fire into the cave but there are enough corners and angles to the system of tunnels that the blast effect will not bother everyone in there.

Mr. WILSON. Are there any natural caves, or are they all manmade?

Captain RAMSEY. These are dug.

Mr. PIKE. Give us some dimensions for "mammoth."

Captain RAMSEY. Well, we ran into one tunnel that was about 700 meters long, probably 8 to 10 feet in height, and—

Mr. PIKE. How far underground? How much earth, if you know, between the surface and the top of the cave?

Captain RAMSEY. Oh, about 8 to 12 feet, sir.

Mr. EVANS. Reinforced?

Captain RAMSEY. Shored up; yes, sir.

Mr. EVANS. How?

Captain RAMSEY. Well, with bamboo; some of it doesn't even look like shoring. Twigs. But they weave it in there and pack it up against the wall in the cave.

Mr. PIKE. Mr. Wilson? Any questions?

Mr. WILSON. Yes. Captain, on your Starlight operation, as the chairman mentioned, you got a good press, and we are happy to see it.

But I recall one article that said it was a classic Marine Corps operation with amphibious, close air support, and so forth. Now, in the same article it mentioned that the Air Force had requested the control of the air in this particular operation, and there was a debate and the Marines refused to let Air Force control the air in this operation.

Are you familiar with any such request, or was that scuttlebutt, or was it known that Air Force wanted to provide the air cover for you?

Captain RAMSEY. No, sir; we didn't know anything about an Air Force request to control air.

Mr. WILSON. You had no knowledge of any Air Force request. I just wondered the source of the information for the story.

Captain RAMSEY. I hadn't heard anything of that. I was battalion operations officer at the time.

Mr. WILSON. What is your opinion of the helicopter, the armed helicopter as a basic part of close air support? Is it vital? Has it got prospects for the future?

You know we are talking about another improved armed helicopter as a possible weapon to use.

Captain RAMSEY. In my opinion, helicopters should be armed just for protection. However, I don't think that the armed helicopter—and this is an opinion—I don't think that the armed helicopter has a great future in close air support per se. It is too easily knocked out of the sky, for one thing. But I think that it is valuable in very limited missions: Suppressive fire for medical evacuations of casualties, reconnaissance, flushing fire sometimes possibly. But as a strike weapon, it is OK for very light work. But it doesn't pack the wallop that we need for concentrations of enemy.

Mr. WILSON. Now getting back to the air support that you got in the Starlight operation, you said the airplanes got there within 3 to 10 minutes.

How far did they have to fly from their operating base?

Captain RAMSEY. Well, the planes that came from Da Nang had to fly about 60 miles, I guess. I think that Chu Lai is about that distance south of Da Nang. The planes that came from Chu Lai only had to fly about 15 kilometers, or—no, about 20 kilometers, maybe.

Mr. WILSON. And obviously you were very happy with the air support you got. Can you give me proportionate numbers here, how many men were involved in your operation? You had a battalion?

Captain RAMSEY. We had a battalion of—effective strength was probably about 900 men, 900 marines. And there was another battalion involved, but it was in a different zone of action.

Mr. WILSON. There were no Vietnamese forces at all involved?

Captain RAMSEY. No, sir.

Mr. WILSON. This was a straight Marine operation?

Captain RAMSEY. Yes, sir.

Mr. WILSON. About how many airplanes provided air cover on the critical day?

Is it hard to say because they were shuttling back and forth?

Captain RAMSEY. I couldn't say, because they were in flights of four and two, and there were always—there just seemed to be always some up there.

Mr. WILSON. In other words, you think you had enough airplanes to do the job?

Captain BARNES. We did on that operation; yes, sir.

Mr. WILSON. Do you suppose we could get the figures as to the total number of airplanes involved? I am sure that is in the record.

You will not have to provide it, Captain, but I think we can find it for the record. I think it would be interesting to see the number of airplanes that did provide that type of coverage.

I think that is the only questions I had.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. Captain, what did you use to get the Vietcong out of the caverns that you were talking about?

Captain RAMSEY. White phosphorus, sir.

Mr. ICHORD. Wouldn't that have been an excellent place to use gas?

Captain RAMSEY. We did not have any available, Mr. Ichord.

Mr. ICHORD. Well, you wouldn't have been permitted to use it anyway, would you?

Captain RAMSEY. No, sir; I doubt it.

Mr. ICHORD. Well, wouldn't that be an excellent place, though, to use gas rather than any kind of explosive?

Captain RAMSEY. I think so. And I am not familiar with the policy on this.

Mr. ICHORD. What do the boys out in the field feel about the prohibition against the use of gas?

Captain RAMSEY. We haven't used it. But I personally would like to see it used.

Mr. GUBSER. Will you yield? When you say "gas," you mean the type of gas that isn't fatal?

Mr. ICHORD. Like tear gas.

Mr. GUBSER. Tear gas. Right.

Mr. ICHORD. Right. Of course.

Captain RAMSEY. This would be invaluable for cleaning out these bunkers, because when the Marines go into a village, the population goes underground, and this includes the women and children and the village elders. And a lot of people that are not directly concerned with the fighting; a lot of innocent people, really. Some of them not so innocent, but there are a lot of innocents involved. And the Vietnamese, of course, exploit this. They get in there with them. And we have to get them out.

Mr. ICHORD. In effect you say, then, there is unnecessary loss of civilian life because of the fact you can't use gas in a situation like that.

Captain RAMSEY. There is unnecessary loss of marine life too, Mr. Ichord, because we have to send marines into the tunnels to bring them out. Gas would solve that, I believe.

Mr. ICHORD. Thank you, Mr. Chairman.

Mr. PIKE. Mr. Gubser?

Mr. GUBSER. You served in Korea. Did you have much experience where close air support was used in Korea?

Captain RAMSEY. I saw it used. I was enlisted in Korea, and I was a machinegunner, and I saw it used frequently, very frequently. As a matter of fact, we used to—

Mr. GUBSER. Is it possible to draw any comparisons? Have we shown any improvement in techniques and equipment, or is there no basis that you can compare the two operations?

Captain RAMSEY. We seemed to use air more frequently in Korea, like every morning. But I couldn't really compare the two.

Mr. GUBSER. In Korea that was almost entirely carrier-based aircraft, wasn't it?

Captain RAMSEY. I don't know where they came from, but there were F-4's used, Corsairs, or A-3's, or the A-1's.

Mr. GUBSER. And there was a lot more napalm used too, wasn't there.

Captain RAMSEY. Yes, sir. Pilots were real artistic with that napalm.

Mr. GUBSER. Fighting on the ground I would suspect—and correct me if I am wrong—that you have a real preference for napalm.

Captain RAMSEY. I never called an air strike that I didn't include a request for napalm.

Mr. GUBSER. Did you run into any situations in Vietnam where you were not allowed to use napalm, particularly in your joint operations with the Vietnamese?

Captain RAMSEY. In Vietnam, sir?

Mr. GUBSER. Yes.

Captain RAMSEY. Initially we were not allowed to use napalm.

Mr. GUBSER. To your knowledge was this a situation made by the Vietnamese—a decision made by the Vietnamese?

Captain RAMSEY. No, sir. To my knowledge it was something to do with the fact that napalm is considered a chemical munition; and we weren't allowed to fire white phosphorus at this time either because it is a chemical munition. And we were just denied napalm.

This was subsequently rectified and now we can have napalm whenever we want it.

Mr. GUBSER. For cleaning out pockets of resistance where you are receiving fire, I take it it is your opinion that napalm is just about at the head of the list.

Captain RAMSEY. In my opinion; yes, sir.

Mr. GUBSER. Getting to armed helicopters once again, Captain. Recently a number of us were up at Aberdeen Proving Grounds, and we saw a pretty effective demonstration—at least it was spectacular—of smoke being laid down by a helicopter in order to allow them to come in and support troops.

Is it your opinion that if you did have an effective smokescreen, that the possibilities for use of armed helicopters could improve considerably? I'm saying we have a complete smokescreen which will allow the helicopter to come in and not be seen.

Captain RAMSEY. Smoke might prove valuable. We haven't used it, and I'm just pulling this out of my pocket, but I think there would be applications for that.

Mr. GUBSER. But even then you still think the possibilities of armed helicopters for close-in support of troops would be limited?

Captain RAMSEY. Very limited. You need the big planes for the heavy work; yes, sir.

Mr. GUBSER. Thank you very much, Captain. And San Francisco is proud of you.

Mr. PIKE. Mr. Nedzi?

Mr. NEDZI. Captain, to get back to these tunnels that the Vietcong dig. Apparently they are concealed and camouflaged. Is there any indication what they do with the dirt that they take out of these tunnels?

Captain RAMSEY. No, sir. As a matter of fact, this has puzzled me. I don't know where this dirt goes. It is sure not around the area.

Mr. NEDZI. Nobody has talked about it or speculated as to where it went?

Captain RAMSEY. I often wondered where it went. People wonder where the dirt goes, but just fleeting thoughts.

Mr. NEDZI. That is interesting.

Captain, during this large operation that you had, did you have air support all night?

Captain RAMSEY. No, sir. We had a flare plane dropping flares over the target area—or rather the area which we occupied. But we had no close air support. By this I mean we called none.

Mr. NEDZI. I see. There was none given, then, at any time during the night?

Captain RAMSEY. We didn't ask for it.

Mr. NEDZI. Did you feel you needed it?

Captain RAMSEY. Not during the night; no, sir.

Mr. NEDZI. There was no fighting taking place?

Captain RAMSEY. Oh, there was some fighting taking place, but it was limited actions, small actions, mostly patrols, platoon-sized individual combats.

Mr. NEDZI. I have no further questions, Mr. Chairman.

Mr. PIKE. Mr. Chamberlain?

Mr. CHAMBERLAIN. Yes, Mr. Chairman.

Following up Mr. Nedzi's question about your having no requests for air cover during the night for close air support, do you have the feeling that if you had needed it, that it was there and available?

Captain RAMSEY. Yes, sir.

Mr. CHAMBERLAIN. And you have no reservations about calling for air support at night because there may be some question of the accuracy of the support that you would get and so forth? Does that enter your mind?

Captain RAMSEY. It has entered my mind. We haven't had occasion to call air at night. I don't think that we would run into any problems.

Mr. CHAMBERLAIN. You wouldn't have any reservations if you needed it then?

Captain RAMSEY. I wouldn't. I wouldn't hesitate to call it if I thought I needed it. But we haven't experienced night combat in that intensity.

Mr. CHAMBERLAIN. Captain, you have mentioned, I believe, if I recall correctly, that in late July on Thunderbolt and September on Golden Fleece, that you didn't call for any close air support. It was not necessary, you said, I believe.

Captain RAMSEY. That's right, sir.

Mr. CHAMBERLAIN. Could you tell us whether or not it was available as far as your planning is concerned? Was it on the shelf if you wanted it? Or how did that work out?

Captain RAMSEY. Yes, sir, any time we conduct an operation, whether it is even down to company size, air support is available to us. It is on strip alert, which means that it may take as little as 15 or 20 minutes to get there. Or it may take longer. It may take up to an hour or so.

Mr. CHAMBERLAIN. Just a question about your helicopters now. You had some thoughts on them.

How do you find the speed of these helicopters? It is my understanding that you have some that are faster than others. Does that cause problems or not?

Captain RAMSEY. I don't know of any problems it would cause. I am not really competent to talk on technical characteristics of the air-

craft, but I think that the UH-1 is faster than the H-34. I don't know of any problems that has created.

Mr. CHAMBERLAIN. Well, if they were flying together, if you had an escort or something it would, would it not?

Captain RAMSEY. No, sir. The H-34 is a troop carrying helicopter. The UH-1's are armed and sometimes fly around in circles around the formation and zip in and out down around the landing zone. They don't fly all in—as a matter of fact, the UH-1, there is really nothing that says it can's slow down.

Mr. CHAMBERLAIN. You need all the speed you can get, as a rule, don't you? Don't you like to have speed? Isn't that a highly desirable characteristic?

Captain RAMSEY. Well, speed is fine, but there is no use one or two aircraft going zipping off by themselves.

Mr. CHAMBERLAIN. Yes. Well, I gather, then, from what you have told the committee here, that you are pretty well satisfied with your close air support that you have had available out there.

Captain RAMSEY. As a ground commander, I am extremely well pleased.

Mr. CHAMBERLAIN. Do you have any criticisms at all that you could pass along to us as we are reviewing this important problem?

Captain RAMSEY. I think that on certain occasions it takes too long to get air. This is a weakness in our own request procedures as we are now using them. And we are not using the system right now that was designed, for several reasons, and the system that we are using, it takes too long to get air on occasion. However, the majority of the air support that we have requested has been timely.

Mr. WILSON. On that question: What do you mean "the system that was designed"?

Captain RAMSEY. Well, the system as it is designed, the air request procedures that the Marine Corps normally uses is the ones we used in Korea.

Mr. WILSON. In other words, what you were trained to do?

Captain RAMSEY. Yes, sir.

Mr. WILSON. You are not using it?

Captain RAMSEY. Well, let me elaborate a moment here.

Normally we request air—and I am sure that Lieutenant Schwend can give much more competent testimony on this, but normally we request air silence along the line from the various fire support coordination centers as consent. In other words, they monitor the net, and if they break in, they can break in and cancel the air request. But if they do not break in, it is consent, the air request can go through. That is way the system was designed to work.

The system is not working that way because—or rather, the way the system is working is they have to give specific approval at each echelon along the line for the air request. This takes time. The reason for this is because we hesitate to use weapons of mass destruction like artillery, naval guns, on centers of population. And so each commander, of course, has the responsibility for the centers of population in his area. And the VC, of course, take advantage of this and fire from villages, and they've got us both ways. If we don't destroy them with air power or artillery or naval guns, then that means we have to go in, infantrymen, and take casualties.

[Deleted.]

So each commander has to specifically approve requests for supporting arms, heavy weapons, in these various areas. This takes a little time.

We are working on it. We are ironing it out.

Mr. WILSON. Thank you.

Mr. PIKE. Is that all, Mr. Chamberlain?

Mr. CHAMBERLAIN. Just one final question, and this borders again on what Mr. Wilson just said. I want to ask about the communications problem. Do you have anything else to say with respect to communication problems other than what you have said here, the time?

Captain RAMSEY. No, sir. Generally our communications work pretty well. We are using the PRC-47 and PRC-41, which are single side band radios. They are extremely long-range—

Mr. PIKE. Is that a VHF radio?

Captain RAMSEY. The PRC-47 is a VHF radio and the PRC-41 is a UHF radio.

Mr. PIKE. How do you operate? Are you in touch with your aircraft?

Captain RAMSEY. Through the forward air controller, sir.

Mr. PIKE. And he is—

Captain RAMSEY. He is talking with the pilot.

Mr. PIKE. In an O-1?

Captain RAMSEY. No, he's right next to me.

Mr. PIKE. You don't use O-1's. You did not use any O-1's or observation planes as forward air controllers in this strike?

Captain RAMSEY. Normally we don't use them.

Lieutenant Schwend, the forward air controller, had occasion to relay through a helicopter once, but he can tell you more about that.

Mr. CHAMBERLAIN. Mr. Chairman, I think it might be interesting to find out why, if they know.

Mr. PIKE. It is not their system. Their system is different.

Mr. WILSON. They talk direct to the airplanes?

Captain RAMSEY. We talk directly to the pilot.

Mr. PIKE. They have the ability to talk directly to the aircraft and they have the ability to mark the targets without going through the middleman. Is that a fair statement?

Captain RAMSEY. Yes, sir.

Mr. EVANS. Could I ask a question?

Mr. PIKE. Well, you will get a chance.

Mr. Irwin, any questions?

Mr. IRWIN. No.

Mr. PIKE. Go ahead, Mr. Evans.

Mr. EVANS. On this question of target marking: You mark the target yourself by mortar?

Captain RAMSEY. By mortar or 3.5-inch rocket launcher round.

Mr. EVANS. In your experience this is completely satisfactory; is that correct?

Let me put the question differently. You feel that it would be nice if you had better means of marking the target? Would you prefer better means, or do you feel that they are marked well and accurately and serve the aircraft coming in very well?

Captain RAMSEY. We have experienced no problems in that specific area. Our problem was identifying the target ourselves—or finding the target. Our problem is receiving small arms fire and not knowing where it is coming from. Once we find them, we haven't had any problems in marking the target at all.

I suppose there could be better means of marking the target, but I wouldn't know what they would be. These rocket rounds work well for us.

Mr. EVANS. Whenever you have used your rocket rounds it has always been—or your mortar or whatever else you use—it has always been sufficient, in your opinion, to mark the targets for the planes to accurately strike the area designated; is that right?

Captain RAMSEY. Yes, sir.

Mr. EVANS. Do you have any preference for a particular type of aircraft in support of your operations?

Captain RAMSEY. No, sir. Anything that will carry napalm is all right by me.

Mr. EVANS. I have no further questions.

Mr. PIKE. Do you think, Captain, that an O-1 might be able to spot this source of the rifle fire better than you can on the ground?

Captain RAMSEY. He might be able to; yes, sir. We are working—the ground that we work in is open terrain. It is rice paddies; there are trees, but not heavy concentrations of them. We are not in the jungle. We are not in the canopy. So we don't experience the problems that I am sure that people working in the jungle run into.

Mr. PIKE. Thank you very much.

Mr. NEDZI. Just one question, Mr. Chairman, with respect to this time element of going through the various echelons and procedures which you outlined where each commander has to authorize a strike. This applies also even though you are operating outside of population centers?

Captain RAMSEY. Yes, sir.

Mr. NEDZI. Have you any idea what the rationale there is?

Captain RAMSEY. No; except the centers of population, the towns, the hamlets, the people that live in these hamlets are often working out in the fields and they don't confine themselves to their hamlets. I suppose this may be a factor. I am not totally familiar with what all the thinking is.

Mr. NEDZI. Do you have an opinion as to—obviously from a military standpoint the other procedure would be more effective; but taking into consideration all the problems that exist in the kind of conflict we are engaged in, in Vietnam, do you have an opinion as to whether it would be better to change this to the system that you have been trained in?

Captain RAMSEY. I have an opinion on that; yes, sir. I think that the system as it is working right this minute is the only way it can work, because otherwise we are going to run into some indiscriminate killing. And this is not desirable. Granted we don't want to lose marines on these operations, but then we just can't go around wiping out everybody in front of us like we were able to do at times in Korea. We just can't do this. We are going to have to accept some casualties, as grim as it may be; but this is our job. I think that we have got to get the support of these Vietnamese people on our side. We've got

to get them working with us, giving us information. We are not going to do it by wiping them out.

Mr. NEDZI. Mr. Chairman, I think that is an outstanding statement.

Mr. PIKE. So do I. I couldn't agree with you more. I think it is a magnificent statement. And I think you have been a superlative witness.

Mr. Gubser, you had another question?

Mr. GUBSER. I just wanted to ask: You indicated at one time or another your communications had failed. Could you give any details about this? Was it a radio failure, mechanical failure, weather, topography, or what was it?

Captain RAMSEY. I doubt very much if there is a marine alive whose communications haven't failed at one time or another. But I think it is a combination of the heat, the humidity; the batteries die fast.

Mr. GUBSER. It is equipment?

Captain RAMSEY. It is equipment, that's all it is. Yes, sir.

Mr. GUBSER. But the failures are very few and far between with this equipment you are using?

Captain RAMSEY. Yes, sir. With the new equipment—I say “new”; we just started using it when we went to Vietnam—we have battery problems. It is a wet cell battery. We have problems with that. But generally speaking, the two radios I mentioned are highly reliable radios.

Mr. GUBSER. What is the range on those; about?

Captain RAMSEY. I have no idea, but it is far more than we need. They are real good radios.

Mr. PIKE. You can talk directly from where you are to Da Nang, for instance, a distance of 60 miles?

Captain RAMSEY. I don't know if we could or not. I suppose it is possible, sir.

Mr. CHAMBERLAIN. Mr. Chairman, could I have one question?

Mr. PIKE. My only suggestion is we have two other witnesses who came all the way from Vietnam to testify, and they are very anxious to get back, and we've got to wrap them up this morning.

Mr. CHAMBERLAIN. This question is real short and as far away from air support as you can get. We had quite a damning article printed in our paper at home about your boots. Are they all right or not out there? The boots the fellows are wearing?

Captain RAMSEY. The marine combat boot, in my opinion, is an inadequate piece of equipment in the jungle.

Mr. CHAMBERLAIN. Pleased to hear it.

Mr. PIKE. Was that “inadequate” or “adequate”?

Captain RAMSEY. Inadequate for wearing in the jungle, for wet weather.

Mr. PIKE. It rots.

Captain RAMSEY. Yes, sir; it sure does.

Mr. PIKE. The threads rot and it falls apart.

Mr. ICHORD. Don't you have the canvas-type jungle boot?

Captain RAMSEY. I understand they are there, but they haven't been distributed to us yet, sir.

Mr. ICHORD. But they are not distributed out in the field?

Captain RAMSEY. Not to us, sir.

Mr. PIKE. That is a good straightforward statement with which to wind up your testimony. All I can say, Captain, we are all grateful to you and proud of you, and you have been a magnificent witness, and thank you.

Captain RAMSEY. Thank you.

Mr. PIKE. Mr. Marshall, would you call the next witness, please.

Mr. MARSHALL. Yes, sir. Mr. Chairman, the next witness is 1st Lt. Howard Schwend.

(The biography of 1st Lt. Howard L. Schwend, U.S. Marine Corps, is as follows:)

BIOGRAPHICAL SKETCH OF 1ST LT. HOWARD L. SCHWEND

Howard L. Schwend was born in Billings, Mont., on June 21, 1939. He has served in the Marines since September 1961.

After graduation from Montana State University, he was commissioned a second lieutenant on June 4, 1961. In September of 1961, he was ordered to active duty at the Basic School, Quantico, Va. During April 1962, he was ordered to flight training and was assigned to a helicopter squadron in August 1963.

In January of 1965 Lieutenant Schwend was ordered to the 3d Battalion, 3d Marine Division, as the battalion forward air controller.

Deployed to Chu Lai, Republic of Vietnam, on May 19, 1965, his battalion has participated in several operations (Starlight, Golden Fleece, Piranha, etc.) and the defense of the Chu Lai Airfield. His battalion is presently in Chu Lai.

STATEMENT OF 1ST LT. HOWARD L. SCHWEND, U.S. MARINE CORPS

Mr. PIKE. Lieutenant Schwend, you wear the wings and you have been a forward air controller. As a forward air controller, have you served both on the ground and in the air?

Lieutenant SCHWEND. No, sir. I am in the same battalion as the captain, 3d Battalion, 3d Marines. That is my unit. And my job, except for a little proficiency flying, about 5 hours a month, is strictly on the ground.

Mr. PIKE. What do you fly in your proficiency flying?

Lieutenant SCHWEND. I have been flying the transport helicopters.

Mr. PIKE. Right.

Have you ever done any forward air controlling from the air?

Lieutenant SCHWEND. No, sir; I have not.

Mr. PIKE. Do you feel, as Captain Ramsey indicated, that you might be able to spot targets better from—well, from a helicopter, say? Or from an O-1?

Lieutenant SCHWEND. Yes, sir; I am sure you could see better. But the problem when you are in the air is knowing the situation on the ground. You just can't stay around long enough to really keep up on what is going on and you are not there to really see what is happening.

Mr. PIKE. In other words, as far as the Marines are concerned, close air support is controlled from the ground and it is intimately integrated with the operations of the ground forces?

Lieutenant SCHWEND. Yes, sir. Although, on the other hand, I have had—not several, but a few occasions where I would let my target be known to a tactical air controller airborne, and he would control the airstrike.

Mr. PIKE. Who would he be, the airborne?

Lieutenant SCHWEND. He would be a Hughie, an H-34—I mean a Hughie helicopter. Or he could be in an O-1.

Mr. PIKE. Are the Marines flying any O-1's?

Lieutenant SCHWEND. No, sir; they aren't any more. They have just taken them out.

Mr. PIKE. They have stopped?

Lieutenant SCHWEND. Yes, sir. It is all Hughies now.

Mr. PIKE. So where you do have a flying air controller, he would be in a helicopter?

Lieutenant SCHWEND. Yes, sir.

Mr. PIKE. Under what circumstances would you use a flying air controller? You said you have had occasion where you have. Explain to us what happened.

Lieutenant SCHWEND. On Operation Starlight my PRC-41, which is normally a very dependable radio—I had problems with it the first day of the operation. I could receive but I could not transmit except for sort of intermittently. So I carried three radios in my team, the PRC-10, which is the FM radio which I can talk to helicopters on, although that is not what it is for. The reason I have it is to talk to the other FAC's and the air liaison officer which is in the battalion CP, just local net, and as a backup to the helicopters this is what I used to talk to them in the helicopters, the Hughies.

Mr. PIKE. And the only reason that you went through the airborne controller was the fact that your radio was giving you difficulty so you couldn't go directly to the planes?

Lieutenant SCHWEND. That is not entirely true, sir. I didn't know exactly where my target was. It was a target that I could not see.

Mr. PIKE. Right.

Lieutenant SCHWEND. And I had no coordinates. So he was able to—

Mr. PIKE. When you say you didn't know where your target was, how did you know you had a target?

Lieutenant SCHWEND. Well, sir, we had some amtracks that were being attacked heavily. They were disabled in a rice paddy. It was stuck in the mud, and I was talking to him. I had another communicator which was talking to the amtracks, and they were telling us what was going on around the amtracks.

Mr. PIKE. They had gone too far, hadn't they?

Lieutenant SCHWEND. Yes, sir.

Mr. PIKE. They had gotten a little bit out of—well, perhaps a little bit lost, is that possible?

Lieutenant SCHWEND. Yes, sir. Well, anyway, they were being attacked quite heavily. In fact, the Vietcong were crawling around on their amtracks. They were smart enough to stay inside and talk on the radio and tell us what was going on. And so I was able to call the Hughie up on my PRC-10 and tell him what was going on and he was able to locate the amtracks and run an airstrike himself and call in some A-4's on an airstrike.

Mr. PIKE. What did they do in that case when they called for the A-4's, when the Vietcong were crawling around on the amtracks?

Lieutenant SCHWEND. Well, sir, that just about ended the problems for the people in the amtracks. We found several dead Vietcong there the next day. This was just before dark.

Mr. PIKE. I mean what did the airplanes do?

Lieutenant SCHWEND. Oh; yes, sir. The Hughie made his air strike right as close to the amtracks as he could without hitting them, with rockets and machineguns, just to kind of get them back a little bit, to take the initial danger away. And then he—the A-4's were able to watch him make his strikes so they knew right where the target was, and he just told them where the biggest concentration of them were and they made the strike.

Mr. PIKE. The use of the Hughie in that instance you would describe as fairly successful, wouldn't you?

Lieutenant SCHWEND. Very successful.

Mr. PIKE. As a forward air controller, would you agree that perhaps the principal problem you had in getting in close air support is the elapsed time between when you asked for it and when it arrived?

Lieutenant SCHWEND. In certain cases that is true, sir.

Mr. PIKE. What other problems can you describe to us?

Lieutenant SCHWEND. Well, that is really the only problem we have, if we have a target, because they can hit it, there is no doubt about that.

Mr. PIKE. Identifying the target is a problem?

Lieutenant SCHWEND. My identification, yes, sir, for me to identify.

Mr. PIKE. For you to pinpoint the target. Once you know where it is, you don't have any trouble marking it?

Lieutenant SCHWEND. No, sir, not normally.

Mr. PIKE. And they do not have any trouble hitting it?

Lieutenant SCHWEND. No, sir.

Mr. PIKE. How close are you allowed to bring in air support to your friendly troops?

Lieutenant SCHWEND. Well, sir, that—I am normally attached to a rifle company and that is up to the company commander. If he wants to—

Mr. PIKE. The company commander decides whether he wants an air strike on a given target, is that right?

Lieutenant SCHWEND. Yes, sir.

Mr. PIKE. And your testimony would be the same as the captain's, because you were talking about the same operation, as to the distance; is that right?

Lieutenant SCHWEND. Yes, sir.

I wasn't with the captain on Operation Starlight. I was attached to a company, and he was—

Mr. PIKE. What was the closest that air support was called in in support of the company?

Lieutenant SCHWEND. We had one air strike that was—it was pretty close. I can't say exactly. We had a little shrapnel coming into our company positions. Probably 200 meters.

Mr. PIKE. 200.

Mr. Wilson?

Mr. WILSON. We are educating ourselves on close air support here, so if we ask some obvious questions, be patient with us.

When you send a mortar shell or a rocket to mark a target, the captain testified you use white phosphorus. Do you ever use any colored markings of any kind, colored smoke to indicate a given target?

Lieutenant SCHWEND. Sir, to my knowledge we have very little colored smoke that we can shoot out somewhere and not use right in our position.

Mr. WILSON. Assuming that you got a fast action in the classic close air support and you mark a target and say your mortar is inaccurate, you don't quite get on the target. Do you use that marking merely as a reference point to the target?

Lieutenant SCHWEND. Yes, sir; that is normally the way that I would do it. It is not important that it be right on the target.

Mr. WILSON. You use this as a reference?

Lieutenant SCHWEND. Yes, sir; to get the pilot's eyes in the area of the target.

Mr. WILSON. Yes. Now tell me, Lieutenant: What sort of training did you have as a forward air controller?

Lieutenant SCHWEND. Well, sir, first of all I was a pilot, which the Marine Corps thinks helps. I think it helps. And then I went to a 2-week school at Landing Force Training Unit at Coronado, Calif.

Mr. WILSON. Beautiful place.

Lieutenant SCHWEND. Yes, sir.

Mr. WILSON. Right in the middle of my district. [Laughter.]

Lieutenant SCHWEND. And at this school we learned the air control system as the Marine Corps uses it and teaches it, and we had some practical application where we went out in the field and controlled different types of airplanes with different types of ordnance. Just got our feet wet a little bit.

Mr. WILSON. But in each instance in your training you were actually talking to the pilot of the oncoming airplane or talking through an airborne controller?

Lieutenant SCHWEND. Yes, sir. The system is we talked to the pilots.

Mr. WILSON. Did you have any training at all in using an observation plane with an airborne air controller?

Lieutenant SCHWEND. Well, yes, sir, just a matter—when I use an airborne controller, I have the same problem. I have to somehow tell him where the target is, and that's really my only problem.

Mr. WILSON. Obviously, since you said it helped to be a pilot—in other words, you have to understand the pilot's problem on the ground so that you can better direct him into the target. Is that the reason it is an advantage to have been a pilot?

Lieutenant SCHWEND. Yes, sir; that along with being familiar with the ordnance and the characteristics of the airplanes and characteristics of flying.

Mr. WILSON. How would you feel if you could not have direct communication with the pilot; you had to go through a middleman?

Lieutenant SCHWEND. Sir, I can tell you exactly how it feels. I had it happen on Operation Starlight. It is not a good feeling. It is a very useless feeling.

Mr. WILSON. You feel somewhat remote from the action?

Lieutenant SCHWEND. Yes, sir. I feel very useless.

Mr. WILSON. But all you had was 2 weeks of actual field training here in the States and then they sent you out as a forward air controller?

Lieutenant SCHWEND. Yes, sir. I was not the normal case. Normally an FAC goes to school and he goes with his infantry battalion for approximately 2 months here in the States through pretty good training before they deploy overseas. Now in my case I missed that.

I joined my battalion when they got overseas, when they got to Okinawa?

Mr. WILSON. Now you got to observe a lot of these airplanes laying down their close air support. Did you have any propeller-driven airplanes like A-1's operating at that time?

Lieutenant SCHWEND. No, sir. All my air strikes have been with Marine Corps airplanes. We have no A-1's.

Mr. WILSON. You were satisfied with the accuracy of them despite the relatively high speed of delivery?

Lieutenant SCHWEND. I am very satisfied with their accuracy, sir.

Mr. WILSON. I guess that is all the questions I have.

Mr. PIKE. Mr. Ichord?

Mr. ICHORD. Lieutenant, in this operation you were relating a while ago to Congressman Pike, how long did it take you to get your air support?

Lieutenant SCHWEND. Well, sir, the—

Mr. ICHORD. After you called?

Lieutenant SCHWEND. The Operation Starlight, the air was on station most of the time. I didn't have occasion to call through the tactical air request channels to request air, so it was just a matter of—

Mr. ICHORD. That was a preplanned operation?

Lieutenant SCHWEND. Yes, sir. Very speedily planned, however.

Mr. ICHORD. Are you a little bit unusual for an FAC? Are these ground FAC's usually commissioned, or are they non-commissioned?

Lieutenant SCHWEND. Yes, sir, every Marine battalion rates three aviators, one to be the ALO and two to be FAC's. Most of the battalions in Vietnam have three.

Mr. ICHORD. Most have what?

Lieutenant SCHWEND. Three.

Mr. PIKE. And they are all commissioned officers?

Lieutenant SCHWEND. Yes, sir.

Mr. ICHORD. Now what was the name of this radio that you used from ground to the plane?

Lieutenant SCHWEND. Sir, it is a PRC-41, a UHF radio, backpack.

Mr. ICHORD. What do you use, several assigned frequencies?

Lieutenant SCHWEND. Yes, sir. We have frequencies assigned for talking to helicopters and we have frequencies assigned for talking to fixed wing airplanes.

Mr. ICHORD. Usually send and receive on the same channel?

Lieutenant SCHWEND. Yes, sir.

Mr. ICHORD. How far can you reach out with a PRC-41?

Lieutenant SCHWEND. Well, sir, it is a line-of-sight radio, which is fine for airplanes. It is completely static free, so that you have no trouble understanding each other, and it will reach a long ways, line of sight, just depending on where the horizon is.

Mr. ICHORD. Well, when the planes are coming up on the operation, how do you usually make contact? They usually give you a call?

Lieutenant SCHWEND. Yes, sir. They are assigned—

Mr. ICHORD. And give you their location?

Lieutenant SCHWEND. Yes, sir. They give me a call and tell me what they are carrying and how long they can stay, and what their mission is if I have more than one mission.

Mr. ICHORD. And you say you are perfectly satisfied with your radio equipment?

Lieutenant SCHWEND. Yes, sir. It is awful heavy, but——

Mr. ICHORD. How big is that radio?

Lieutenant SCHWEND. It is not real large in dimensions but it weighs about 60 pounds with the battery, which gets kind of heavy trying to keep up with these infantrymen out in the field. Of course, I don't carry it.

Mr. ICHORD. The biggest problem then, as far as you are concerned, is marking, and you feel that the optimum situation there would be to have an observation plane in the air as well as on the ground?

Lieutenant SCHWEND. No, sir. The biggest problem is my identifying the target, sir.

Mr. ICHORD. I mean—yes, your identifying it, yes.

Lieutenant SCHWEND. My identifying it. Not the airplane's. If I know where it is, it is not normally a big problem.

Mr. ICHORD. Normally the best situation would be to have someone in the air as well as on the ground for target identification?

Lieutenant SCHWEND. Yes, sir, if they could stay up on the situation.

Mr. ICHORD. Thank you, Mr. Chairman.

Mr. PIKE. Mr. Gubser?

Mr. GUBSER. When you talk with the airplanes, say it is a squadron of four, you obviously talk to the squadron commander only. Are the tactics so routine and so established in a variety of situations that they just automatically go into their attack after you have talked to the squadron commander, or is there yack back and forth in the air?

Lieutenant SCHWEND. There is quite a lot of talk on the radio, sir.

Mr. GUBSER. But you talk to one pilot?

Lieutenant SCHWEND. Initially I talk to one pilot, tell him the grid coordinates of the target, the altitude, the heading I want him to run in on, which way I want him to pull out. And the rest of the pilots have to listen in on all this, of course. And then I just tell him in my words, my own words, just where the target is in reference to landmarks or something on the ground—a marking round or something on the ground.

Mr. GUBSER. Then he goes in there and gives his orders to the rest of them, or what?

Lieutenant SCHWEND. No, sir, they listen in and then he is usually the first to fly in, and I tell him if he is on target or not. And if it is close to the friendlies, [deleted].

Mr. GUBSER. Thank you.

Mr. PIKE. Mr. Nedzi?

Mr. NEDZI. Thank you, Mr. Chairman.

Lieutenant, what size units is a FAC attached to?

Lieutenant SCHWEND. Sir, anything down to company level; company patrols and up, sir.

Mr. NEDZI. Nothing lower than that?

Lieutenant SCHWEND. Yes, sir, I have on occasion gone out on platoon patrols.

[Deleted.]

Mr. NEDZI. Do you know what happens in the event they do run into a situation where they do need air support, how they called in for it?

Lieutenant SCHWEND. Yes, sir. They have the means to talk to the Hughies. They will carry a PRC-10 radio also. And they also have means to talk back to the battalion CP whereby if they really need me I can load in a helicopter and go out to their position if we have time and so forth. And they can control the Hughies on their own strikes if it is not something big.

Mr. NEDZI. Under these circumstances then you use an airborne FAC, is that the normal procedure?

Lieutenant SCHWEND. Yes, sir.

Mr. NEDZI. I have no further questions.

Mr. PIKE. Mr. Chamberlain?

Mr. CHAMBERLAIN. Yes, sir, Mr. Chairman.

The story that you related earlier about the difficulty that you had in identifying your target and the time you used your airborne control, this is one of your O-1's, is that it?

Lieutenant SCHWEND. No, sir, it is a Hughie helicopter.

Mr. CHAMBERLAIN. A Hughie?

Lieutenant SCHWEND. Yes, sir.

Mr. CHAMBERLAIN. A Marine helicopter?

Lieutenant SCHWEND. Yes, sir.

Mr. CHAMBERLAIN. I see. Well, it rather seems that in this situation had you not had something up there that could have helped, we would have been in pretty bad shape right at that time, wouldn't we?

Lieutenant SCHWEND. Yes, sir, that is certainly true.

Mr. CHAMBERLAIN. So that certainly there must be considerable merit to having someone aloft if possible?

Lieutenant SCHWEND. Yes, sir. Normally on an operation we do have observation Hughies airborne which are capable of doing this sort of thing for us.

Mr. CHAMBERLAIN. And you are in touch with them?

Lieutenant SCHWEND. Yes, sir.

Mr. CHAMBERLAIN. But they are not in touch with the pilots that are flying the mission?

Lieutenant SCHWEND. Yes, sir.

Mr. CHAMBERLAIN. They are?

Lieutenant SCHWEND. They can be.

Mr. CHAMBERLAIN. They can be?

Lieutenant SCHWEND. They are not normally on the same frequency, but it is no problem for them to change.

Mr. CHAMBERLAIN. To switch over?

Lieutenant SCHWEND. Yes, sir.

Mr. CHAMBERLAIN. But they do not do that unless they are told to do so, is that correct?

Lieutenant SCHWEND. Unless they are told to do so, yes, sir, that is true.

Mr. CHAMBERLAIN. Normal procedure would be that they would be in touch with you and you only, is that right?

Lieutenant SCHWEND. No, sir—

Mr. CHAMBERLAIN. On this operation?

Lieutenant SCHWEND. Well, depending, now. We have several types of observation missions for them. Maybe they are artillery FO or maybe it is a Navy gunfire FO or maybe it is just a reconnaissance for the battalion commander or division commander or some-

body. Well, that would depend on what FM net they were on, and then they also carry a UHF radio which they can be on several nets there. They can be on the net with the fixed wing aircraft or they can be on a local net within themselves.

Mr. CHAMBERLAIN. Then you are not without your airborne observation post at all times, is that right?

Lieutenant SCHWEND. Normally on an operation, sir.

Mr. CHAMBERLAIN. Have you ever been on operations without the airborne Hughie there to assist?

Lieutenant SCHWEND. Yes, sir. We have had operations where we didn't have them. Initially we were a little bit short of them, until just recently we've got more Hughies in so that we have enough to go around.

Mr. CHAMBERLAIN. How do you mark your target if you are on the—have you ever experienced any difficulty doing that if you are on the ground and marking the target?

Lieutenant SCHWEND. Normal procedures are to just use a visual reference, but it is always faster and better to mark with white phosphorus from a 3.5 rocket launcher, normally, or an 81 mm. mortar if it is a long way out.

Mr. CHAMBERLAIN. And if you do that, how much notice do you give these people in telegraphing your punches?

Lieutenant SCHWEND. You mean the VC?

Mr. CHAMBERLAIN. Yes.

Lieutenant SCHWEND. Well, of course you give them some notice. But it is a pretty good weapon.

Mr. CHAMBERLAIN. One final question. Have you ever had experiences where our people have missed the target and hit our friendlies? And tell us about that, if you have.

Lieutenant SCHWEND. Well, I have had the rare experience of almost looking up the guns of an F-4 dropping rockets, and this wasn't the airplane's fault. This was the FAC that was controlling's fault. He dropped it about 50 feet from my position. And as far as I know, he didn't injure any Marines. At the time we were right in the middle of mortar attack and we had lots of casualties. That is the only experience I have had.

Mr. CHAMBERLAIN. That is the only one?

Lieutenant SCHWEND. Yes, sir.

Mr. CHAMBERLAIN. Do you have knowledge of others that you have heard of?

Lieutenant SCHWEND. No, sir; that is the only one I know of.

Mr. CHAMBERLAIN. You feel that while there is an inherent risk there in this kind of an operation, it is one that is being well handled?

Lieutenant SCHWEND. Yes, sir.

Mr. CHAMBERLAIN. Thank you very much, Mr. Chairman.

Mr. PIKE. Mr. Irwin?

Mr. IRWIN. I have gotten the feeling listening to the different witnesses that every situation has a somewhat different quality to it, and for example, you have talked of the importance of being able to talk directly to the planes, and you have made the point that at times you don't think you need an O-1 or helicopters, you don't need an air observer, and yet there were times when you suggested they were helpful. So perhaps the truth is every situation being a little different, different things are important at different times.

You have flown helicopters yourself?

Lieutenant SCHWEND. Yes, sir.

Mr. IRWIN. How helpful are the helicopters in this kind of a situation?

Lieutenant SCHWEND. Well, sir, that is the mission of the Hughie aircraft in the Marine Corps, so they are very helpful.

Mr. IRWIN. Now for actual ground support, how helpful are they?

Lieutenant SCHWEND. You mean for close air support?

Mr. IRWIN. Yes.

Lieutenant SCHWEND. Well, in this one instance they were very effective for just sort of a suppressing fire on the VC. And they are very effective for armed reconnaissance, which they are designed for.

I think it is more a psychological thing with both the pilot and the VC. The VC don't like to shoot at the pilot because they know he is going to shoot back, and because of this the pilot can get down a lot lower and do a more effective job, and they are very effective in escorting small helicopter maneuvers like resupplies, or medical evacuations.

Mr. IRWIN. Do you think that helicopters could be developed to be more effective than the ones you have presently?

Lieutenant SCHWEND. You mean carry more ordnance?

Mr. IRWIN. Yes.

Lieutenant SCHWEND. Yes, sir; they certainly could carry more ordnance, although I can't imagine the size of a helicopter that would be able to carry enough bombs to do us any good. And really, bombs are the backbone of the air support.

Mr. IRWIN. Right. Rockets are not particularly useful in this instance?

Lieutenant SCHWEND. Yes, sir; rockets definitely have their use, and so does strafe. But bombs, and napalm, of course, is a good weapon.

Mr. IRWIN. Right.

OK, that is all. Thank you.

Mr. PIKE. Mr. EVANS?

Mr. EVANS. You mentioned the difficulty of identifying your target. How do you develop the position of enemy fire on the ground? How do you develop the location of your enemy positions?

Lieutenant SCHWEND. How do I call it in, sir?

Mr. EVANS. How do you find out where it is? You say on occasions it is difficult to locate where your enemy positions are.

Lieutenant SCHWEND. Yes, sir. Well, we have a lot of trouble finding where the fire is coming from and of course if we can see a muzzle flash or there is a movement or something, that is our target.

Mr. EVANS. Can air support or air observation ever assist in this regard? Has it ever been helpful in locating where the enemy positions are?

Lieutenant SCHWEND. Only in the case that I mentioned, sir, on the amtracks.

Mr. EVANS. Is it just a matter of exploring on the ground until you run into heavy opposition or heavy enough opposition to have a good idea of the direction the enemy is and how far they are and then stopping so that you can have a pretty good idea where they are firing from before you can be pretty sure where your enemy is positioned?

Lieutenant SCHWEND. Yes, sir; that's about it.

We use air strikes a lot of times for more of a preparation type thing too, cleaning a hill before we move on to it or something like that.

Mr. EVANS. No further questions.

Mr. PIKE. Thank you very much, Lieutenant.

Mr. Marshall, would you call the next witness.

Mr. MARSHALL. Yes, sir. The next witness is Lt. Col. William C. McGraw, Jr.

(The biography of Lt. Col. William C McGraw, Jr., U.S. Marine Corps, is as follows:)

BIOGRAPHICAL SKETCH OF LT. COL. WILLIAM C. MCGRAW, JR.

William C. McGraw, Jr., was born in Oklahoma City, Okla., on September 14, 1922. He has served continuously since May 1943 in the U.S. Marine Corps.

Commissioned a 2d lieutenant September 8, 1943, he served as an aviation ground officer during World War II. In 1946 he was ordered to flight training and was assigned to a Corsair squadron in June 1948. In 1949 he transitioned to jets, flying the FH-1, TO-1, and F2H2. After a tour of duty with the Bureau of Aeronautics he was ordered to Korea and flew 88 combat missions in the Grumman Panther (F9F).

After Korea he was stationed at Sandia Base, N. Mex., then a tour of duty at MCAS Kaneohe flying FY-4 Furies. In 1960 he graduated from the U.S. naval test pilots' school and served for 2½ years as head. Flying Qualities and Performance Branch and later chief projects officer of the Flight Test Division at NATO Patuxent River.

Taking command of Marine Fighter/Attack Squadron 531 at Cherry Point, N.C. in June 1963 he deployed twice with his squadron to Key West, then flew his F4B's to NAS Atsugi, Japan in June 1964.

Ordered to Da Nang, South Vietnam, on April 10, 1965, his squadron flew over 950 combat sorties prior to being relieved on June 15, 1965.

Lieutenant Colonel McGraw personally flew 62 missions during this period, including CAS, helo escort, interdiction night radar bombing, and night CAS under the flares.

He is now the assistant operations officer, Fleet Marine Force, Pacific.

Mr. PIKE. Colonel McGraw, I note from the biography which has been provided to us that you were the commander of Attack Squadron 531 which flew 950 combat sorties between April 10, 1965, and June 15, 1965, and that you personally flew 62 missions during this period.

I am going to, at Mr. Wilson's suggestion, reverse the order of fire here. And Mr. Wilson reminded me that it wasn't very long ago that we were all freshmen and we never got to ask any questions until all the good questions had been asked. So I am going to let Mr. Evans lead off here with questions. We will just go backward up the chain of command here this trip.

Go ahead, Mr. Evans.

Mr. EVANS. Thank you very much, Mr. Chairman. That is very kind of you.

Mr. PIKE. It wasn't my idea.

(Laughter.)

Mr. EVANS. I hardly know what to say.

Just a shotgun question. In your experience in close air support, what do you think our biggest weaknesses are and what suggestions would you have to tighten it up?

**STATEMENT OF LT. COL. WILLIAM C. MCGRAW, JR., U.S. MARINE
CORPS**

Colonel MCGRAW. [Deleted.]

Mr. PIKE. I might say, Mr. Evans, that we have in the room the commander of the first A-6A squadron, who has just returned from Vietnam, and if we have time we are going to ask him some questions this morning, too. I just don't know if we are going to have time.

Colonel MCGRAW. [Deleted.]

Mr. EVANS. You have no difficulty in getting to the target on time and finding out where the enemy is and have it marked, located, and get on target? These are not problems to you as far as you as a pilot see it?

Colonel MCGRAW. No, sir; they are not.

Mr. EVANS. Communication, or knowing where the friendlies are and where the enemies are?

Colonel MCGRAW. The captain put it pretty well when he said everybody has communications problems at times.

Mr. EVANS. Well, you caught me so much by surprise, Mr. Chairman, I ran out of questions.

Mr. PIKE. Mr. Evans, I hoped this would happen.

(Laughter.)

Mr. IRWIN. I notice they called the witnesses in reverse order too, Colonel.

What kind of planes are you flying, or have you been flying in Vietnam?

Colonel MCGRAW. F-4B, sir.

Mr. IRWIN. And what do you carry?

Colonel MCGRAW. Well, they can carry a variety of ordnance: Bombs, rockets, napalm.

Mr. IRWIN. And your planes have been actually based at Da Nang?

Colonel MCGRAW. Yes, sir.

Mr. IRWIN. How far have most of your operations been away from Da Nang?

Colonel MCGRAW. I would say a good 75 percent of them are within 80 miles of Da Nang.

Mr. IRWIN. Within 80 miles?

Colonel MCGRAW. That is right.

Mr. IRWIN. Now when you are giving close ground support, you are in direct communication with an FAC such as Lieutenant Schwend?

Colonel MCGRAW. That is right.

Mr. IRWIN. And I imagine that getting your messages back and forth is very, very simple in this sense?

Colonel MCGRAW. Yes, sir. We have a standard air request form that we carry, and he just goes down the line. He comes on and says "I have a target," gives the grid coordinates, the direction of run, all the information. We can just copy it right down on the form.

Mr. IRWIN. What kind of problem is the speed of the planes for you? Any at all, or not at all? The fact that the planes are as fast as they are? Does this create any kind of a problem at all in hitting a target?

Colonel MCGRAW. No, sir.

Mr. IRWIN. None at all?

Colonel McGRAW. No, sir. The faster the better.

Mr. IRWIN. I think those are all the question I have. Thank you.

Mr. PIKE. Mr. Chamberlain.

Mr. CHAMBERLAIN. Thank you, Mr. Chairman.

I gather that the operations that you people have had have all been Marine operations pretty much?

Colonel McGRAW. No, sir. We supported Vietnamese troops also.

Mr. CHAMBERLAIN. Where was this, Colonel?

Colonel McGRAW. On occasion we have gone as far as 300 miles south of Da Nang.

Mr. CHAMBERLAIN. When was that? Where?

Colonel McGRAW. I can't recall the name of the area where we went, but it was down in the III Corps area. And they had some troops that were under attack down there and for some reason I guess there was not available planes at Tan Son Nhut or Bien Hoa and we scrambled and went down there.

Mr. CHAMBERLAIN. But most of the operations are with your own people, would you say, or not?

Colonel McGRAW. We are a supporting arm for the Marine forces in I Corps.

Mr. CHAMBERLAIN. Well, it seems to me what we have heard here from the lieutenant and the captain is that you people are pretty well satisfied with your own operation. While there may be areas of improvement you think you are doing a pretty good job out there with your close air support; is that correct?

Colonel McGRAW. Yes, sir.

Mr. CHAMBERLAIN. Now, let's talk a minute, then, about your working with the Vietnamese then and what problems you have gotten into in operating down there. What kind of a forward air controller would you be working with when you went down south?

Colonel McGRAW. It was always O-1-type aircraft with Air Force flying it, and he usually had a Vietnamese in the back seat.

Mr. CHAMBERLAIN. Any problems in this type of operation with your people?

Colonel McGRAW. No, sir. They would always mark the target and we would go right on in.

Mr. CHAMBERLAIN. Colonel, I want to ask you the question I asked before here of one of our other boys, and that is, about getting off target, maybe, and inadvertently getting mixed up with our friendlies. All the members of this committee I am certain are just as concerned as are you people, but we would like to know the true extent of this. Tell us of anything in this area that you know of.

Colonel McGRAW. I know of none in Vietnam, sir. I recall one incident in Korea where—but it was not a close air support. It was an interdiction-type mission where two planes took off late and struck the wrong target, but they weren't controlled. They thought they were on the bomblines, and they weren't.

Mr. CHAMBERLAIN. So as far as your personal experience is concerned and what you have heard, you have nothing to report to us in this connection?

Colonel McGRAW. No, sir.

Mr. CHAMBERLAIN. Well, that is encouraging. It really is.

We also heard testimony here from the other witnesses about the time that has been required in getting the word back and forth. Is

there anything that can be done to improve this situation that you know of?

Colonel McGRAW. No, sir. We have a system for taking care of it; as the captain pointed out, sometimes the system doesn't work the way we thought it was supposed to, but as far as the—as an aircraft squadron commander, I have no problems. It depends. On one operation we will have an airborne alert and we will leave our station and we are just constantly circling so we are immediately available. If there is an operation going on where they think they might have it, they would up our alert status where we would be on a 5-minute alert, and the pilots would actually be out under the wings. Normally at Danang it was 15 minutes, and the pilots would be in the readyroom.

Mr. CHAMBERLAIN. Do you ever hear any talk about the need for this recon aircraft that we have been considering for the past few years here?

Colonel McGRAW. Yes, sir.

Mr. CHAMBERLAIN. What do you hear about that? What is your personal opinion about the need for it?

Colonel McGRAW. I think it probably has its place. It won't replace the attack aircraft.

Mr. CHAMBERLAIN. You people would not have any need for it in the way you are operating now, would you?

Colonel McGRAW. There would be occasions when I think the LARA would be a good aircraft. It would take over some of the jobs being done by the Hughies right now.

The armed helicopter is a very vulnerable weapon against any opposition; a 50 caliber can knock them right out of the sky.

Mr. CHAMBERLAIN. Thank you, Mr. Chairman.

Mr. PIKE. Mr. Nedzi?

Mr. NEDZI. Colonel, you have had experience with ground FAC's and airborne FAC's. Could you give us an appraisal of both of them based upon your experience?

Colonel McGRAW. Well, it is normally a different type situation with an airborne FAC. Usually you have both in an operation; there will be an airborne FAC who can mark targets or you can talk direct to the ground FAC.

Mr. PIKE. That is the usual Marine Corps situation.

Colonel McGRAW. Yes, sir.

Mr. PIKE. We do not guarantee this is the usual situation though.

Colonel McGRAW. You have so many people wanting to mark targets for you and usually you see the target right off the bat anyway. And sometimes—I have had a ground controller say "I'm going to mark it," and Hughie says "I want to mark it," and I say I see the target. [Laughter.]

Mr. NEDZI. That is very interesting.

Mr. WILSON. Everybody wants a piece of the action. [Laughter.]

Colonel McGRAW. In this particular time I was talking about, why finally the Hughie got to mark it, and said "Do you see the mark?" and I said "No, I don't see it; I'm looking right at the target." Well, he had dropped green smoke. [Further laughter.]

Colonel McGRAW. When I finally saw it I couldn't believe it.

Mr. NEDZI. I have no further questions, Mr. Chairman.

Mr. PIKE. Mr. Gubser?

Mr. GUBSER. Colonel, have you ever flown a close air support mission where Air Force aircraft were part of the operation as a joint mission?

Colonel McGRAW. Yes, sir.

Mr. GUBSER. In Vietnam?

Colonel McGRAW. Yes, sir. We had a big helicopter operation going on down south of Quang Ngai on which the Air Force was not close air support per se, they were landing preparation. And we were going to escort the helicopters in. So I was circling, I was watching the F-100's.

Mr. GUBSER. So an FAC wasn't used in this operation?

Colonel McGRAW. No, sir.

Mr. GUBSER. Have you ever been on one where there was close-in air support and you had to use a forward air controller for both Air Force and Marine aircraft?

Colonel McGRAW. No, sir; I went on a lot of interdiction where FAC was controlling. We were waiting to get on the same target.

Mr. GUBSER. Instead of a joint operation?

Colonel McGRAW. Yes.

Mr. GUBSER. If there were to be a sudden requirement where you just have to use everything you've got, how would this work out?

Colonel McGRAW. I can see no problem.

Mr. GUBSER. Would you use their system of target identification or would they use yours? You would have to use theirs, wouldn't you?

Colonel McGRAW. Well, now—

Mr. GUBSER. Or would you each have your own?

Colonel McGRAW. You say if we were going to work with the Air Force?

Mr. GUBSER. Yes.

Colonel McGRAW. In support of an Army division?

Mr. GUBSER. In support of a division; yes.

Colonel McGRAW. We have what is called ANGLICO, which is designed particularly to go with Army divisions in the event we have joint operations and they would control air and naval gunfire.

Mr. GUBSER. The Army would?

Colonel McGRAW. Marines. With an Army division. Or the ANGLICO; presently they are working with Vietnamese.

We did the same thing in Korea. We had Marines with the Korean divisions who controlled this.

Mr. GUBSER. Suppose you had Air Force planes and Marine planes in the air at the same time on the same mission. Would there be apt to be some confusion?

Colonel McGRAW. I don't think so; no, sir.

Mr. GUBSER. Who would do the directing in that case? The Army would?

Colonel McGRAW. You can only have one controller, and anybody that can control the aircraft—I can see no problems with the Air Force making a strike. I'm sure Lieutenant Schwend could mark the target for them; as long as they saw it, why—

Mr. GUBSER. But your controller couldn't talk to the Air Force planes?

Colonel McGRAW. Yes, sir; he could talk to them.

Mr. PIKE. The Marine controller now. The Army controller can't.

Mr. GUBSER. I'm confused, Mr. Chairman. Will you straighten me out?

Mr. PIKE. When you are in the air, with your radios can you talk to Air Force planes in the air?

Colonel McGRAW. Yes, sir.

Mr. PIKE. Can you talk to Army troops on the ground?

Colonel McGRAW. If they have UHF, sir, I can.

Mr. PIKE. Well, they don't.

Colonel McGRAW. They don't?

Mr. PIKE. Yes.

Colonel McGRAW. Then I can't talk to them.

Mr. PIKE. Unless there is an Air Force guy or Marine guy on the ground with compatible radios.

Mr. GUBSER. Then is this true, Mr. Chairman: If we had Air Force planes and Marine planes in a joint operation providing close air support for an Army unit on the ground, you would have to deal through an O-1, wouldn't you?

Colonel McGRAW. If they have no UHF; yes, sir. The O-1 has it.

Mr. GUBSER. In other words, you would be forced to accept the lowest level of communications?

Colonel McGRAW. Yes, sir.

Mr. GUBSER. Thank you very much.

Mr. PIKE. Mr. Ichord?

Mr. ICHORD. You said, Colonel, that you had operated, as far as 300 miles from base. How are your navigational aids in South Vietnam? Do you have any complaint about navigational aids? Do you have a good system?

Colonel McGRAW. Yes, sir. We have TACAN. [Deleted.] But they also have radar cover in [deleted] and they are able to direct you and take you down through the overcast and put you right in the area you want to be.

Mr. ICHORD. Now you are talking about all-weather capability. What is the lowest ceiling you have ever provided any close air support operation?

Colonel McGRAW. [Deleted.]

Mr. ICHORD. Would you make any dive-bombing passes, or—

Colonel McGRAW. Rockets, sir.

Mr. ICHORD. Rockets? What would you do? Would you fly straight across the target?

Colonel McGRAW. [Deleted.]

Mr. ICHORD. [Deleted.]

Colonel McGRAW. That's right.

Mr. ICHORD. Thank you, Mr. Chairman.

Mr. PIKE. Mr. Wilson?

Mr. WILSON. Do you think it might be possible for the ground forces to have a rocket- or mortar-launched transponder of some sort that would give off a radar beep to help locate the target through the clouds and through jungles? In other words, the mortar rather than shooting a smoke would shoot a transponder which on impact would set off, say, 5 minutes of radar beeping as a means of locating a target? Would this conceivably tie into an operation of your type?

Colonel McGRAW. Yes, sir; if they had something of that order, why our radars could probably be modified to pick it up.

Mr. WILSON. I just invented it. I just wondered if such a thing could be picked up.

I have no further questions. I hope we can get the commander on.

Mr. PIKE. Colonel, you were there over a long period of time. How would you characterize the quantity and quality of the close air support when you left compared with what it was when you arrived?

Colonel McGRAW. We were the first Marine squadron to go in. I am sure that—you never have enough, but it certainly has improved.

Mr. PIKE. Did the tactics change any as experience developed over there?

Colonel McGRAW. Well, in South Vietnam, of course, the ground fire is very light. It is small arms, and the chances of them hitting a jet are just—well, they don't exist. So in that case, why you can do it just like you are on a target someplace. You can control it, you roll in from [deleted] feet, you start a perfect dive—in the F-4 we have the advantage of a man in the back seat that calls out airspeeds and altitudes.

Mr. PIKE. Colonel, as far as the pilot in the attack plane is concerned, it doesn't make any difference to you whether your FAC is airborne or on the ground. What you are interested in is a white smoke signal essentially that you can use as a reference point either to aim at or aim a certain distance from.

Colonel McGRAW. Yes, sir.

Mr. PIKE. So would you say that whether the particular man who is doing this job is on the ground or in the air is a decision that should be made on the ground?

Colonel McGRAW. Yes, sir.

Now the man on the ground knows where the friendly troops are, whereas the one in the air sometimes will not know what the situation is.

Mr. PIKE. And as far as the Marines are concerned, the essential doctrine is that this fellow will be on the ground and the ground rather than the guy in the middle will be controlling; is that correct?

Colonel McGRAW. Yes, sir. Marine air is a supporting weapon just like artillery or naval gunfire.

Mr. PIKE. Thank you very much, Colonel.

I want to say for all of these marine witnesses, I don't think we have had anything better since this committee has been meeting.

Mr. NEDZI. And we have had some good stuff.

Mr. PIKE. That's right, and we have had good witnesses here.

I particularly would like to ask General Thrash if it might not be possible to release the statement that Captain Ramsey made in his answer to Mr. Nedzi's question about the controls that are required when you are considering an attack on a village and the danger of civilian casualties. I think that really it is one of the finest statements I ever heard, and furthermore, I think it would go a long way to cut down some of the junky image that has been in the newspaper about the marines setting fire to huts and things like that. I think it was really a tremendous statement and I would like to be able to make it public.

General THRASH. Yes, sir.

Mr. WILSON. Mr. Chairman, I would like to request the expansion of that to include Mr. Ichord's question relating to the use of tear gas. I think this question ought to be brought out in the open.

Mr. PIKE. Well, I think that is still too controversial. I think it is not controversial on this committee. I don't think there is a member

of this committee who doesn't feel that the tactics are completely right and the use of tear gas makes all kinds of sense. But I don't think we ought to be going into that particular field, trying to make policy here. In the first place, it is not within our area of responsibilities.

Mr. WILSON. I hope we are going to come in with some recommendations.

Mr. PIKE. We are here on tactical air support. I don't think we are here on ground tactics.

Thank you very much, Colonel.

Commander, would you come up and talk to us just briefly about when you got out to Vietnam.

Mr. MARSHALL. Please give your name.

STATEMENT OF COMDR. LEONARD ALEXANDER SNEAD, U.S. NAVY

Commander SNEAD. Comdr. Leonard Alexander Snead. And I was commanding officer of Attack Squadron 75, which is the first Navy A-6A Intruder squadron to deploy on any ship at any time.

My tour in Vietnam was a very short one. In fact, my tour as a squadron commander was extended so that I could take the squadron and see it through its initial month or 6 weeks. It ended up about 5 weeks on the line. During this period of time, Mr. Chairman, we did not engage in close air support, per se. However, we did do some target work during the 35 days I was on the line. I personally made five strikes, more of a tactical air support nature; working up in North Vietnam we worked day and night conducting strikes on all types of targets.

Mr. PIKE. Tell us what you could do at night in North Vietnam, what your plane's capability is and how you run your operation.

Commander SNEAD. If I may start off by giving you a bit of information concerning the aircraft capability, the A-6A was designed to acquire a radar reflective target on the search radar, but the bombardier and navigator—

Mr. PIKE. On the ground?

Commander SNEAD. Yes, sir. Actually, we can see aircraft in the air on our radar also, but primarily we have an air-to-ground bombing system. The bombardier and navigator work side by side while the pilot works the gear. Once he acquires a target then symbols appear on my vertical display indicator, my primary reference indicator, and I proceed on into the target.

As soon as I get on in within a given range, I'll commit the ballistic computer to an attack mode that I have previously selected: the type of run that I want to make.

Mr. PIKE. Are you dropping a bomb or firing a rocket?

Commander SNEAD. I can do either.

Mr. PIKE. Either?

Commander SNEAD. Yes, sir. This depends on the mode that I select to make the attack. And this can be day or night, fair weather or foul. These work as I am describing them.

At this point I only have to keep my symbols aligned, and as I proceed on in over the target the computer automatically solves the problem and drops the bomb at the proper second.

Mr. PIKE. It drops the bomb?

Commander SNEAD. It drops the bomb. I am on automatic release. I don't do a thing but hold the "Commit" button on my stick.

[Deleted.]

I am impressed with Congressman Wilson's approach here. This is something that we do need, Congressman. Some sort of beacon——

Mr. WILSON. Radar reflective transponder.

Commander SNEAD. A radar reflective transponder that I can pick up on my radar.

[Deleted.]

Mr. PIKE. How about lightning? Doesn't bother it?

Commander SNEAD. It would just come and go. There would be no static.

Mr. WILSON. How about jungle?

Commander SNEAD. [Deleted.]

Mr. PIKE. Commander, this is obviously tremendously complex equipment. How much downtime do you have on your A-6's due to equipment unreliability?

Commander SNEAD. Unreliability is our big problem in the A-6 today, Mr. Chairman. I would hasten to add that we are having, shall I say, historical problems. The equipment that we have was designed 5 years ago and built 2 years ago. We are the first squadron. [Deleted.] We had in VA-75 a real environmental test from day-to-day operations; on and off the catapult, back into the wires, bouncing the gear around. You must put it in this environment. You really can't test for it in an R. & D. activity. So we have found and defined very carefully the problem areas that we have encountered. And these are, of course, being worked on. Pieces of gear just have not held up. They were designed to stress to a certain point, and now we are going into testing for overstress. We are going into a general cleaning up of the circuits and updating of the state of the art.

Mr. PIKE. The system is fine to the extent that it is reliable. Would that be a fair statement?

Commander SNEAD. When we have all components working, Mr. Chairman, it is a thing to behold. I don't mean to say that as if it happens only on sporadic occasions, because we did achieve very good results with it. We have numerous backup modes for each of the inputs into the computer from a given sensor; we have alternate sources which feed the information into the computer.

Mr. PIKE. How many planes did you have in your squadron?

Commander SNEAD. We had 12.

Mr. PIKE. How many did you lose?

Commander SNEAD. We lost three airplanes.

Mr. PIKE. How many strikes did your squadron conduct while you were there?

Commander SNEAD. Let me give this to you on an estimate of weekly strikes. During the month of July we flew 621 hours, and that would be about something over 300 sorties, sir.

Mr. PIKE. What sort of targets were you after? Give us a typical example of the target.

Commander SNEAD. In South Vietnam I'll give you my own personal example. [Deleted] and we carried a heavy load of ordnance; another strong point of the airplane.

Mr. PIKE. Napalm?

Commander SNEAD. No, sir; no napalm. [Deleted.] On the other occasions, the target once was right up a valley, once up a hillside, another time just a small encampment. This was all under the control of a forward air controller, marked with some sort of a white marking.

Mr. PIKE. This was visual bombing?

Commander SNEAD. Visual bombing; yes, sir.

Now the times that we were operating down south we did not conduct any night operations. However, I did receive a letter yesterday from the squadron commander in which he indicated that during the last 6 days of August they had conducted 35 night strikes with the A-6A in South Vietnam. None apparently were close air support types, but he did describe them. He said that they found that the utilization of our system and our radars was, far superior as far as placing the airplane at a point over the ground to that of using a TACAN bearing and distance, shall we say.

Mr. PIKE. What sort of targets did you strike in North Vietnam?

Commander SNEAD. In North Vietnam, bridges. Except by the time we got there bridges had become very scarce. But there were some we did strike and physically knock out with the A-6A. Army barracks, several of those were prime targets. Railyards; the railyard at Vinh and Thanh Hoa. The port facility there at Vinh and the one at—the port facilities up at Thanh Hoa. These were plain, pure, and simple storage areas; great huge buildings that they would use for storage, et cetera.

Mr. PIKE. Can you give us a statistic on the readiness percentage of the aircraft?

Commander SNEAD. Yes, sir. It ran between [deleted] percent; [deleted] percent is a good figure.

Mr. PIKE. And the bulk of the downtime would be black box equipment and not the plane itself?

Commander SNEAD. Yes, sir. We could always go fly. The airplane was the greatest; sturdy and completely reliable. The engine-airframe combination was a real fine piece of equipment.

Mr. PIKE. Any other questions?

There is our quorum call. Thank you, commander. I'm sorry we could not devote more time to your testimony.

Tomorrow we are going into the general officers.

Mr. MARSHALL. We will have the Army and Air Force.

Mr. PIKE. Army and Air Force officers.

(Whereupon, at 12:12 p.m., the subcommittee adjourned, to reconvene at 10 a.m., Thursday, September 30, 1965.)

HOUSE OF REPRESENTATIVES,
COMMITTEE OF ARMED SERVICES,
SPECIAL SUBCOMMITTEE ON TACTICAL AIR SUPPORT,
Washington, D.C., Thursday, September 30, 1965.

The subcommittee met at 10 a.m., Hon. Otis G. Pike (chairman of the subcommittee), presiding.

Mr. PIKE. The committee will come to order.

I want to apologize for the fact that we don't have a very good attendance this morning. It is getting on toward the end of the week and many people are pressed with many things. I believe that we will

get a much better attendance shortly. But I don't want to delay this any longer.

Mr. Marshall, would you introduce the witness?

Mr. MARSHALL. Yes, Mr. Chairman; the first witness will be Maj. Gen. Delk McCorkle Oden, Director of Officer Personnel, Office of Personnel Operations, Department of the Army.

Mr. PIKE. We are delighted to have you here, General Oden. As you can hear I am not in very good voice today. I usually yell pretty loud but this is not my day.

We have your biography here. It will be made a part of the whole record.

(The biography is as follows:)

Biographical Sketch of Maj. Gen. Delk McCorkle Oden

Delk Oden was born in Gordon, Tex., on July 13, 1911. He graduated from Marion Military Institute at Marion, Ala., and entered the U.S. Military Academy, West Point, N.Y., where he graduated in 1937.

After 2 years with the 27th Infantry in Hawaii, General Oden was returned to the CONUS where he served with the 7th and 10th Cavalry units until January of 1942.

From 1942 to 1945 General Oden was assigned to the 4th Armored Division. He remained with this division throughout the war including its five campaigns in Europe. During this time, he commanded the 704th Tank Destroyer Battalion, the 13th Tank Battalion and subsequently became chief of staff of the division.

In 1946 General Oden was ordered to the Pentagon to serve on the War Department General Staff. Following a short tour he attended the Combined Arms Section, Regular Class, Command and General Staff College, Fort Leavenworth, Kans., and then was reassigned to the Pentagon and became Assistant Secretary of the General Staff, U.S. Army, until August 1949.

From the Pentagon, General Oden attended the Armed Forces Staff College, Norfolk, Va., graduating in January 1950. He was then assigned to the joint military mission for aid to Turkey, serving first as director of instruction, the Turkish Armored School at Ankara, Turkey, and second as chief of staff, joint staff, U.S. mission for aid to Turkey until June 1952.

Upon his return to CONUS, General Oden attended the Army War College, Carlisle Barracks, Pa. Upon graduation in June 1953 he was assigned as Chief of Staff, U.S. Forces, Austria for 2 years and subsequently became the U.S. Army attaché in Vienna until October 1956.

Following the overseas tour and attendance at the U.S. Army Aviation School, Fort Rucker, Ala., as a student aviator, General Oden commanded Combat Command A, 1st Armored Division, Fort Polk, La., until May 1959. From this assignment he was returned to Fort Rucker to serve as assistant commandant of the U.S. Army Aviation School.

In October 1961 General Oden was ordered to the Pentagon for assignment to Office Deputy Chief of Staff for Military Operations, Department of the Army, where he was Director of Army Aviation.

General Oden is qualified in rotary-wing, fixed-wing and twin-engine aircraft.

In May 1963 he was assigned as Chief, Army Section, Military Assistance Advisory Group in Vietnam. He moved from MAAG in May 1964 when he assumed command of U.S. Army Support Command, Vietnam.

On April 19, 1965, General Oden was assigned as Director of Officer Personnel, Office of Personnel Operations, Department of the Army.

Personal data

Born: July 13, 1911, Gordon, Tex.

Married: Margaret Avery, June 15, 1938, at San Francisco, Calif.

Children: Delk Avery, Margaret, and Ray Lawrence.

Official address: Elgin, Tex.

Education

U.S. Military Academy, West Point, N.Y., 1937.
 Combined Arms Section, regular class, Command and General Staff College, Fort Leavenworth, Kans., 1947.
 Armed Forces Staff College, Norfolk, Va., 1950.
 Army War College, Carlisle Barracks, Pa., 1953.
 Army Aviation School, Fort Rucker, Ala. (student aviator), 1957.

Chronological list of promotions

Rank	Temporary (AUS)	Permanent (RA)
2d lieutenant.....		June 12, 1937
1st lieutenant.....		June 12, 1940
Captain.....	Sept. 9, 1940	June 12, 1947
Major.....	Feb. 1, 1942	July 1, 1948
Lieutenant colonel.....	Jan. 21, 1943	July 1, 1954
Colonel.....	June 29, 1951	June 12, 1962
Brigadier general.....	Aug. 22, 1961	
Major general.....	Mar. 1, 1960	

Chronological list of assignments

Assignments	From—	To—
27th Infantry, Schofield Barracks, Hawaii.....	June 1937.....	November 1939.
7th Cavalry, Fort Bliss, Tex.....	June 1940.....	January 1941.
10th Cavalry, Fort Riley, Kans.....	January 1941.....	January 1942.
84th Armored Reconnaissance Battalion, 4th Armored Division, Pine Camp, N.Y.....	January 1942.....	July 1942.
Commanding officer, 704th Tank Destroyer Battalion, 4th Armored Division Europe.....	July 1942.....	August 1944.
Commanding officer, 35th Tank Battalion, 4th Armored Division, Europe.....	August 1944.....	October 1945.
Chief of staff, 4th Armored Division, Europe.....	October 1945.....	March 1946.
Plans officer, Organization Branch, Organization and Training Division, General Staff, Washington, D.C.....	April 1946.....	August 1946.
Student, Combined Arms Section, regular class, Command and General Staff College, Fort Leavenworth, Kans.....	August 1946.....	June 1947.
Plans officer, Organization Branch, Organization and Training Division, General Staff, U.S. Army, Washington, D.C.....	December 1947.....	August 1949.
Student, Armed Forces Staff College, Norfolk, Va.....	September 1949.....	January 1950.
Director of instruction, Turkish Armored School, Ankara, Turkey.....	February 1950.....	June 1950.
Chief of staff, joint staff, U.S. mission for aid to Turkey, Ankara, Turkey.....	July 1950.....	June 1952.
Student, Army War College, Carlisle Barracks, Pa.....	July 1952.....	June 1953.
Chief of staff, U.S. Forces, Austria.....	July 1953.....	August 1955.
U.S. Army attaché, Vienna, Austria.....	August 1955.....	October 1956.
Member, Regular Army Augmentation Board, Washington, D.C.....	January 1957.....	July 1957.
Student aviator, Army Aviation School, Fort Rucker, Ala.....	September 1957.....	December 1957.
Commanding officer, Combat Command A, 1st Armored Division, Fort Polk, La.....	December 1957.....	May 1959.
Assistant commandant, Army Aviation School, Fort Rucker, Ala.....	May 1959.....	June 1961.
Member, OSD Project 80 (Hoelscher Committee on Reorganization of Department of the Army).....	June 1961.....	October 1961.
Director of Army Aviation, ODCSOPS, Washington, D.C.....	October 1961.....	May 1963.
Chief, Army section, MAAAG, Vietnam.....	May 1963.....	May 1964.
Commanding general, U.S. Army Support Command, Vietnam.....	May 1964.....	March 1965.
Director of Officer Personnel, Office Personnel Operations, Department of the Army, Washington, D.C.....	April 1965.....	Present.

List of decorations

Distinguished Service Cross
 Silver Star with Oak Leaf Cluster
 Legion of Merit
 Soldiers Medal
 Bronze Star with "V" and Oak Leaf Cluster
 Air Medal with six Oak Leaf Clusters
 Army Commendation Medal
 Purple Heart with Oak Leaf Cluster
 Croix de Guerre with Palm (France)
 Czech War Cross, 1939
 Miscellaneous: Presidential Unit Citation
 French Fourragere

Service medals

American Defense Service Medal
 American Campaign Medal
 European-African-Middle East Campaign Medal
 World War II Victory Medal
 Army of Occupation Medal (Germany)
 National Defense Service Medal
 Armed Forces Expeditionary Medal

Badges

Senior Army Aviator Badge
 General Staff Identification Badge

Personal background material

General Oden is interested in all sports. His favorites are golf and badminton.

Civic activities

Association of the United States Army
 Army Aviation Association of America
 American Helicopter Society
 Aero Club of Washington, Washington, D.C.
 American Legion Aviators Post 743, New York, N.Y.

Religion

Protestant (Episcopalian)

Mr. PIKE. I see that you have a prepared statement and you may proceed to give it.

STATEMENT OF MAJ. GEN. DELK McCORKLE ODEN, U.S. ARMY

General ODEN. Thank you, Mr. Chairman.

Mr. Chairman, I am Major General Oden. I am privileged to have been designated as the U.S. Army's representative to appear before this subcommittee. Having recently returned from Vietnam, I am familiar with and endorse the Army's reliance upon close air support. This prepared statement represents the Army's position on this subject. It will be my pleasure to answer your questions following the presentation of this statement.

Army forces committed to battle are dependent upon a wide range of fire support means to assist them in the accomplishment of their combat missions. In addition to the fire support available within the Army Force structure, the Army relies heavily upon the Air Force and the other services for close air support.

The Air Force is primarily responsible for providing close air support to the Army. In April this year the Army and the Air Force agreed upon the current close air support concept, a copy of which is presented herewith.

This concept outlines the procedures whereby the joint unified commander makes daily allocations of the sorties to close air support. It provides for the processing of preplanned air requests through successive Army headquarters, and the expedited transmission of immediate air requests from the battalion level directly to the Direct Air Support Center located at the Army Corps headquarters. The Direct Air Support Center assigns the mission to the Air Force tactical air control parties located at all Army headquarters down to battalion level.

Forward air controllers control the close air support strikes. These procedures are similar to those being used in Vietnam today. A copy of U.S. Military Assistant Command, Vietnam's Directive 95-4, dated July 13, 1965, titled "Aviation/Air Operations in RVN (U)" has also been provided. Relationships with the Vietnamese military structure have caused some variations in this system. However, most of the variances are in nomenclature. Provision is made whereby with the acceptance of responsibility the ground commander can direct close air support strikes in the absence of a forward air controller.

The reliance upon close air support is personified in Vietnam where units are widely dispersed and the routes of communications limit mobility of heavier ground fire support means.

As the Chief of Staff, U.S. Army, has previously stated:

The Air Force is best qualified to determine what type of aircraft is best suited to supporting us. We are interested primarily in getting munitions on targets that we designate in the close support role in adequate quantities to destroy that target in the minimum time.

The U.S. Army recognizes the extreme environment of Vietnam and its importance upon our combat force structure. The Army also recognizes that we should take advantages of all opportunities which technology can provide to improve on equipment, as well as our combat forces. The Limited War Laboratory and other facilities have been established to provide for quick reaction capabilities to meet the crash requirements for newer and improved systems and operational techniques.

As has been the traditional case the Army must remain prepared to meet all possible conflicts which confront the security of the United States. Foremost in the mind of the Army is the unqualified requirement to provide the finest ground combat units supported to the extent necessary to bring the war in Vietnam to a favorable end at the earliest opportunity.

Sir, that concludes my prepared statement and I am ready for any questions the subcommittee may have for me.

Mr. PIKE. Mr. Blandford, in view of the shape of my voice, I am going to let you lead off here for awhile.

Mr. BLANDFORD. All right, Mr. Chairman.

General, in the concept for improved joint air-ground coordination, copy of which I have, there has been quite a very frank statement of the weaknesses in the present, or the situation that existed in Vietnam until recently. Apparently you have agreed upon a new technique.

I will just read this into the record. Apparently this is the system that was in effect for awhile in Vietnam.

Army requests for close air support and tactical air reconnaissance generated at company or higher level are forwarded over Army-owned and Army-operated communications nets. At each ascending echelon of Army command,

the request is examined to determine if it can be satisfied by Army fire support means organic at that level. If it cannot be so satisfied, and is approved, it is passed to the next higher level. When such a request reaches field army, and it is determined that organic fire support means are not available at that level, it is passed as an air support requirement to the Air Support Operations Center (ASOC). The ASOC, which is an Air Force operations facility located in each field army area, then provides the required air support from the available air effort which has been allocated by the tactical air force commander.

Is this in reference to preplanned strikes?

General ODEN. Yes, sir.

Mr. BLANDFORD. This obviously couldn't work as a close air support immediate response system.

General ODEN. That is correct.

During the time that I was in Vietnam, in fact, as far back as last September, in their effort to provide better close air support, General Moore, who at that time commanded the 2d Air Division, got permission to bring in more forward air controllers to get them down as low as the battalion level and the Air Force provided them with the PRC-25 radio; so for instantaneous actions they could call direct to the ASOC which in Vietnam is at the corps level, by the way. And this improved the responsiveness to close air support.

Mr. BLANDFORD. You bypassed several layers of command.

General ODEN. You do it for emergency requests.

Mr. BLANDFORD. Now, Mr. Chairman, I would like to read into the record the weaknesses that a Chief of Staff of the U.S. Air Force and Chief of Staff of the Army apparently agreed upon existed in South Vietnam prior to a change in your technique. I think basically this could summarize a good deal of what we have been discussing here.

Mr. PIKE. It certainly confirms it.

Mr. BLANDFORD (continuing) :

Inadequate responsiveness of the system to the immediate close air support and tactical air reconnaissance needs of frontline Army commanders. Processing of requests through Army command channels is time consuming and the delay in the Air Force learning of an air support requirement is excessive.

(2) Lack of mobility of Air Force facilities placed in the field to coordinate and commit air support to the Army.

(3) Lack of reliable communications, especially for the air request system and the forward air control system.

(4) Lack of trained personnel, continuously available, who are intimately familiar with the coordination and planning techniques for providing air support.

Now, you injected two new concepts here that haven't been discussed as thoroughly as the other two and that is lack of mobility of Air Force facilities placed in the field and lack of trained personnel. Would you elaborate on that a little?

General ODEN. I am not quite sure that I made those statements there and I am talking about the Air Force's business, but I was General Moore's counterpart, we worked very closely together there. I would like to say this, that up to the time we put this into effect there had always been an effort to hold down the number of American military personnel in Vietnam [deleted].

But when it became apparent that the units were not getting as much close air support as they should be getting, why General Moore advocated this and Ambassador Taylor approved it through General Westmoreland, of course, but the Ambassador had to approve all the increased spaces coming to Vietnam. I am sure the Air Force must

have had an adequate number of trained air controllers but they weren't permitted to send them to Vietnam because of the restrictions on the number of military bodies. The PRC-25 radio was a recent development and it had just gone into production in the Army.

Mr. BLANDFORD. Is this the one that took the place of the PRC-10?

General ODEN. That is right. The PRC-10 is still used by U.S. Army battalion-type advisers, I believe I am correct. But with them is an Air Force forward air control, either on the ground—and when he is on the ground he has with him an airman with a PRC-25 on his back. I have seen these guys come out of the woods after 3 or 4 days in the woods looking just as bedraggled as their U.S. Army counterparts who had been struggling through the mire. This has greatly increased the effectiveness of close air support.

Mr. BLANDFORD. Now, the whole concept of close air support, obviously, I am talking in terms of reaction time and I am talking in terms of targets of opportunity or immediate targets, opposition that you are running into.

General ODEN. Right.

Mr. BLANDFORD. I think we have to distinguish between the pre-planned strikes which is in a different element entirely than the target—

General ODEN. Right; I agree with you.

Mr. BLANDFORD. That comes up immediately.

General ODEN. Yes.

Mr. BLANDFORD. Then there is always a great, if I can call upon my own experience as an artillery forward observer, I always had to argue with my battalion that he should always use mortar and machineguns before I used my artillery. I presume the same thing is true today, but the forward air controller always has to try to convince the battalion commander that there aren't as many Vietcong as he thinks are in there, he ought to use his mortar or send in a squad to find out if he is meeting opposition before you call for an air strike. This will continue, unless the battalion commander himself had operational control over the aircraft and he would make the decision as to whether to use the aircraft or mortar shells and machineguns. Now, would you say that of all the problems that we have in close air support, that the greatest problem today is the fact that when a target is sighted, the response time gives the enemy an opportunity to get away? That is when the target is marked, you cannot bring your attack aircraft in fast enough to destroy the enemy?

General ODEN. I would say you are very likely right.

Mr. BLANDFORD. That is the greatest single problem.

General ODEN. Response time, that is correct.

Mr. BLANDFORD. The response time is really the key to close air support.

General ODEN. In Vietnam today, I would say, perhaps.

Mr. BLANDFORD. Wouldn't you say that other than against fixed positions, concrete emplacements, something of that nature, that this will always be true of counterinsurgency operations?

General ODEN. I would not say it would always be true, because it would depend on the terrain and the type of equipment the armies could move along with them to fight. But it is very likely true. For instance in Vietnam, and I believe you were out with the chairman—

Mr. BLANDFORD. No, Mr. Marshall was over there.

General ODEN. Well, while the Vietnamese have considerable artillery [deleted]. The largest concentration of artillery I saw in my 2 years out there in a fight was one battery of six tubes. As a result the only real heavy mobile fire support available in Vietnam up to the time I left and I presume it is still—well, perhaps this isn't completely true with U.S. Army and Marine Forces in there—but up to that time is the fighter-bomber, Air Force strike aircraft. Of course, now the Marines have them and the Navy has them, too. But that type of aircraft is the only mobile heavy fire support. If you are going to try to take these entrenched positions, these tunneled areas, you have got to have something heavier than mortars or the armed helicopter to do it with.

Mr. BLANDFORD. Now, your PRC-25 radio has what kind of a range?

General ODEN. I believe, and I am really not prepared to answer, I could get the answer and send it to you, but I think it is up to 50 miles or something.

(The following material was received for the record:)

The range of the PRC-25 radio in its normal configuration is 3 to 5 miles. Employment of the RC-292 antenna will increase the range to 8 to 10 miles.

Mr. BLANDFORD. Up to 50 miles, but are we dealing with a situation in South Vietnam which is comparable to any jungle area where regardless of the radio you are using, if you are masked by jungle, you still cannot get communications beyond 2 or 3 miles?

General ODEN. Frequently that is correct, yes.

Mr. BLANDFORD. In other words, you really—

General ODEN. These are FM radios and they black out.

Mr. BLANDFORD. That is my point. Now, I don't know whether we are making any progress in communications to the point where we could put up a balloon or something of that nature to get into direct contact with corps; but what I am thinking of is in terms of the O-1. If your O-1A or O-1F isn't available you really don't have any means of close air support do you?

General ODEN. Well, if you had it in, say a jungle area where the man can't get out, and what you just said was true, you would have no means of close air support except going back on CW, on some other set and very slow procedure to get it, and probably the situation would have changed such that it wasn't necessary; you either have been overrun or the enemy has withdrawn by that time. But let me make a point here: In Vietnam today—I believe I am correct on this, I know it was planned to be this way, if it isn't right now—the Air Force is operating in a little country about the size of California [deleted] squadrons of 30/O-1's; the Vietnamese Air Force, I believe I am correct in this, has [deleted] the U.S. Army has [deleted] companies of [deleted] each; and frankly, the air should be, beside the Mohawks and other types of aircraft flying around there, the air should just about—the sun should almost be blanked out [deleted].

Out in the field, with a lot of these aircraft are helicopters. Believe it or not the blue-belted lads and black-belted lads really speak to each other over there, work together and the helicopters are there for relay. In fact, when I left there, there had never been an airplane go down where, if the pilot was still alive, but what he was picked up,

in the longest length of time by helicopter, 11 minutes after he yelled "May Day."

Mr. BLANDFORD. Eleven minutes.

General ODEN. Eleven minutes was the longest time from the time the man transmitted "May Day" until the time he was picked up, at the time I left, which was in April. It would be difficult to imagine a time that there wouldn't be an L-19 or O-1 or helicopter near ground forward air controller even in the jungle area where he can at least, with that limited range, talk to that aircraft.

Mr. BLANDFORD. As I understand it, your O-1's, the lethal range from the ground against on A-1 is [deleted] feet, that your instructions to your O-1 pilots are to maintain an altitude of at least [deleted] feet.

General ODEN. Not ours.

Mr. BLANDFORD. This is not your policy?

General ODEN. Our instructions to our O-1 pilots, and I am talking about Army now——

Mr. BLANDFORD. Yes.

General ODEN (continuing). Is to do the mission. Sometime they have to go lower to do it. I don't know what the Air Force instructions are, but I have seen them lower.

Mr. BLANDFORD. I am sure there are cases of this.

General ODEN. Right.

Mr. BLANDFORD. But aren't there basic doctrines or concepts that both the Army and Air Force adopt in flying air support missions? Don't you have a joint doctrine on this business? Or isn't there a joint doctrine?

General ODEN. The only joint doctrine we have is close air support with the Air Force.

Mr. BLANDFORD. And these are just basically what I have here. Is there a training manual on close air support?

General ODEN. If there is—I presume there is and I imagine the Air Force has a number of them, Navy and Marines.

Mr. BLANDFORD. Yes. But the Army doesn't have?

General ODEN. Not on close air support. We have on all types of air operations.

Mr. BLANDFORD. Are Army——

General ODEN. But we don't call ours close air support.

Mr. BLANDFORD. What do you call yours?

General ODEN. We call ours "Army Aviation." The only thing we have armed are the helicopters and some of the Mohawks that we have.

Mr. BLANDFORD. Is it standard today for Army officers, particularly, say, the more junior officers who are going over as advisory or now even into combat units to be trained in close air support procedures? For example, if your FAC is a casualty or he has a sergeant with him and he, too, is a casualty, are there Army personnel who can replace him? Is this a part of a course that is conducted before they go into South Vietnam?

General ODEN. I cannot answer that. Can you answer that, General Mueller?

General MUELLER. We will get the answer to that.

(The following material was received for the record:)

The Army provides for instruction to its personnel in the conduct of close air support in the following manner:

(1) Training in close air support is included in the course of instructions at all of the Combat Arms Service Schools. Air Force liaison officers are assigned to the faculties of each of these schools, and they participate in the training.

(2) The Army is using the Military Assistance Training Advisor (MATA) Course at Fort Bragg, N.C., to train its adviser personnel being deployed to Vietnam. This course devotes 16 hours of instructions to close air support. Attendance at this course is approaching 100 percent of all enlisted men, lieutenants, captains, and majors being assigned to duties outside of the major headquarters in Vietnam. This course provides the students with a pocket-size handbook covering close air support, and the Army published Field Manual 31-73, Advisor Handbook for Counterinsurgency, which includes information on close air support.

(3) The training course for forward air guides at the John F. Kennedy Special Warfare Center consists of intensified instruction in close air support procedures.

(4) The Air Ground Operations School is a jointly supported Army/Air Force course which has been in existence since World War II. This course is designed to train staff officers in close air support techniques.

Mr. BLANDFORD. My only point, Mr. Chairman, is to try to determine, if I can, the extent to which this has been recognized as a basic problem of warfare in South Vietnam. I am not being critical, General, I don't mean that. But to what extent have people gotten together and said "Look, we have to agree upon a procedure here that close air support is one of the most vital things we have got over here." Anybody that you talked to who has come back from Vietnam will tell you if there is one thing they want over their head it is a friendly airplane. It is a great morale booster, if nothing else. But the greatest defect, apparently, in the whole system is reaction time. I even had the experience yesterday of talking to an Air Force major, an O-1F pilot, who has retired and has nothing to lose at this point. He was very proud of his little O-1F, but he said that even when he marked the target and the procedure apparently is that the target is marked in 15 seconds, in other words, "I am going to go down and I will mark the target and 15 seconds later you go in," and he gives them a baseline, apparently that is an Air Force procedure. I don't know whether the Army uses anything comparable to that, but at any rate he said even 15 seconds can be too long against the Vietcong. Once the rocket's white phosphorous smoke has gone in he said these Vietcong are out of there faster than rabbits, because they know what is coming next. He said what they really need in South Vietnam, more than anything else, is an airplane that sees the target and destroys the target all in one fell swoop, not two airplanes playing "hide and go seek" with each other.

Now, let me ask you, General, what is your idea of the average reaction time when you just don't have a FAC over here and you have to go back to corps with this new procedure which is to bypass certain commands, what would be your concept of reaction time? Say with the airfield 60 miles away, how fast do you think this new joint Army-Air Force doctrine could produce a plane on station?

General ODEN. And not on air alert?

Mr. BLANDFORD. Let's take both, one on air alert somewhere over the airfield, not knowing which direction they are going to go and the other is just on the ground.

General ODEN. I would say about 25 minutes for 60 miles away; 25 minutes for the one on air alert and I am not talking about jets.

Mr. BLANDFORD. Yes.

General ODEN. I am talking about the A-1-E's, although there were some jets being flown when I left, but primarily A-1-E's, and I would say a minimum of 40 minutes if they had to be scrambled.

Mr. BLANDFORD. A minimum of 40 minutes.

Now, you have discussed with many of the people who have come back from South Vietnam, who were with them in the early stages when they were fighting the Vietcong. What was the basic complaint of your people with respect to close air support, other than the four points, if there were any additional complaints concerning the kind of close air support that they obtained? And again I am not trying to start a fight. We are trying to get to the facts of this thing to see if we can recommend something that will improve the system.

General ODEN. Right.

Well, the basic complaint of the people, and I would like this to go off the record if I may.

Mr. BLANDFORD. All right.

(Discussion off the record.)

Mr. BLANDFORD. I have no further questions.

Mr. PIKE. Gentlemen, I have not had a chance to look at this new concept until today. I note in it that still under your revised concept no forward air controller is assigned below the battalion level, is that correct?

General ODEN. That is correct.

Mr. PIKE. Now, yesterday the Marines testified that their requirements called for a commissioned officer at each company level, a forward air controller. Do you not think it might be useful to have forward air controllers assigned below the battalion level?

General ODEN. For U.S. units in Vietnam, Mr. Chairman, that might be quite worth while. For Vietnamese units, I would say no. [Deleted.]

Mr. PIKE. We are talking now about our own concept, this is our program, the Army and the Air Force and on our own program.

General ODEN. All right.

Mr. PIKE. We are not planning to have any air control below battalion level?

General ODEN. I think we are trying to draw, Mr. Chairman, if I may say so, a black and white line. That is why I referred to the counterinsurgency in Vietnam. I don't think the Marines would want an air control party lower than battalion level for normal assignment. That doesn't mean that the control party won't go out with the lead company of a battalion that is carrying the brunt of an assault that has the close air support in front of it. I really believe that the assignment of these control teams down to battalion level is low enough, because you are not going to lead with the whole battalion, you may have two companies up front and where you would want your air support would be in the two companies.

Mr. PIKE. General, I may be wrong, but I believe that the Marines told us yesterday that they do have air controllers assigned at the company level. Are you sure that they don't do this? Are you familiar with their system?

General ODEN. No, I was not objecting to the Marine's system. You asked me, I understood, sir, if I didn't think that was a good idea. The reason I referred to counterinsurgency was, perhaps it is good for U.S. units in counterinsurgency in Vietnam, but I don't believe it would be by and large for normal types of wars. The Army may need to take a look and see if we need tactical air control down at the company levels.

Mr. PIKE. One of the things that bothers this whole committee is we keep talking about normal types of war and the planning and the concepts are derived for what you call normal types of war. Well, there is only one war we are fighting and when we are only fighting one war it seems to me the concepts have to be considered normal for fighting that kind of a war. I simply don't see how you can talk about the only war we are fighting as not normal.

General ODEN. Well, again I say I think the Army should take a look, and the Air Force—perhaps for U.S. units in Vietnam this is worthwhile. I would like to see how the Marines are doing it and why they need it, but apparently they are [deleted] and in that case they should have an air traffic control party.

Mr. PIKE. Hasn't the Army looked in the past at how the Marines are doing this?

General ODEN. Sir, I presume they have. I am not in a position to know.

Do you know the answer to that, General Mueller?

General MUELLER. I don't know, but we will find out.

(The following material was received for the record:)

In the development of the current close air support concept, the Army did investigate into the close air support procedures used by the Marine Corps. An Army Staff representative visited the U.S. Marine Corps School at Quantico, Va., to determine exactly what the Marine Corps procedures for close air support were, and how they differed from those proposed by the U.S. Air Force in its concept. Essentially, the procedures used in these two systems are the same. The number of aircraft in the Marine air wing available for close air support of Marine ground forces will exceed, in number of sorties per division per day, that which the Army normally considers available from the Air Force. The current procedures provide for the presence of a forward air controller, and an air liaison officer at battalion level. In an emergency, both could act as forward air controllers, as could the air liaison officer at brigade headquarters. Further, in an emergency, the Air Force has agreed that ground force personnel who have been trained in the conduct of airstrikes, forward air guides (FAG's), may be used in controlling air strikes when no Air Force personnel are available.

Mr. PIKE. General, you say in your statement:

Provision is made whereby with the acceptance of responsibility the ground commander can direct close air support strikes in the absence of a forward air controller.

What does the "acceptance of responsibility" involve?

General ODEN. Accept the responsibility that if they strike your troops you are responsible for it.

Mr. PIKE. What does he have to do, to say "I accept the responsibility that if they strike my troops I am responsible for it"? How is this communication rendered?

General ODEN. Well, they don't render a communication that way, Mr. Chairman. They just ask for it in Vietnam and the Air Force gives it to them. Nobody sits up there and has to have a written agreement before they strike.

Mr. BLANDFORD. May I inject? Is this comparable to a battalion commander overriding an artillery forward observer and saying you will fire notwithstanding the—

General ODEN. No; it doesn't work that way, this is in the absence of a forward air controller.

Mr. BLANDFORD. In the absence of a forward air controller.

General ODEN. In the absence of a forward air controller.

Mr. PIKE. If we have, I presume—believe me I am no expert on this—I presume that we will have platoon-size patrols and perhaps company-size operations conducted by our Army in Vietnam, is that a fair assumption?

General ODEN. I would say that is a fair assumption, Mr. Chairman.

Mr. PIKE. If we have, and a platoon runs into a situation where it wants airpower, what does it have to do?

General ODEN. The platoon will have to go back to the company and battalion to get it.

Mr. PIKE. The platoon will have to go to company, the company will have to go to battalion?

General ODEN. That is correct, sir.

Mr. PIKE. The battalion will have to go to the TACP, is that correct?

General ODEN. Well, the forward air controller—

Mr. PIKE. The TACP is at the battalion, is that correct?

General ODEN. Yes, sir; tactical air control party, that is correct, sir.

Mr. PIKE. Now, the tactical air control party, as I understand it, at the battalion level does not have to clear higher up, is that correct?

General ODEN. Not if the—in a case such as you mentioned here he does not. He will call direct to the ASOC in Vietnam for the close air support for that platoon.

Mr. PIKE. The platoon is using what kind of radio equipment?

General ODEN. They have PRC-10's, sir.

Mr. PIKE. The company is using what kind of radio?

General ODEN. PRC-10.

Mr. PIKE. When we get to the battalion then the Air Force liaison group at the battalion level is able to communicate with the air operation control center?

General ODEN. That is correct, sir.

Mr. PIKE. And also, I presume, with the aircraft, is that correct?

General ODEN. That is correct.

Mr. PIKE. The platoon cannot communicate with the aircraft?

General ODEN. No, sir.

Mr. PIKE. The company cannot communicate with the aircraft?

General ODEN. That is correct, sir.

Mr. PIKE. Aren't you concerned about the fact that neither a platoon nor a patrol or a company out on an operation can communicate with the airplanes giving the close air support?

General ODEN. Well, I would certainly say if you have—everything else being equal—if you can have tactical control parties down to that level, that is fine, just in case they do bump into something that they would need close air support for. And they do in ambushes. That is about the only time I can think of a patrol needing it, but they do in the case of an ambush.

Mr. PIKE. General, you say the Air Force is best qualified—wait a minute, you are quoting the Chief of Staff there.

General ODEN. That is correct.

Mr. PIKE. Of the U.S. army. [Reading:]

The Air Force is best qualified to determine what type of aircraft is best suited to supporting us. We are interested primarily in getting munitions on targets that we designate in the close support role in adequate quantities to destroy that target in the minimum time.

Now, you have just told Mr. Blandford that in the case of an air alert with the planes 60 miles away from you it would take 25 minutes; if they were on ground alert it would take 40 minutes.

In the situation in Vietnam, are you satisfied with that time as being within minimum time?

General ODEN. No, I am not, Mr. Chairman.

Mr. PIKE. You said that the only planes that the Army, or the only aircraft that the Army has had providing support have been the armed helicopters and some Mohawks.

General ODEN. The only aircraft we have armed are the armed helicopters and the Mohawks.

Mr. PIKE. For the Army. When you got your Mohawks were they armed?

General ODEN. No; we armed over there, Mr. Chairman.

Mr. PIKE. What is that?

General ODEN. We armed them over there.

Mr. PIKE. When were the arms put on the Mohawks?

General ODEN. Back in 1962, sir.

Mr. PIKE. What kind of arms were put on the Mohawks?

General ODEN. Fifty caliber and 2.75-inch rockets.

Mr. PIKE. How many .50 caliber and how many 2.75 rockets?

General ODEN. Two .50 calibers and they carry 36 2.75-inch rockets.

Mr. PIKE. Now, is it a fair assumption to say that the Army determined that they had to arm these Mohawks because they needed armed Mohawks?

General ODEN. That is correct, sir.

Mr. PIKE. How long has the Army been flying O-1 aircraft?

General ODEN. Since the Korean war, sir.

Mr. PIKE. Do you know how long the Air Force has had O-1 aircraft?

General ODEN. Yes, sir; since 1963 they have had a very limited number, but—

Mr. PIKE. I am talking about as observation and forward air control aircraft.

General ODEN. Since 1963, I believe I am correct on that, sir.

Mr. PIKE. And is it not true that the Air Force got O-1 aircraft because the Joint Chiefs of Staff told them to?

General ODEN. I don't believe that is correct, sir. As I recall, and I was Director of Army—

Mr. PIKE. It may be that I more properly should direct it to the Air Force. But I asked about the Air Force getting O-1 aircraft and I have been told that the first deployment of Air Force O-1's came as a result of a Joint Chiefs of Staff directive on March 28, 1963, telling the Air Force to deploy 22 O-1's to the Vietnamese Army. It was through them. That was the first, as far as I know. Then I

am told that on September 4, 1964, Air Force regulation 7 directed the Air Force to procure some O-1's from the Army and it wasn't until February 1965, that the aircraft were received from the Army. Would you know anything about that?

General ODEN. I certainly do, sir; and that is not correct. I was Director of Aviation and we provided the Air Force the aircraft immediately in 1963.

Mr. PIKE. You provided them immediately. Were the ones you provided in 1963—how many did you provide?

General ODEN. We provided three for training here, initially, and a total of 22 shortly thereafter to equip their squadron.

Mr. PIKE. Weren't the 22 the ones that were to be turned over to the Vietnamese?

General ODEN. Oh, no, sir. This is for Air Force squadrons, air commando squadrons.

Mr. PIKE. Do you know when these 22 aircraft were turned over to the Air Force?

General ODEN. In fact I believe, sir, it was before May of 1963.

Mr. PIKE. March is the date I have here.

General ODEN. I thought you said May. About March is about right, sir.

Mr. PIKE. I presume—let me withdraw that.

Do you know why the Air Force decided in 1963 that they needed some O-1's?

General ODEN. No; but the requirement came out of Vietnam, that is all I know, sir.

Mr. PIKE. When the Army finds in a Vietnamese situation that they have to provide O-1's to the Air Force to meet Air Force requirements in Vietnam, and when the Army finds that it has to arm in Vietnam Mohawk aircraft to do a job that needs doing in Vietnam, don't you think that the Army, itself, might properly say that it should have some voice in the type aircraft that are needed for close air support?

General ODEN. Mr. Chairman, I am the official Army witness and I am not speaking personally and I adhere to the position of the Army Chief of Staff.

Mr. PIKE. Well, from that would I gather that by indirection if you were speaking personally and were not the official witness you might not adhere to the position of the Army Chief of Staff?

Mr. BLANDFORD. May I suggest that we follow the directive issued by the Secretary of Defense and that you press the general for his personal opinion, and you must use those words.

Mr. PIKE. Yes. I think I have that piece of paper somewhere around here. I am not sure that I can word this correctly, but I will now ask you for your own personal opinion and not the official opinion as to whether the Army should not have some voice in the type aircraft it gets for close air support.

General ODEN. Mr. Chairman, in response to your question I personally think that the Army should have considerable voice in the type of aircraft that the Air Force procures for its support.

Mr. PIKE. Let me say, General Oden, I appreciate the position you are in. I think we all appreciate the position you are in. I am certainly not going to pursue this any further.

Mr. Gubser.

Mr. GUBSER. No, I agree.

Mr. PIKE. Do you have any questions?

Mr. GUBSER. No.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. I got the point, Mr. Chairman.

Mr. PIKE. Well, there are other subject matters.

Mr. Chamberlain?

Mr. CHAMBERLAIN. Well, may I say, Mr. Chairman, I think that the general's testimony here has been thoroughly covered between yourself and Mr. Blandford.

At the bottom of page 2 is one sentence of the general's statement that I think we might ask him to elaborate on.

The Limited War Laboratory and other facilities have been established to meet the crash requirements for newer and improved systems and operational techniques.

Would you tell us, if you know, what these people have come up with, what they have done there, or what they are doing now to improve our situation?

General ODEN. Mr. Chamberlain, I am not intimately familiar with the detailed operations of this laboratory, I know it is in existence, and I know it is working hand in glove with ARPA, with the other services and with our people in Vietnam, particularly. I don't know of anything other than testing new armament systems or modified armament systems for the Army helicopters in the aircraft business for the Army. They have done considerable in surface vehicles, for instance placing turrets and different types of weaponry on the M-113 in Vietnam; working with the people in Vietnam to design a better way for them to pull the 113 out of the mire; they worked with some of these swamp boats that they use in Florida for getting around the rice paddies; different types of armored cars for Vietnam; some of the surface things I know they have done. They have worked with some weaponry, certain types of radar to pinpoint a man at night a little bit better, and means other than radar for this purpose. But in the field of aircraft, I don't know of anything other than helicopter armament systems.

(The information requested is classified and is being furnished separately to the subcommittee.)

Mr. CHAMBERLAIN. Thank you very much.

Mr. PIKE. Mr. Irwin?

Mr. IRWIN. General, have you had an opportunity to look over an aircraft that we don't have listed here today, the COIN aircraft?

General ODEN. I know something about it, I am not detailed familiar with it, or the LARA, either one, which is similar to it.

Mr. IRWIN. Do you have any idea about whether you think this would be a helpful type of plane for close ground support?

General ODEN. Mr. Irwin, it would be a helpful type of airplane for close air support. There are a lot of capabilities, there appear to be, in both the COIN and LARA, I think the General Dynamics has from what little I have read. Any kind of an airplane that will fly and deliver munitions and do other functions is helpful. I don't mean to oversimplify it. I think this is perhaps a good aircraft. I don't know what the relative cost effectiveness is or any of the details on that. It should be a good aircraft. North American General builds good aircraft; I know that.

Mr. IRWIN. Yes. Earlier the chairman asked you what your personal opinion was about the Army having a say in the design and development of these aircraft and my question really is related to your response on that.

General ODEN. I am not familiar enough, Mr. Irwin, with the COIN aircraft to say whether I think it would be a good close support aircraft. My friends in the Air Force won't agree with me, but I would say the Mohawk would make a very good close air support aircraft and this may be very similar to the Mohawk.

Mr. IRWIN. OK. Thank you.

Mr. PIKE. General, wouldn't you like, or based on what you do know about the COIN aircraft, would you like to see some of them in the hands of Army pilots? Now, I am asking for your personal response.

General ODEN. This is what I—the answer is “Yes.”

Mr. PIKE. I saw the hesitation in your eyes.

General ODEN. The answer is “Yes,” Mr. Chairman, I would like to see a considerable number of an aircraft with the capabilities it is supposed to have. I don't know enough about this aircraft.

Mr. PIKE. Right.

Mr. Blandford, do you want to ask a question?

Mr. BLANDFORD. I have one further question, Mr. Chairman, which again I will ask the general for his personal opinion. If there is any conflict, and there is bound to be conflict in doctrine even in Congress, but if there is any conflict between the Army and the Air Force or perhaps among the four services, as to the type of aircraft that is required for close air support, would I be correct in concluding, general, that the position of the Army, and you are the official Army witness in this respect, is that we should design an aircraft with one purpose in mind and that is to provide close air support for the troops on the ground, whereas the Air Force's position is that we should design an aircraft with much greater versatility? In other words, I am not trying to put words in your mouth, but as I gather it, even from listening to the pilots testify here, they want an airplane that can do many things; close air support, act as a fighter, act as an interceptor, deep interdiction, fast getaway speed, fast arrival time on target. What you are talking about, basically, is the necessity for an aircraft that will do one particular job well and is actually designed for that particular job; is that a correct summary of the difference between the Army and the Air Force?

General ODEN. Well, no; may I put it this way: That is the difference in my personal opinion, not the Army.

Mr. BLANDFORD. I see.

General ODEN. Now, the reason the Army has taken this other position, and there is naturally much logic to it, is because they are thinking of all the missions the Air Force has to perform and this is really not pitched to counterinsurgency, of course, but in all the various missions the various services are faced with throughout the world in all types of wars, in the first place the Army wants air superiority. There is no doubt about it, we want air superiority first. We do want a lot of interdiction work to keep forces off our backs before they get to the immediate battle area and we want close air support and this is the rationale, I believe I am correct in this, that has caused the Army to

maintain this position throughout the years or basically this position. Just on the hard facts of life, considering the amount of money that the taxpayer can put into defense and where it is going to go—and I may be talking out of turn, but I believe in my service with the Army that is why the Army has this official position. They do want air superiority; it isn't absolutely essential but it is awfully nice to have, as you well know. I realize the Chinese Communists didn't have air superiority when they came across the Yalu in the Korean war and they did pretty well. But the way we operate we would prefer air superiority. We have always figured that the Air Force, we would hope that the Air Force would provide aircraft that could provide us close support and they would take care of the air superiority mission.

Mr. BLANDFORD. You are aware, obviously, of the study that was made in 1963 in the close air support boards and as I read the position of the Army and the position of the Air Force, the Army's requirement differed considerably from the Air Force requirement for close air support weapons.

Now, again as I read the position of the Army, it would appear that the Army in 1963 were talking in terms of a VAL aircraft, or perhaps a faster type, or something like COIN, the Air Force's position, if I read the characteristics correctly, comes closer to an F4C than anything else, and now there has been a change of heart apparently in the Army and what you say here leads me, I am sure, to the incorrect conclusion that perhaps if you have to choose between, say, the F-5 and the COIN, that because of this official Army position, you may prefer the F-5 to the COIN aircraft; would that be correct?

General ODEN. No, sir, that would not be correct, I don't believe.

Mr. BLANDFORD. That is good.

General ODEN. Our present position is we would bow to the Air Force's decision on which is the better.

Mr. BLANDFORD. Well, I think I would like to summarize by saying this and perhaps get an opinion from the General, that without downgrading in any way the F-100 or the 100 series and certainly F-5 is a great airplane and I am delighted that it is going to be tried out in South Vietnam; but the official position of the Army with respect to letting the Air Force determine the type of aircraft that they are going to use for close air support, I can see now why the Navy was practically—was the executive agent before the decision on the COIN airplane; it seems to me what you would like in your personal opinion you would like to see us have both COIN aircraft and a versatile fighter, interdiction weapon supporting Army operations, isn't that what it boils down to? You want both?

General ODEN. Are you asking for my personal opinion now?

Mr. BLANDFORD. I now ask for your personal opinion.

General ODEN. Yes. I don't mean to sound harum-scarum about the taxpayer's money which I contribute partly to, but I think any nation that can afford three strategic air forces can—

Mr. BLANDFORD. Can have something to support the boys on the ground real close.

General ODEN. Whether it is this aircraft or something else.

Mr. BLANDFORD. That is exactly right.

Mr. PIKE. I couldn't agree with you more, General. Amen.

Mr. GUBSER. Amen.

Mr. PIKE. As you sit on the ground and you look up in the sky, you don't have any trouble finding aircraft which were designed for air superiority, do you, air-to-air superiority?

General ODEN. Yes.

Mr. PIKE. And you don't have any trouble finding aircraft which were designed for these long-range interdiction missions, do you?

General ODEN. No, sir.

Mr. PIKE. Can you find one that was designed for close air support?

General ODEN. Well, the experts, of course, Mr. Chairman, would tell you that they design for both.

Mr. PIKE. General, I consider you an expert and I am asking you, once again, for your personal opinion.

General ODEN. No, sir; I don't think they are designed for close air support.

Mr. PIKE. Mr. Evans, any questions?

Mr. EVANS. No, I have no questions.

Mr. PIKE. Thank you very much, General Oden. You have been most forthright and cooperative and I hope that—we will make the record abundantly clear that the testimony which you have given was your personal opinion and was dragged out of you most reluctantly.

General ODEN. Thank you very much, Mr. Chairman. I appreciate it.

Mr. PIKE. Mr. Marshall.

Mr. MARSHALL. Yes.

Our next witness is Maj. Gen. Arthur C. Agan, Jr., Assistant Deputy Chief of Staff, Plans and Operations, U.S. Air Force.

(The biography of General Agan follows:)

BIOGRAPHICAL SKETCH OF MAJ. GEN. ARTHUR C. AGAN, JR., U.S. AIR FORCE

Maj. Gen. Arthur C. Agan, Jr., 1759A, was born in San Antonio, Tex., on September 12, 1915. After spending his boyhood in Corpus Christi, Tex., General Agan entered the University of Texas. In 1936 he postponed his studies for a year to enroll as a flying cadet in the U.S. Army Air Corps. Following completion of that course and his commissioning as a second lieutenant, he completed his studies at the University of Texas from which he graduated in 1939 with a degree in business administration.

Immediately following his graduation, General Agan resumed active military duty and obtained a regular commission through competitive examinations. Until early 1942 he served in various squadron duties as pilot, flight commander, and operations officer, Barksdale Field, La., and Savannah Army Air Base, Ga.

In February 1942, General Agan was appointed Chief of Tactical Operations at Headquarters 8th Air Force in England, remaining in that position until January 1944. He then served as Assistant Air Chief of Staff for Operations for the U.S. Army Air Force in the Mediterranean Theater of Operations.

Assigned to the 1st Fighter Group in Italy in September 1944, General Agan became commander of the group on November 15, 1944. After completing 45 combat missions, the general was shot down over Weiner-Neustadt and interned as a prisoner of war until just prior to VE Day.

Returning to the United States in 1945, General Agan was assigned to the Personnel Services Division, Headquarters, U.S. Air Force in Washington, D.C. He became chief of that division in January 1946.

From September 1946 to February 1949, General Agan was Assistant Chief of Staff for Personnel and later Deputy for Personnel and Administration, Headquarters, Air Defense Command, at Mitchel Field, N.Y. He then took command of the 4th Fighter Wing at Andrews Air Force Base, Washington, D.C., for 3 months before transferring in May 1949 to Otis Air Force Base, Mass., to command the 33d Fighter Wing.

Two years later General Agan became commander of the 32d Air Division (Defense), with headquarters at Stewart Air Force Base, N.Y. He remained in that assignment until September 1961 when he was assigned to the staff of the Air Command and Staff School. He then attended the Air War College at Maxwell Air Force Base and was graduated in July 1953.

August 1953 saw General Agan as commander of the 58th Fighter Bomber Wing in Korea. Upon his return to the United States the following year, General Agan was assigned to Headquarters Eastern Air Defense Force at Stewart Air Force Base, N.Y. There he served as Deputy for Operations and later as Chief of Staff, CONAD Forces, Eastern CONAD Region.

On August 1, 1957, General Agan became commander of the 26th Air Division (Defense), with headquarters at Roslyn Air Force Station, N.Y. During the following year, and under General Agan's leadership, the operational concepts for the semiautomatic ground environment (SAGE) system of air defense and the plans for transition of air defense units to that system were developed and initiated.

On September 5, 1958, General Agan assumed command of the New York Air Defense Sector with headquarters at McGuire Air Force Base, N.J., the first operational SAGE sector in the Nation. Reassigned to Headquarters Air Defense Command at Ent Air Force Base, Colo., in October 1959, he assumed the position of Deputy for Plans, later redesignated Deputy Chief of Staff for Plans.

In July of 1963, General Agan was reassigned to Hancock Field, N.Y., for duty as commander, 26 NORAD (CONAD) Region with additional duty as commander, 26th Air Division (SAGE).

On July 1, 1964, General Agan was assigned to the Pentagon, Washington, D.C., for duty as Director of Plans, DCS/Plans and Operations.

On December 1, 1964, General Agan was assigned as Assistant DCS/Plans and Operations. His military awards include the Legion of Merit with two oak leaf clusters; Distinguished Flying Cross; Bronze Star; Air Medal with two oak leaf clusters; Army Commendation Medal with one oak leaf cluster; Purple Heart; Belgian Croix de Guerre with Palm; and French Croix de Guerre with Palm.

The general and his wife, the former Louise Stovall, of San Antonio, Tex., have three children—Mrs. Mary Richards who resides in New York City; Helen Todd and Sarah Louise who reside with the Agans in Alexandria, Va.

A. Personal data

Born September 12, 1915, San Antonio, Tex., father, Arthur C. Agan, Sr. (deceased), mother, Mattie Bell Agan.

Married September 1939; wife, Louise Stovall, of San Antonio, Tex.; children, Mary Ethel, born October 7, 1941; Helen Todd, born March 11, 1946; and Sarah Louise, born September 25, 1948.

Hometown address: 1408 Santa Fe, Corpus Christi, Tex.

B. Education

1933-34: Texas College of Arts and Industry.

1934-37: University of Texas.

1937: U.S. Army Air Force Flying School.

1939: Graduate University of Texas (B.B.A.).

1951: Academic and instructors course, Air Command and Staff School, Air University, Maxwell Air Force Base, Ala.

1953: Air War College, Maxwell Air Force Base, Ala.

C. Service dates

October 1936-October 1937: Pilot training, U.S. Army Air Corps, Randolph and Kelly Fields, San Antonio, Tex.

June 1939-December 1940: Pilot and squadron adjutant, 13th Attack Squadron, Barksdale Field, La., and Savannah Army Air Base, Ga.

January 1941-May 1941: Operations officer, 13th Bomb Squadron, Savannah Army Air Base, Ga.

May 1941-February 1942: Flight commander and Operations officer, 11th Reconnaissance Squadron, 27th Bomb Group; also 13th Bomb Squadron, 3d Bomb Group; Savannah Army Airbase, Ga.

February 1942-January 1944: Operations and training staff officer, Headquarters, 8th Air Force, England.

January 1944–September 1944: Assistant Air Chief of Staff for Operations, Headquarters U.S. Army Air Force, Mediterranean Theater of Operations.

September 1944–March 1945: Commanding officer, 1st Fighter Group, Italy.

June 1945–January 1946: Deputy Chief, Personnel Services Division, Headquarters U.S. Air Force, Washington, D.C.

January 1946–September 1947: Chief, Personnel Services Division, Headquarters U.S. Air Force, Washington, D.C.

September 1947–May 1948: Assistant Chief of Staff for Personnel, Headquarters Air Defense Command, Mitchel Field, N.Y.

May 1948–January 1949: Deputy for Personnel and Administration, Headquarters Air Defense Command, Mitchel Field, N.Y.

January 1949–February 1949: Assistant Deputy for Personnel and Administration, Headquarters Continental Air Command, Mitchel Air Force Base, N.Y.

February 1949–May 1949: Commander, 4th Fighter Wing, Andrews Air Force Base, Washington, D.C.

May 1949–March 1951: Commander, 33d Fighter Wing, Otis Air Force Base, Mass.

April 1951–September 1951: Commander, 32d Air Division (Defense), Stewart Air Force Base, N.Y.

September 1951–October 1951: Student, academic and instructors course, Air Command and Staff School, Maxwell Air Force Base, Ala.

October 1951–August 1952: Chief, Personnel and Administration Division, Headquarters Air Command and Staff School, Maxwell Air Force Base, Ala.

August 1952–August 1953: Student, Air War College, Maxwell Air Force Base, Ala.

August 1953–July 1954: Commander, 58th Fighter-Bomber Wing, Korea.

July 1954–January 1957: Deputy for Operations, Headquarters Eastern Air Defense Force, Stewart Air Force Base, N.Y.

January 1957–August 1957: Deputy Chief of Staff for Operations, Headquarters, Eastern Air Defense Force, and chief of staff, CONAD Forces, eastern CONAD region, Stewart Air Force Base, N.Y.

August 1957–September 1958: Commander, 26th Air Division (defense), Roslyn Air Force Station, N.Y.

September 1958–October 1959: Commander, New York air defense sector, McGuire Air Force Base, N.J.

October 1959–July 1963: Deputy Chief of Staff for Plans, Headquarters, Air Defense Command, Ent Air Force Base, Colo.

July 1963–July 1964: Commander, 26th North American Air Defense Region, 26th Air Division (SAGE), Hancock Field, Syracuse, N.Y.

July 1964–December 1964: Director of plans, Deputy Chief of Staff for Plans and Operations, Headquarters, U.S. Air Force, Washington, D.C.

December 1964–present: Assistant Deputy Chief of Staff for Plans and Operations, Headquarters, U.S. Air Force, Washington, D.C.

Mr. PIKE. We are glad to have you here, General Agan. I understand you have a prepared statement. Is that correct?

General AGAN. Yes, sir.

Mr. PIKE. Proceed.

STATEMENT OF MAJ. GEN. ARTHUR C. AGAN, JR., U.S. AIR FORCE

General AGAN. Mr. Chairman, I welcome this opportunity to testify on behalf of the U.S. Air Force on this vital subject of close air support. The Air Force well appreciates the necessity for and value of hearings such as this and stands ready to cooperate to the fullest extent.

The Air Force includes among its primary responsibilities that of furnishing close air support for ground forces in South Vietnam.

We attach the highest importance to this function and devote an appreciable portion of our resources to close air support. The Air Force has always held the view that the application of close air support firepower, in coordination with the fire and maneuver of friendly forces, is a highly effective method of warfare, one which has been

well proven in past battles, and which today in South Vietnam has taken on especial importance. This is true because of the challenging nature of the present conflict, a conflict which is different from any the United States has faced previously. The Vietcong are widely dispersed among almost the entire country. They strike here one hour, and hundreds of miles away the next, or in many places simultaneously. They generally remain well hidden as they move to concentrate for attack, keeping their intentions secret until they launch their strike. Friendly surface forces, on the other hand, are not of sufficient number to remain concentrated at every one of the hundreds of points of potential attack.

Instead, mobile forces must be employed to meet the concentrated attacks of the enemy. Because of this urgent requirement for a high degree of responsiveness; and because the Vietcong control large areas, and movement by surface transport is difficult, ground forces must move by air. It is this situation which has heightened the importance of close air support. Ground forces, moved by air to reinforce besieged garrisons, may not possess all of the heavy firepower so necessary to reach out and inflict decisive damage on the Vietcong.

Nor do the numerous small outposts have heavy firepower or the freedom to maneuver for advantage when brought under attack. The situation is much the same when friendly forces carry out offensive operations. The nature of the area of combat operations often precludes extensive use of heavy firepower, except that delivered from the air by tactical fighters and bombers.

Mr. Chairman, I do not want to give the impression that the Air Force believes that airpower alone can bring the conflict to a satisfactory conclusion. Tactical airpower, in the vital close air support role, is but one of the important ingredients in the war against the Vietcong. Military success will only come through the joint efforts of surface and air forces employed in concert under unified direction, with each making its unique contribution.

To this end, highly qualified Air Force personnel have been attached to the various levels of commands in the ground forces to assist in the coordination, planning, and employment of airstrikes. The system for requesting and directing close air support missions has been developed as a result of Army and Air Force studies, field exercises, and joint operational experience.

This system is activated by the Army commander's request for assistance. The request is transmitted by the forward air controller to the air support operations center, which assigns strike aircraft. The aircraft are launched either from a ground alert status, an air alert status, or diverted from another mission if warranted. The airstrikes are directed by a ground or airborne forward air controller.

It should be noted the Air Force provides close air support only at the request of the ground force commander—against targets of his choosing, at the time he specifies. In recognition of the difficulty in locating suitable close air support targets in the jungle environment of South Vietnam, the Air Force has provided airborne forward air controllers to assist in target finding.

Constantly we are learning more about South Vietnam and the enemy, his techniques, and his tactics. This has helped us to improve our system and the tactics and equipment employed in close air sup-

port operations. It is envisioned that as operations in South Vietnam continue, additional adjustments or changes may be necessary to insure that the best possible close air support is provided.

Currently, there are problems in night and all-weather operations, communications, ordnance delivery, and munitions that affect our capacity to provide optimum close air support to ground forces. [Deleted.] Full solutions to this problem are not yet in sight. On the other hand, we have several projects underway which should, in time, enhance our capability at night and under very low cloud cover. These projects have been assigned a high priority.

We have been and are continuing to investigate ways to improve our communications, both air and ground, by increasing their capability, reliability, security, and mobility.

To provide faster reaction by our attack aircraft, we are programming navigation aids which will permit more precise flight to the target area, and should shorten our response times in fulfilling close air support requests.

In the munitions area, we have a variety of improvements under test, and recently have started delivery of several improved munitions to southeast Asia. We are continuing to seek ways to improve our ordnance delivery techniques.

We have made special arrangements to provide a faster reaction to new requirements stated by our combat forces in South Vietnam. These procedures allow "quick fixes," wherever possible, to provide better immediate capabilities in the combat area.

Mr. Chairman, it is clear that the war in South Vietnam has provided the Air Force with an opportunity to contribute substantially to the success of the joint efforts of our Armed Forces engaged in defeating the Vietcong. It presents challenges as well. During the course of our close air support operations, we have met these challenges and are continuing to apply the lessons of our experience to improve our operations.

Mr. Chairman, that concludes my statement.

Mr. BLANDFORD. General, in what way did you say the doctrine and technique of the close air support operations in South Vietnam differ from the doctrine and technique that was used in Korea?

General AGAN. Sir, the important thing we have done is to add the airborne forward air controller. We have 120 airborne forward air controllers. This was added for two reasons. This man's job is to perform constant surveillance over prescribed areas; each individual has a sector and it is his job to become intimately familiar with the sector, all of the terrain, with the people in the area, so that he can recognize changes and recognize when the Vietcong are on the move.

He can also function as an airborne forward air controller.

Our idea here is that, being familiar with the area, he can recognize better than the strike pilot precisely where the Vietcong are; he can describe terrain features to the incoming attack aircraft, so that they can get quickly onto the target.

Mr. BLANDFORD. You didn't use any type of forward air controller in the Army Air Forces concept in Korea?

General AGAN. Oh, yes, sir. Ground air controllers.

Mr. BLANDFORD. You were using ground. I am talking about airborne.

General AGAN. We did use airborne, not in the same way that we are using them here.

Mr. BLANDFORD. We had artillery spotting, we have had artillery spotting aircraft for years, we have had it since 1939 or 1940, to the best of my knowledge.

General AGAN. Right. I was trained in 1936, sir.

Mr. BLANDFORD. They started training me in 1939.

At any rate, in 1940. But the concept of having an aircraft over target spotting targets is not new.

General AGAN. No, sir.

Mr. BLANDFORD. Yet, it took South Vietnam to bring about the realization that we had to have a faster means of communication in jungle warfare; is that a correct statement?

General AGAN. Sir, we used airborne control in Korea, but not in the same way that we do with O-1 type aircraft. We used spotting aircraft. We started with a small trainer type aircraft, later as the group commander—we used to go into an area and spot and lead the strikes in.

Mr. BLANDFORD. Was it the communication difficulty that prevented the development of the aircraft; has this been a problem? Has it been communications that have held down the development of close air support, real close air support weapons system, in your opinion, or has it just been the fact that we haven't been faced with the situation comparable to South Vietnam in recent wars?

General AGAN. Sir, I would say that it really is the particular conditions in South Vietnam that led us to this way of operating.

Mr. BLANDFORD. You heard the question that I asked General Oden about the fact that the apparent difference in approach, or at least in his personal opinion, difference in approach between the Air Force and the Army is that General Oden's position is that we should develop an aircraft for close air support, basically a single purpose aircraft, if I can use that expression. Am I correct that the Air Force position basically is that we need a multipurpose aircraft? Is this a fair short synopsis of the difference between the Army's position, or General Oden's position, and the official Air Force position?

General AGAN. Sir, let me state it another way if I may. I will tell you what we are doing.

Mr. BLANDFORD. State it the way you did in Los Angeles. I don't want to trap you, General.

General AGAN. Let me tell you what we are doing.

We have looked at our tactical air forces carefully through several recent studies. We are now involved in one with the Defense Department people. The action that led to this was a study done in the Air Force which states that we need another fighter in our tactical forces. We need more tactical forces and we need a new fighter. We concluded that there is a place for another fighter in our tactical forces, a fighter which would have characteristics to, first, make it less expensive so we can get more of them, and second, we are looking to an aircraft which would be more pointed toward close air support.

Mr. BLANDFORD. More pointed toward?

General AGAN. Yes, sir; toward close air support.

Mr. BLANDFORD. You use those words very carefully, "more pointed toward."

General AGAN. Yes.

Mr. BLANDFORD. Not destined for but more pointed toward.

General AGAN. I didn't say that.

Mr. BLANDFORD. No, but I am trying to make sure we understand exactly what you mean.

General AGAN. Yes.

Mr. BLANDFORD. General, the versatility concept comes in.

General AGAN. Yes, but let me talk to the idea that we are examining now. We are looking to a fighter which would be for close air support and air superiority.

Mr. BLANDFORD. Well, something with some of the characteristics of the F-111 only smaller and less expensive, I presume.

General AGAN. Sir, in order to get an aircraft of the size that we want, well suited to air superiority and the close air support job, you have to give up some things. The first thing you have to give up, probably, is range. So the whole realm of our study is to examine whether we can give up range and hence reduce the size of the aircraft in order to get an airfighting capability. We are really looking at two sets of qualities for an airplane: first, what are the qualities required for air-to-air; second, what are the qualities required for air-to-ground? Then we can see what really is involved in weight, size, cost, performance and trade-offs, to get an aircraft that could do both.

Mr. BLANDFORD. Let's talk—

General AGAN. At the same time we are looking at whether one should have one airplane for air-to-air and another for close support. Does one need to put it in two airplanes, or is it sound—technically, operationally and financially—to put it in one?

Mr. BLANDFORD. Now, this committee is on record, I think unanimously, as being in support of an improved manned interceptor. So there is no argument.

General AGAN. I am not talking about that.

Mr. BLANDFORD. No argument in this committee about an interceptor. A new fighter is something else. We haven't even discussed, this committee, to my knowledge, Mr. Chairman, a new fighter as distinguished from an interceptor.

But I get the impression from various people that I talk to that there is a coolness, or shall I say a relative lack of interest in a COIN—and I don't want to use COIN in connection with OV-10A as the plane that has been chosen, I am talking about the concept rather than an aircraft that has a prototype already flying—I sense there is a coolness on the part of the Air Force toward a COIN aircraft, or a LARA aircraft, because the Air Force thinks in terms of versatility, and because the Air Force thinks it may be a mistake if you have a limited number of dollars to build an aircraft that has only one purpose. It can only do one basic job, it does not have an air-to-air capability; because, perhaps it is your position that we have air superiority today, but we may not always have air superiority, and that it would be a mistake to put money into an aircraft that can only do one job, when it would be better to put more money into an aircraft that can do several jobs.

Is that a fair summary of the Air Force position on this matter?

General AGAN. Sir, let me talk to that in two classes.

Mr. BLANDFORD. Anyway, believe me, I am not trying to trap you here.

General AGAN. Yes, sir.

Mr. BLANDFORD. I am only trying to find out.

General AGAN. All right, sir.

When we talk about aircraft for close air support and for air fighting qualities, this is one general class and size of aircraft. When we talk about an aircraft of the LARA type we look at this as another class and sort of aircraft.

The Air Force believes in a LARA-type aircraft, and has asked for them.

Now, the aircraft that you are looking for for close air support, and the Army says they need real firepower for fire support—is the aircraft that will carry the firepower that can do the job when it gets there.

So if we look at the LARA type aircraft, which has some capability to carry firepower, we believe that there is another aircraft above this needed for the real close air support task.

Mr. BLANDFORD. Now, we are getting somewhere. If you had to choose—today, we have F-4C's, we have 105's, we have F-100's and we have air superiority, and you think, the Air Force apparently thinks that an improved fighter is necessary as opposed to an interceptor or a—I think you are probably talking in terms of fighter-bomber there?

General AGAN. Yes, sir.

Mr. BLANDFORD. Today we do have air superiority in South Vietnam and presumably even if the Mig 21's came into the act we would still have air superiority. That is the F-4C can do the job, the F-111's will be able to—when they finally come into operation—may prove their worth.

But supposing you were faced with this decision right now, all things being equal, just so much money, and the Air Force is faced with the decision of whether they want to develop an improved fighter bomber or to put their money into a LARA or COIN aircraft, what would be the position of the Air Force with respect to a choice between the two? And you could only have one, not both.

Let me press you for your opinion, your personal opinion, on that, General, if there isn't any official position on it, and I don't want to embarrass you.

General AGAN. Well, I am going to give my personal opinion, and that is, they are really pretty different kinds of aircraft capability you are talking about.

Mr. BLANDFORD. Oh, yes, no question about it, you are talking in terms of \$300,000 against \$1,900,000.

General AGAN. No one wants to do a better job of supporting the Army than I do. When they call for it, I want to go out there and be sure I can do the job. If real close air support is our biggest need now, I would feel a little lightweight with a LARA. This is my personal view. I think you need LARA in situations such as we have in South Vietnam. You know in the Air Force we have our special air warfare forces, and this is the area where it seems to me we can really use a LARA-type aircraft.

Mr. BLANDFORD. Well, do you think, as a tactician and as a trained professional military man, that we should be producing an aircraft today, or make up our minds to produce an aircraft very shortly to win the war in South Vietnam or do you think that we already have

the war won in South Vietnam, and we should be concentrating on an improved fighter-bomber for the future wars? That is not an easy question.

General AGAN. Yes. And I am wondering if I have to wait until I get the airplane—which is 5 to 7 years—whether you really are in an area in which we can expect to get major improvements.

I think we can get some LARA-type aircraft, and should get them out there.

Mr. BLANDFORD. We can get them within a matter of probably 18 months or something of that nature, if somebody will make a decision to go ahead with them.

General AGA. Yes, sir and we want to get out and get using these airplanes, and see what we can really accomplish with this type of aircraft.

Mr. BLANDFORD. Then let me rephrase the question: Then you favor the development and the awarding of a contract to go ahead with the COIN aircraft now?

General AGAN. Yes, sir.

Mr. BLANDFORD. You want COIN aircraft out there?

General AGAN. Yes, sir.

Mr. BLANDFORD. You want, also, to discuss with the Army and all of the services the possibility of developing a fighter-bomber that will give you improved capability to carry ordnance for future wars because you are not satisfied in your own mind that a COIN-type aircraft is the answer to close air support, you think it has got to come from an improved fighter-bomber which will be 7 years off; is that a fair analysis?

General AGAN. No, sir. I would say, as I have said, I think we do need the LARA and need to get on with it and get it to South Vietnam. I think we can use it. Looking toward the next aircraft for close air support, I believe that the work that the Air Force is doing with OSD is a valid, correct effort in this area. We are looking first toward what we can do to get an aircraft that will do this job of close air support in the near term, an airplane that we could get by, say, 1969, and we are examining very carefully all the aircraft available, potential new aircraft, with the qualities we have stated. Then we need to work toward the follow-on aircraft after that. This would be an aircraft of considerable improvement.

Mr. BLANDFORD. Then the only difference between what I said and what you said is that there is one step between us, and that you want to take an existing aircraft, jet type, improve it as a fighter-bomber, perhaps improve its loiter time, its reaction time, but in the meantime—and I think this is the important thing, Mr. Chairman—and I presume you can state this is as the official position of the Air Force, that the Air Force is gung-ho for the LARA?

General AGAN. Yes, sir.

Mr. BLANDFORD. Or are you so-so about the LARA?

General AGAN. Sir, I want the LARA.

Mr. BLANDFORD. You want it?

General AGAN. Get it out there and get it in use.

Mr. BLANDFORD. Do you think we are making a mistake in delaying the decision in going ahead on this thing? Don't you think we have enough information to make the decision about it, so that these people can have something out there now, and not for some future war?

General AGAN. Certainly. Let me say it this way: We have asked for the LARA—we have asked for them, and the sooner we can get LARA-type aircraft, and get them out into South Vietnam, I think the better it will be.

Mr. BLANDFORD. Good.

I have no further questions, Mr. Chairman.

Mr. PIKE. General, has the Air Force given serious consideration to starting up the A-1 line?

General AGAN. Yes, sir.

Mr. PIKE. What was the basis for this desire?

General AGAN. We were looking to get more aircraft to fill our needs in the units we have in South Vietnam now.

Mr. PIKE. I believe it was Dr. Brown, I could be wrong about that, who testified before the full Armed Services Committee earlier this year, that in his opinion the A-1 was the best close air support aircraft that we had in Vietnam. Would you agree with that statement?

General AGAN. Sir, I wouldn't put it just that way.

Mr. PIKE. In your personal opinion?

General AGAN. If I were to say what is the best close air support aircraft in South Vietnam, I would say the A-1 has done an excellent job, where it could haul a lot of ordnance and move into a situation where it was well suited for that task.

Mr. PIKE. Well, what in your opinion is the best close air support aircraft in Vietnam?

General AGAN. Sir, we are running some comparative tests out there now, or will be soon, to get the facts.

Mr. PIKE. We have been flying planes out there for quite a while, General. Haven't we gotten any opinions yet as to what is the best aircraft for the close air support mission?

General AGAN. Yes, sir. I can give you my personal opinion on various kinds of aircraft.

Mr. PIKE. What is your personal opinion?

General AGAN. You can see what has happened in the past: The A-1 has done a fine job.

Mr. PIKE. Well, let's not project into the future. Let us talk about what is the best close air support aircraft we have, the Air Force has in South Vietnam.

General AGAN. Sir, the A-1, as I said, is the best suited airplane we could get hold of for South Vietnam.

Mr. PIKE. Thank you.

Now, where did you get hold of the A-1?

General AGAN. From the Navy, sir.

Mr. PIKE. This was not an Air Force development?

General AGAN. No, sir.

Mr. PIKE. What aircraft can you point to that the Air Force has developed since World War II aimed at close air support?

General AGAN. Sir, I would name the F-100, F-105, F-4.

Mr. PIKE. Now, in the development of the F-100, where did close air support come in its mission in relation to air superiority?

General AGAN. The close air support was an added mission.

Mr. PIKE. So it was not designed for close air support, but the primary consideration was air superiority; is that not correct?

General AGAN. Yes, sir; that is correct.

Mr. PIKE. With the F-105, where did close air support come in its mission in relation to air superiority?

General AGAN. It was an added mission.

Mr. PIKE. Can you give me any aircraft that the Air Force has developed since World War II for which the primary mission was close air support?

General AGAN. Not that way; no, sir. Now, sir, may I say this: The Air Force in its statements of requirements for aircraft was responsive to the strategy which we had at that time.

Mr. PIKE. Certainly.

General AGAN. The requirements for each of these aircraft were laid down to suit the priorities which our national strategy laid on us at the time.

Mr. PIKE. No question about it. I started these hearings, on the other hand, General, by reminding anybody who was listening—there wasn't anybody there—that it was in the year 1961 in the month of January that Mr. Khrushchev announced that nuclear war was unthinkable, that local war was unbearable, but that what he called wars of national liberation were not only inevitable but that the war in Vietnam was sacred. This was in 1961. We have known for some time that there were other areas, geographically similar to Vietnam, where so-called wars of national liberation might take place.

What have we done since 1961 in the Air Force to develop an aircraft, the prime mission of which would be close air support, in a Vietnam-type situation?

General AGAN. Yes, sir.

Mr. PIKE. Limited war situation.

General AGAN. Yes, sir.

Mr. PIKE. Guerrilla war, it is called.

General AGAN. We wanted a capability quickly. We built up our special air warfare forces with aircraft which we could get hold of. This is where we picked up the A-1. There were B-26's, A-1's, and aircraft which we had in the inventory. The 26's, which we felt were suitable for limited war.

Mr. PIKE. General, you are familiar with the recommendations, I presume, which came out in 1963 from the Joint Air Force-Army Board as to what they needed for close air support aircraft?

General AGAN. Yes, sir.

Mr. PIKE. Do you remember what they gave top priority to as far as what they thought it would—well, they described it as "areas within which improvements would provide the greatest payoffs in overall close air support effectiveness listed by the priority R." and do you remember what the top priority was?

General AGAN. No, sir; I don't remember.

Mr. PIKE. Well, it is listed as improved survivability.

How important is survivability in a close air support aircraft in a guerrilla war situation? In other words, what is the Air Force getting in the nature of antiaircraft fire in South Vietnam?

General AGAN. Mostly small arms, sir, up to 57 millimeters and .50 caliber.

Mr. PIKE. The survivability of the close air support aircraft in Vietnam hasn't really been a problem, has it?

General AGAN. No, sir; it hasn't been in South Vietnam.

Mr. PIKE. So that when they assigned top priority to survivability they were, as recently as 1963, not thinking about the kind of war we are fighting; would that be a fair statement?

General AGAN. Sir, I don't know what they were thinking.

Mr. PIKE. Well, do you think that in a Vietnam situation, guerrilla war situation, in Vietnam or anywhere on earth, improved survivability should have top priority in what you are looking for in a new airplane?

General AGAN. No, sir.

Mr. PIKE. Have you been——

General AGAN. If you are talking of a guerrilla war like South Vietnam.

Mr. PIKE. Yes.

General AGAN. As it is today.

Mr. PIKE. The one we are fighting.

General AGAN. Before it gets——

Mr. PIKE. The only one we are fighting.

General AGAN. All right, sir.

Mr. PIKE. So would it be a fair statement to make that when the Air Force was confronted with the situation such as we had in South Vietnam, we had to go to the Navy for a close air support aircraft, and to the Army for the forward air control?

General AGAN. That is not what we did first, sir.

Mr. PIKE. What did you do first?

General AGAN. We used B-26's, B-57's, some of our own old aircraft first.

Mr. PIKE. Did you not eventually find that the situation was such that you had to go to the Navy for your close air support plane, and to the Army for your forward air control aircraft?

General AGAN. No, sir.

Mr. PIKE. Well, what did the Air Force——

General AGAN. May I reconstruct how we got into Vietnam? We talk about a full close air support operation; I think the fact that the Air Force was in South Vietnam very early, with its special air warfare forces, is leading us to a conclusion as to what the Air Force tactical air forces would do, and do in close air support.

The A-1's and the force out there were a special air warfare force. As soon as we moved the extent of warfare out there upward so that we could get other aircraft into it, we could bring in the regular tactical Air Force aircraft, which do a good job of close air support.

Mr. PIKE. Well, I have been trying to get you to tell us which one does a better job than the A-1 does, and you haven't named one yet for the role of close air support. And you concede that not one of them was designed for this role except as a secondary mission.

General AGAN. Yes, sir.

Mr. PIKE. I don't want to pursue this any further, General. I will drop it.

Do you have any questions you want to ask, Mr. Gubser?

Mr. GUBSER. Just one quick one.

It is true that we sold some of these A-1's at Litchfield Park to France; isn't that right? Didn't the Air Force try to get those back?

General AGAN. I don't know, sir; I cannot answer that.

Mr. BLANDFORD. There was a request made, Mr. Gubser, as I understand it.

Mr. GUBSER. And it wasn't honored, was it?

Mr. BLANDFORD. Not to my knowledge. Obviously we didn't get them back. They ended up in Laos, if I remember correctly.

Mr. PIKE. Cambodia.

Mr. BLANDFORD. Cambodia, yes.

Mr. GUBSER. That is all.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. General, it was brought out by previous witnesses that in close air support situations the Army and the Air Force didn't have the ability of communicating from the ground to the close air supporting airplane. Do you think that there is any need of the observer on the ground being able to communicate with the airplane?

General AGAN. Sir, I would like to get this in context a little bit with what we have really done in South Vietnam. To say, should he be in contact, I would first go to the Army and ask them if they want him in contact.

Now, our system is such that we have in each of the corps 30 A-1 aircraft whose job is to give support immediately. To get this in context, upon querying our people as they come home from Vietnam, as to how many missions they flew in close air support and how many they flew in immediates, it comes out something like this: They fly 60 percent of their missions on interdiction targets where they are hitting VC camps, factories in woods, and so forth, 30 percent on close air support, and 10 percent on requests for immediates. These come up when we have an operation that is not planned, where the Air Force and Army have not been together on the planning. Where they are together on the planning, we have planned aircraft, our response is as fast as they want to make it. The more operations we can do this way, the better we like it in the Air Force.

Now, the situation where we are not as responsive as we would like to be is when there is a small patrol out, that we may not even know it is out, and it gets ambushed and calls for help. The best we can do is to get an O-1 out there and then get the strike in right after him.

Mr. ICHORD. What would we have to have out there in the field for the Army on the ground to be able to talk to the Air Force in the air?

General AGAN. Right now he would have to have a UHF radio.

Mr. ICHORD. And the Army doesn't have that?

General AGAN. They have some, sir, but they do not have enough. They don't give them to all their troops in the field. I would have to check with the Army on this. They want the system so that they can control the air strikes that they are asking for. We want to respond to what they want as an organization, because they are the ones in contact, and contact with the enemy. We want to support them where they want to be supported.

The problem to which we have no good solution at present is to provide immediate assistance to every patrol which needs it. As you know, the Air Force is seldom, if ever, informed of the comings and goings to each patrol.

To me the problem is that we aren't fast enough in getting there. We would like to respond immediately. The patrol has to get the request to any forward air controller. From there the request can go in immediately. Now, if he gets a forward air controller in the air, then he has an ability to get the strike in without delay. The way he can lose that ability is for the forward air controller to get shot down.

We have had three shot down since they have been in South Vietnam. We have lost eight O-1's, three of them acting as forward air controllers. We have had 17 of them wounded.

I tried to find out how many of these were still able to carry on and do their task. So it looks to me that where we failed to do as we should is the occasion that the FAC gets hit if the ground force hadn't planned for close support, but has to have it immediately, another FAC would be sent there; so you could have a time before you got another airborne FAC in place. Therefore, ground forces would be without the close air support for a time.

Now, if it is a situation where you can see the target, if it is pretty clear what he is going after, then the strike aircraft may be able to make a strike. But under the way it operates now, that is the position, the kind of condition that I could see arising where we wouldn't be able to do the job as we should.

Mr. ICHORD. That is all.

Mr. PIKE. Mr. Irwin.

Mr. IRWIN. One question I would like to ask, General.

How do helicopters and O-1's compare for forward airborne air controllers?

General AGAN. We have used O-1's, as a cheap aircraft, and we can keep it in the air a long time.

Mr. IRWIN. How long?

General AGAN. Up to 4½ hours.

Mr. IRWIN. And helicopters, how long might they stay up?

General AGAN. General Oden can tell you better than I can.

General ODEN. Two and a half hours.

Mr. IRWIN. Two and a half hours. Of course they can be armed; is that right, General Oden?

General ODEN. Right.

Mr. IRWIN. The next question, General, is related to the questions asked you by the chairman, and I think I can speak for him in saying that we are all usually caught in the same jam at the same time, there is no point of spending time as to who sees what the problems are that come up first, we usually get to see them pretty much at the same time.

We have the South Vietnam war on our hands now, it is unique in our experience, where the enemy has no capability to knock our planes down, which makes it I think a little different. We have got this thing, we don't know how long it is going to take. Some may want to think that when this is over, this is going to be the last time we are ever going to have this kind of a situation.

What is your opinion? Do you think we are going to have other situations in the future similar to the ones in South Vietnam, so that if we do develop a plan, then it won't just be useful for this situation but it might be useful for other situations in the future?

General AGAN. Sir, I think we are very likely to have this kind of thing for a long time to come.

Mr. PIKE. Mr. Blandford.

Mr. BLANDFORD. Just a summary in a sense.

I would like to say that General Agan's analysis of the 60-30-10, and I like the formula because it jibes pretty much with the testimony of the other witnesses, as to the types of strikes they were called upon

to make. So this must be a fairly constant factor that of 100 flights, 60 of them would be interdiction type, real tactical warfare type of thing. I was interested in your use of the word "30 percent" being used for close air support, and the other 10 percent being used to respond to requests. I think this subcommittee really is talking about the last 10 percent more than the 30 percent; not arguing about the preplanned strikes, and certainly not concerned in the slightest at the moment about the interdiction. Perhaps this is where you are finding it difficult to answer the chairman's question as to what was the best aircraft for close air support, because obviously your F-100's and your 105's do the bulk of the 60 percent strikes for long interdiction, and the 30 percent preplans, if you have your targets, then your problem comes up as to whether you have the proper type of aircraft to hit targets in bad weather, or in night conditions. This is a subject matter we haven't gotten into yet to the fullest extent with respect to night warfare, and the best type of aircraft for close air support in that respect. But now we are down to the last 10 percent.

This is General Oden's problem, the last 10 percent, basically. This is what we are talking about here to a great extent.

Mr. PIKE. I am inclined to disagree with you, Mr. Blandford. I think we are concerned with the 40 percent. I think we are concerned with the 30 and the 10.

Mr. BLANDFORD. Yes, but I am saying—the point I am making is that when you are using the words "close air support," and this if you will recall at the very outset we got—this is in support of ground operations.

Now, a preplanned strike is much easier to arrange because it is arranged where the Army and the Air Force sit down at corps headquarters, and the targets are laid out in advance for them.

Mr. PIKE. I just happen to disagree with you, because I think you get into a fluid situation very frequently, and certainly everything the marines were talking about yesterday was a preplanned operation.

Mr. BLANDFORD. Yes, but that is one of the reasons I am developing this, is let's get our terminology here. When you talk about a preplanned strike, aren't you talking in terms of let's say 24 hours in advance, is this your idea of where the 30 percent preplanned strikes go?

General AGAN. Yes, it does not have to be 24 hours.

Mr. BLANDFORD. When you are talking about a preplanned strike, or what you consider the 30 percent, what are you talking in terms of, timewise?

General AGAN. Generally, as a common operation, anywhere from 12 to 4 to 6 hours.

Mr. BLANDFORD. Well, now, this is the point.

General AGAN. Whatever situation develops that gives you time enough to plan the movement of your Army forces, be they by helicopter or other means, and to get your air forces lined up so that you can go in together and do a whole job.

Mr. BLANDFORD. This is my point; we are talking reaction time here as one of the great defects. Reaction time is when a ground commander—this is my interpretation, and perhaps no one would agree with me—reaction time is important when a ground commander runs into a hornet's nest someplace, and he needs help, and needs it in a

hurry. He didn't know he would run into this or yesterday he would have asked for an air strike or knocked it out yesterday.

But, basically, and I don't want to put words in General Oden's mouth, but I think what General Oden was talking about when he was talking about reaction time is an airplane that is either on station at all times, either going with you as the troops advance, or so close that that plane can be called in almost immediately, and that he is talking about the last 10 percent, is that reasonably correct, General?

General ODEN. Well, on the quick reaction that is reasonably correct.

Mr. BLANDFORD. Isn't this really the problem area in close support?

General ODEN. No, not necessarily, sir.

Mr. BLANDFORD. Well, now, let's get it straight. I don't want to get everybody in the act, but what is your idea of the real problem with respect to preplanned strikes and reaction time on an immediate reaction requirement? Do you need an O-1A on a preplanned strike?

General ODEN. I don't believe that you necessarily need one. The Air Force prefers one, and I think they know their business. It perhaps has to do with the speed of the attacking aircraft, I don't know. I would say normally from an Army viewpoint, for a preplanned operation, an airborne aircraft is not necessary. I am speaking from the Army viewpoint. I do not know what the technical difficulties are of bringing in fast-moving strike aircraft, and having them hit the target, and the Air Force does.

Mr. BLANDFORD. Let me ask you, General Agan: On a preplanned strike, if you are using an O-1A aircraft that has to mark the target, where is the element of surprise at that point? You have lost it as soon as you mark your target.

General AGAN. When you mark your target, yes.

Mr. BLANDFORD. And you have lost it.

General AGAN. Well, one—

Mr. PIKE. I was just going to say, one day—I think you were not here—the Air Force pilots on the job did say that it was a matter of perhaps 5 seconds between the marking of the target. They count down to the marking of the target, and it is a very short elapsed time between the marking and the attack. At least that is what they strive for.

General AGAN. Fifteen seconds, generally.

Mr. BLANDFORD. Fifteen is the number somebody told me; 15 seconds. Of course you can move in 15 seconds, but if you are getting saturated you are going to get clobbered. But you are hitting with one aircraft. They were interspersed about 12 seconds apart, if I am not mistaken.

Mr. PIKE. I guess they were.

Mr. BLANDFORD. Now, I am really talking terminology here more than anything else; your reaction time on a preplanned strike is only important with respect to the speed with which you can get your aircraft in after the target has been marked, and that is just a question of physics, how fast you can follow one aircraft behind the other without shooting each other down, or whether you come in in tandem or how you attack the targets, you may come six abreast, or something like that. In that respect you want something that can get there fast, hit, and get out.

But I still think, Mr. Chairman, that the problem of the ground troops, the platoon commander, the company commander, is that sit-

uation that develops in a matter of minutes, when he is getting the living hell knocked out of him, and he needs help, and he needs it in a hurry, and there isn't any system today to provide that kind of help.

Mr. PIKE. Well, we certainly agree there isn't any system today that would provide it.

I would also point out again that in the recommendations of the Joint Air Force-Army Board, in 1963, on what they needed for close air support, you don't find reaction time given any priority whatsoever.

Mr. BLANDFORD. Not listed.

Mr. PIKE. It is not mentioned as a goal. It was something that certainly all the boys who have been on the ground have talked about.

Mr. EVANS, do you want to ask any questions?

Mr. EVANS. Well, I was just wondering whether or not in your recommendation for COIN aircraft now that could be used in Vietnam, do you recommend having in mind the logistic problem that may be involved, and the defense of aircraft problem that may be involved? Where do you make this recommendation? Have you gone into this aspect of the use of that type aircraft?

General AGAN. Yes, sir. This is the reason, when you get into South Vietnam, and you ask me do you have air defense as a primary task, you make the assumption that there is no air offense, then when we talk about a LARA type aircraft we are talking about an occasion where you do not have the air defense job. You have an air superiority, and you would be able to operate freely.

Mr. EVANS. Would this be limited, or changed materially, if the character of the war over there would change in terms of competition for air superiority?

General AGAN. Yes, sir; it changes immediately. You know, I was just looking at our sorties. When you asked me which is the best airplane for close air support, I looked at what we are doing there now. The sorties last month in close air support were [deleted]. The reason I hesitated in answering your question concerning the best airplane out there, if I were a fighter in one of these airplanes, it would be very clear, I would give you the one I was flying.

Mr. PIKE. I would say this: all your pilots did exactly that.

General AGAN. That is the kind of men I want in my outfits.

Mr. PIKE. Mr. Irwin.

Mr. IRWIN. No questions.

Mr. PIKE. General, let me ask you a question on a different level. The adequacy of the close air support, in any preplanned operation depends entirely, I would think, on the adequacy of the liaison between the Army and the Air Force. In Vietnam are you satisfied with the liaison that you are getting as far as being advised in advance of these operations that are being conducted?

General AGAN. Sir; mine is secondhand, it is many years since I was out there. I think they are coordinating well at the corps level now.

Mr. PIKE. At the corps level.

General AGAN. Yes, sir, and some of the operations—bigger operations—above that level at the AOC and JOC.

We in the Air Force would like to move ahead more and more in this direction. We think maybe this is one of the areas that can help

to avoid having these surprises, these immediates, and we realize the problem the Army has. They have many, many patrols out every day and I realize the problem they have with security out there. [Deleted.]

This is the kind of thing that gets us into trouble on this 10 percent.

Mr. PIKE. Mr. Irwin—

General AGAN. I think basically our coordination is good.

Mr. IRWIN. It occurs to me as things go along and our position improves we may have more 10 percent; that what we are talking about is a very flexible system. So if the Army wants to send somebody out to do something, not knowing exactly what they will be up against, it would be very helpful for them to know that they could call without preplanning for help and that we will have more than 10 percent in the future, as the ground units feel that they can go and try some more daring things than they are able to do now.

General AGAN. Yes, sir. Sir, you know that we do set aside aircraft every day on alert, waiting for immediates. In some cases, when we know not the specific operation, but that there are operations in an area, we put aircraft—strike aircraft, airborne—in the area waiting for calls.

Mr. PIKE. Mr. Nedzi.

Mr. NEDZI. General, you cited some statistics as to how many sorties were flown by various aircraft in a close support role. Would you define close support relative to the 30 and 10 percent figures you mentioned?

General AGAN. I will have to check. I know it includes the 40 percent. It is defined as close support in my report. It certainly includes the 30 and the 40 percent.

Mr. PIKE. I think Mr. Nedzi has registered a very good question. We all too frequently are not talking about the same thing.

General AGAN. Yes, sir.

Mr. PIKE. And one of the things we did do is start off with a definition of close air support and in the figures that you gave us of 30 and 10, would, in your opinion, fall within the definition that we started these hearings with; is that correct?

General AGAN. Yes, sir.

Mr. EVANS. Could I have one last question?

Mr. PIKE. Yes, sir.

Mr. EVANS. A follow-on question in regard to one I asked with regard to the usability in your opinion of COIN aircraft in the event the situation were changed in Vietnam, where you had air opposition, is it your opinion that the COIN type aircraft could still be used effectively in the forward area for close air support?

General AGAN. Well, sir, I would have to know—

Mr. EVANS. This is conjecture, I know, and the problems increase, but even in view of that.

General AGAN. Yes, sir. If you get real opposition, you are going to have to fight for the right to do close air support. This is the reason we say—when we talk about this close air support airplane it is a separate thing from COIN. When the Army calls for help we want to be able to give it, no matter what is in the air around us. We want to fight to win the right to support the Army.

Mr. PIKE. The real question is whether it has to be all done with one airplane.

General AGAN. Yes, sir.

Mr. PIKE. General, you said in your statement there are problems in night and all-weather operations, communications, ordnance delivered. Has the Air Force got a plane in Vietnam that can hit a target which is not illuminated by flares and do it on the basis of radar?

General AGAN. Sir, may I define the target? I mean we have to get clear on the type target.

Mr. PIKE. All right.

General AGAN. A bridge—

Mr. PIKE. All right. [Deleted.]

General AGAN. [Deleted.]

Mr. PIKE. And if you have a radar reflective target like a bridge, can they hit that?

General AGAN. Yes, sir.

Mr. PIKE. With what aircraft?

General AGAN. [Deleted.]

Mr. PIKE. [Deleted.]

General AGAN. You could do it with the 105 types.

Mr. PIKE. Does the 105 have the capability to hit a target which it can fix only in reference to a reflected image, preference point?

General AGAN. Sir, you have to get into accuracies here. The 105 system will not give you the [deleted] kind of thing.

Mr. PIKE. You are familiar with the capabilities of the A-6A; isn't that right?

General AGAN. Yes, sir.

Mr. PIKE. Does the Air Force have a plane which has a similar capability for night or all-weather work?

General AGAN. No, sir.

Mr. PIKE. That is all I have.

Thank you very much, General. We appreciate you being here today. We have given you a rough time and we still think—I do want to say that in spite of the fact that perhaps both of you have had rather an unhappy day here today, all of us are so proud of the job which is being done by the Army and the Air Force and the Marines and the Navy in Vietnam, and we have no other goal than to try to help you.

General AGAN. Yes, sir.

(Whereupon, at 12:10 p.m., the subcommittee was adjourned.)

HOUSE OF REPRESENTATIVES.

COMMITTEE ON ARMED SERVICES,

SPECIAL SUBCOMMITTEE ON TACTICAL AIR SUPPORT.

Washington, D.C., October 6, 1965.

The subcommittee met, pursuant to call, at 10:25 a.m. in room 2216, Rayburn Building, Hon. Otis G. Pike (chairman of the subcommittee) presiding.

Mr. PIKE. The meeting will come to order.

At this point we are approximately through with these hearings, and we anticipate that they will be wrapped up very shortly.

We have as our witness today Dr. Thomas P. Cheatham, Jr., who has been most cooperative all through this hearing in providing us with background information. He has had his problems, and we have had ours.

Dr. Cheatham, I do want to express my personal appreciation to you, and I am sure that of the other members and the staff, for your complete cooperation in this matter.

If you would, take the witness stand and give us your statement.

Mr. BLANDFORD. Mr. Chairman, before Dr. Cheatham begins his testimony, I read his statement. In view of your statement and the fact that we are close to the end of these hearings, I would like to make a suggestion to the subcommittee that it might be wise for us to get some information from the Air Force Systems Command, because of the technology involved in this presentation of Dr. Cheatham's and also because of the technology, technological problems that they have in South Vietnam in the close air support. It might be profitable for the subcommittee to just have some witness from the Systems Command tell us what is being done, if anything has been done, to improve close air support weapons systems and target identification and all sorts of things over there.

Mr. PIKE. This could tell us, I guess, a little more about the present. Dr. Cheatham is in the R.D. & E. end of it. That is General Schriever, right?

Mr. BLANDFORD. Yes, General Schriever. I don't know whether he would be available or not. But we certainly could call and find out before you terminate these hearings.

I think it might be profitable to find out if there are improvements over there, or are they working on, presently, improvements that are going to be put in effect very shortly. We may find ourselves being critical or thinking in critical terms of something that they have already solved or taken steps to do something about.

Mr. PIKE. Dr. Cheatham, do you think General Schriever might be able to add anything that you are not up on in this regard?

Dr. CHEATHAM. Certainly he could add more specific details in areas that have to do with the Air Force thinking in these areas, but in general I think I can probably address myself to the macroscopic viewpoint, things that have been done or are contemplated.

Mr. PIKE. If you think you could add some specifics, really we are quite interested in specifics. Why don't you see, Russ, if he could be available.

Mr. BLANDFORD. Dick, can you call and see when he would be available to the subcommittee, or anybody else that he has?

Dr. CHEATHAM. For the benefit of the committee, General Schriever did head up Project Forecast, and this is the largest major study that addressed itself to the future problems of the Air Force, including close air support. You can get that reference point of 2 years ago, and what has happened since then.

Mr. PIKE. All right.

Doctor, if you will, proceed.

**STATEMENT OF DR. THOMAS P. CHEATHAM, JR., DEPUTY DIRECTOR,
TACTICAL WARFARE PROGRAM, DOD**

Dr. CHEATHAM. I would like to say first, Mr. Chairman, I appreciate very much your opening comment. I always like to think the Department of Defense and the Congress can approach these problems that we have with candor and frankness, and that is what I try to do.

Mr. PIKE. We like to think that, too, Dr. Cheatham.

Dr. CHEATHAM. Mr. Chairman, I welcome this opportunity to testify before the Subcommittee for Tactical Air Support of the Armed Services Committee. As you know, I have been privileged to listen to the hearings you have conducted over the past 2 weeks with regard to the adequacy of close air support in South Vietnam. The manner in which the hearings have been conducted and the witnesses that have been selected have been uniformly excellent: I have learned a great deal from the information presented and feel that my personal perspective with regard to our mutual interests in operations in South Vietnam has benefited to a very large degree.

My job with the Department of Defense is to assist the Director of Defense Research and Engineering in the management, development, evaluation, and procurement of a flexible arsenal of weapons and equipment that is responsive to the full range of potential tactical military needs. Within this framework, we are primarily concerned that a balanced materiel capability is indeed available to meet many different contingencies. The problem is not an easy one and we are certainly not complacent nor satisfied with our achievements to date. I say this because of my firm belief that tactical warfare today is not only complex but that tomorrow it will be even more complex and even more sophisticated in its total demands. To understand it in depth and with confidence to the point of modest proficiency and dominion is a personal challenge to me as it has become today to many others in the Department of Defense.

A great deal of effort over the past decade has gone into our capability to wage a strategic war of nuclear proportions. We have a justifiable feeling of confidence in our technical achievements, in the readiness of our arsenal and its deployment and in our posture to present to the world an overwhelming deterrent of defense. We are not so well prepared in the intermediate range of counterinsurgency and tactical warfare. I do not want to imply that we are badly off, for that is certainly not so, but in the relative scale we are more vulnerable in this region of warfare. The philosophical differences between strategic and tactical warfare are worthy to note here briefly. While strategic nuclear warfare is, in a real sense, more terrible to contemplate, the strategic forces and weapons that define it are chosen from alternatives that are relatively few in number with the war games defined by a similarly small finite number of moves and countermoves. To do the same analysis within the regime of tactical warfare is much more difficult. One of the reasons is the very large variety of inputs and alternatives. Also, while strategic alternatives are mostly scientific and logical in nature, we find tactical warfare alternatives are blend of both science and art, where changing and imaginative tactics are a significant variant. Certainly, for example, we find that tactical airpower and its component parts of close air support and

intratheater logistic support are all an intimate blend of men and machines. You cannot estimate in more than a rough quantitative fashion the cost-effectiveness of guts, heart, morale, flying skill, intuition, sixth sense, imagination, and the dedication of a fightingman in a fighting machine in a fighting environment when in defense of his country and freedom. The technical and nontechnical factors that could be critical to define an end-game for a war as simple (but only deceptively so) as Vietnam would defy the capacity of the most modern-day computer or group of computers that we have available.

I make this statement to emphasize that in the restricted class of inputs having to do with weapon technology alone there is a tendency to think that a new weapon of higher performance and firepower out-modes the older and lesser forms of tactical warfare with the battle mode settled a priori by the newer weapon. In fact, it often does not happen this way—rather the spectrum of forms of warfare often seems to increase with greater strain imposed on our C³ (command, control, and communications) and logistics systems. It is also true by historical inspection that the new weapon system is not just added to the old arsenal but instead it generally causes a rearrangement and adjustment of the mix and types and a demand for growth in capability and performance across the newer but now broader total spectrum of tactical warfare contingencies. The rubber band just stretches tighter and because the enemy has the advantage of initiating the offensive—of selecting the geography and type of limited war—we are forced to build into our tactical warfare programs an even greater degree of flexibility, agility, and quick reaction insurance in terms of a depth of alternatives—certainly more than ever contemplated to date for strategic options.

We seek a balanced R.D.T. & E. program in tactical warfare. I recognize that achieving this balance is a difficult and complex undertaking. It is a provocative challenge because the range of variables, as I have indicated, is very great. The problem is not entirely one of engineering for higher performance or of systems analysis for maximum cost effectiveness, but one that also combines insight into operational and tactical techniques and alternatives of today and tomorrow—many factors having to do with detection and conversion to attack, probability of kill, technique and speed of communications, strategy of attack, closure rates, attrition rates, values of night and all-weather capability, et cetera, must in part be measured empirically as a function of skill, training, and organizational rapport. All of these factors must be understood and appreciated before we go to a computer for a statistical slice to improve our knowledge by refinement.

It is for this reason that I have encouraged continuous dialog between the staff in D.D.R. & E. with returning Navy and Air Force squadron commanders from the Vietnam theater, with Army and Marine combatants, with the expertise of systems analysis, with the air staff, with the Navy development staff of CNO, with the Army staff, with designers from industry, with JTF-2, with the weapons training school at Nellis Air Force Base, with the Eglin test complex, and on occasion with experimental test pilots of new aircraft that are under evaluation. Our decisions today are high-risk judgments involving the security of our Nation and they demand the full and impartial inputs of our best engineering analysis and direct operational field ex-

perience that we can muster. It is for this reason that I value the hearings you have conducted over the past 2 weeks.

Our needs in a potentially broad range of tactical warfare must be met within the limits of national resources, available technology, and time. Of these three, time is perhaps the resource we can least afford to squander. I am acutely aware that a superior, or more correctly, an "appropriate" weapon system or capability is not developed, proven, or obtained quickly. In many areas, such as vulnerability to surface-to-air defense (or as advisers or doers in counterinsurgency) we lack any significant past military experience—yet we must provide for this new dimension of tactical warfare and the capability may be needed so quickly that we will not be able to test and modify but once.

The role of manned aircraft in tactical warfare falls roughly into three broad categories—that of combat, logistics, and command-control support. Under combat roles we define two requirements of air-to-air combat and air-to-ground combat; under logistics we have both inter- and intra-theater requirements with our tactical interests being primarily in the intratheater area; under command-control support we recognize the manned aircraft needs of reconnaissance, airborne and ground warning and control, and depending on the intensity of warfare, also IFF (identification of friend or foe) and ECM (electronic countermeasures). This definition of roles, however, is grossly simplified since tactical warfare is no longer thought of nor fought in terms of two quasi-independent states of air and ground warfare; the trend today is toward a more intimate blend of these two phases in support of each other, with the most significant changes to take place in the next few years.

The elimination of enemy aircraft from the skies over the forward area is one of the specific tasks of the tactical air forces—both Air Force and Navy. Over friendly territory, the task may be shared with Army air defense units armed with SAM missiles and other anti-aircraft weapons. Over enemy territory, the task falls to tactical air alone, although air superiority may not be achieved solely by the destruction of enemy aircraft—because of his SAM missiles and other ground-fired weapons. One recent Air Force study considered enemy SAM sites as ground-locked fighters, thus emphasizing the need to detect, destroy, outmaneuver or provide an antimissile defense in our aircraft that penetrate enemy air. We are confronted with this type of problem in North Vietnam.

All in all, we recognize the changing nature of tactical air warfare and that it is making demands of a significant nature on tailored aircraft performance, munitions, avionics, and tactics. Let me list a few of these trends as they apply to generalized tactical air warfare as opposed to close air support which I will comment on more specifically:

1. Airfields are being made less vulnerable through the use of retentments and adequate ground-to-air-defenses in the form of AA guns and surface-to-air missiles.

2. Takeoff and landing distances are being shortened through increased emphasis on STOL performance.

3. Payloads are being reduced with increased emphasis on improved and specialized munitions. As a result flexibility and range of weapon types for loading, dispensing, and delivery has increased.

4. Air-to-air combat has increased in relative importance and will be particularly emphasized when adequate command and control and identification capabilities are realized.

5. As ground-to-air defenses continue to build up, there will be a corollary buildup in ECM developments and/or a change in tactics that gives greater weight to rollback rather than penetration sorties. In either case, there will result an increased emphasis in the use of standoff missiles, and corollary homing, guidance, and navigation techniques.

6. Higher speed and efficiency in intratheater logistic support is becoming increasingly important to realize the full advantages of rapid closure.

The list of trends for achievement of a modern day capability in generalized tactical air warfare that I have just listed are relatively recent. The reason is simple. After World War II, we entered the nuclear age. This force of potential total destruction had to be capped by a sufficient deterrent posture and capability. It has absorbed our talent, attention, and resources over the past two decades. We have progressively worked down the ladder from strategic nuclear warfare, to tactical nuclear warfare, to advanced conventional warfare and finally today a significant portion of our efforts are directed to limited war and counterinsurgency.

The war in southeast Asia divides into three distinct areas. The first division is between the wars of North and South Vietnam. In North Vietnam we are fighting a sophisticated war—our tactical air-power capacity to deliver air-to-ground strikes at times and places of our own choosing is being challenged by a sophisticated ground-to-air defense that is growing both in capability and intensity. Our losses are all air losses and our attempts to achieve maximum survivability per target kill are directed against optimizing our Air Force and Naval striking forces with regard to tactics, aircraft, avionics, and munitions. Our arsenal of technology in this regard is both suitable and reasonable in my opinion—with the principal requirement being for quick reaction to modest rather than major materiel needs and in the skillful application of tactics suitable to the materiel at hand and in process of delivery and/or modification.

In South Vietnam, we are not fighting a sophisticated war per se from the standpoint of materiel requirements. The war in South Vietnam is of two types determined by the jungle and mountainous terrain to the north on the one hand and the vast flat areas to the south of waterways and rice paddies on the other. Close air support is a critical item in both of these areas of engagement. The nature of the types of terrain in South Vietnam restricts major firepower support mostly to that which can be provided by airpower. It is well to remember that in other terrain the Army's own artillery close support would be providing much of the backup power now expected from aircraft. Practically all losses are with the ground forces and close air support delivered as needed, quickly and in the right amount and kind, is a principal means of reducing losses on the ground.

The basic requirements of close air support are three in number:

- (1) Reconnaissance, including target marking;
- (2) Communications; and
- (3) Striking power.

All of our tactical air forces are equipped to perform these three functions in a generalized fashion. But our classical approach is apparently being found awkward in some respects in its application to South Vietnam and there is obviously room for improvement.

What lessons have we learned in each of these three requirement areas and are our energies now directed in the right direction and with the correct sense of urgency and timing? I am sure, Mr. Chairman, that these are some of the questions that are in your mind and which prompted the initiation of these hearings. Let me give you my analysis of these questions and our status and position at this time.

Our first attempts at reconnaissance and surveillance in South Vietnam using general reconnaissance aircraft of the RF-101 and RB-66 types to find an enemy who was not distinctive in appearance, who mounted an attack in minutes and disappeared quickly in an equivalent time period, were found inadequate. Photographic processing and interpretation was much too slow. We rediscovered the efficiency and efficacy of the human eye and brain that was able to obtain an intimate back-of-the-hand knowledge of a specific sector and thus introduced the O-1 in large numbers. The airplane could be obtained from the Army and deployed quickly. It, however, had its disadvantages in limited payload for communication and inadequate handling qualities for climb and maneuverability. Many targets were found that could not be struck due to distances involved in bringing strike aircraft from the very limited number of available airfields. The net result was the realization that a light attack reconnaissance airplane capable of continuous harassment of the Vietcong was needed in South Vietnam. We are moving as rapidly as possible to provide an airplane of this type (the COIN/LARA) for use in Vietnam to replace the O-1. The characteristics and capabilities of this type airplane are well known and I hope endorsed by this committee.

I would like to inject parenthetically at this point however that the combining of recce and strike in one airplane is generally valid only in a low intensity air-to-air or ground-to-air environment. As the intensity of defenses increase, the functions are best handled on a separate basis.

The COIN/LARA, however, cannot do the entire job of close air support in South Vietnam. As developed frequently in your hearings, there is a role for a heavy strike airplane capable of sustained operations with the larger bombs, napalm, and rockets when the Vietcong have dug in in strength. The A-1E has been doing a yeoman job and this workhorse airplane has been augmented by use of A-4's, F-100's and B-57's. A more ideal solution, for a heavy support strike capability in a totally permissive environment, could be in the use of the new A-7A or the A-6A. The A-7A is now going into production and the A-6A is available in limited numbers with the added advantage of an all-weather and night bombing capability. Unlike the Navy, the Air Force has not itself developed an airplane since World War II with emphasis on close air support. But it is not important which service develops an airplane. The concern should be that suitable aircraft are available in our arsenal or in our development programs. It is important that each service look at all production lines and inventories as legitimate sources to fill their mission needs. I emphasize this because I recognize tactical warfare in all of its forms of today

and tomorrow as requiring flexibility and agility to modify and adapt to special needs.

With regard to the war in South Vietnam, I want also to discuss the problem of incompatible communications. In the past, the Army and Air Force developed, organic to each service, different communications systems. The Army system is basically VHF/FM and the Air Force system is basically UHF/AM. On an individual basis, each system has a strong technological foundation for justification. The Army problems of propagation and avoidance of mutual interference in a dense electromagnetic environment dictated their choice and the Air Force's problems of limited space and weight in a line-of-sight geometry, together with worldwide agreements for traffic control, dictated theirs. We are making substantial progress in reconciling these two systems for missions where Army/Air Force cooperation is necessary. All new units going to Vietnam are properly equipped and all units in Vietnam are being supplied on an expedited basis. I understand that [deleted] of the dual jeep-mounted systems are in Vietnam to equip all tactical air control parties in the theater.

A question has been raised as to the adequacy in numbers of FAC's on the ground, with a point being made that the Marine Corps battalion is deployed with three times as many forward air controllers as an Army battalion. This question is being examined right now by the Army and Air Force with specific reference to South Vietnam operations.

I might add; as a result of these hearings, with regard to the use of airborne FAC's and ground FAC's, I am personally in favor of both. I think, as a fundamental point, I would want close air support aircraft to be able to talk directly to forward air controllers on the ground. However, airborne FAC's should be used wherever they make the job easier and more efficient; in South Vietnam they are a necessity for two reasons, for reconnaissance in the jungle areas and for communications.

As a last item, Mr. Chairman, I would like to acquaint the subcommittee with Project Provost, which stands for "Priority Research and Development Objectives for Vietnam Operations Support." It is a program that recognizes the changing nature and intensity of the war in southeast Asia. The project was established on July 29, 1965, by direction of D.D.R. & E. It was conceived as a continuing program to meet any urgent needs that may arise at the request of MACV or be indicated by intelligence or analysis data. Funding for Provost is to be provided by emergency funds, supplemental funding, reprogramming and/or adjustment of the fiscal year 1967 budget requests where appropriate. During the first 2 weeks of August, Project Provost reviewed over 300 items forwarded by the services, recommended support of 145 with 81 of these recommended for emergency funding. Emphasis was given to—

- (a) Night operations and night vision devices.
- (b) Target intelligence and marking.
- (c) Communications.
- (d) Aircraft modifications and accelerations.
- (e) Improved munitions and weapon delivery.
- (f) Protection of ground troops.
- (g) Special and/or improved ground weapons and techniques.

In summary, Mr. Chairman, since the first of this year we have witnessed a significant change in the character of operations in South

Vietnam. The breakpoint for this significant change was in June and I can assure you that American ingenuity, commonsense, and forthright action will be continuously asserted to maximize our gains and minimize our losses.

Mr. PIKE. Thank you, Dr. Cheatham.

Mr. Wilson?

Mr. WILSON. Doctor, I am sure I am speaking for the committee when I say we appreciate your frankness and your thoughtful analysis of the problem. I think your last line is perhaps pretty self-explanatory. I think you are expressing American ingenuity, commonsense, and forthright action, in what you have laid out here for us.

I would like to—first of all—I wonder if your statement was cleared by the Department of Defense? You were not particularly complimentary of the ability of the computers to really analyze the war in Vietnam. I wonder if Mr. McNamara was planning any objection to your picking on his computers?

Dr. CHEATHAM. Well, it was cleared.

Mr. WILSON. It was cleared all right. Was it cleared without change?

Dr. CHEATHAM. Well—

Mr. WILSON. Or is that a fair question?

Dr. CHEATHAM. Let me say, modest editorial changes, to improve it.

Mr. WILSON. I think there is a bit of prose, on page 3, that ought to go down in American literature, that "you cannot estimate in more than a rough quantitative fashion the cost effectiveness of guts, heart, morale, flying skill, intuition, sixth sense, imagination, and the dedication of a fightingman in a fighting machine in a fighting environment when in defense of country and freedom"; that is a beautiful line, and I agree with you. I think we ought to publicize that particular point as an indication of the spirit that we are showing over in Vietnam to date.

Getting down to some specifics, I am happy that you are taking action as a result of these hearings. I think it is obvious, you agree with us, that the hearing showed some weak spots in the close air support program.

You did mention about the radio incompatibility, and I wonder if you could tell us specifically—you say you are making substantial progress in reconciling the two systems. You mean you are just duplicating, having both systems available to the forward air controllers on the ground, of the Air Force and Army radio systems?

Dr. CHEATHAM. Yes, because of the reasons of the extreme complexities of the communications requirements of the two services, the fact that a typical Army, for example, will have some 72,000 radios within its operation, plus some 75,000 additional electronic devices, which also emanate, to some degree. You have a problem here of very tight and densely packed spectrums with regard to channels.

In fact, the normal channel separation that we have been using of about 100 kc. has very recently been forced upon us to be reduced to 50. The Army, in fact, is under pretty strong pressures to have to move out of their typical VHF/FM band into higher frequencies at the present moment. They would prefer not to, because in a classical deployment, a more generalized Army deployment—we are as much concerned about the enemy jamming the system as we are the fact of our own operations making it ineffective by mutual jamming.

I think the best that probably can be done right at the present moment is to match the system at the points where they are needed by supplying FM receivers in all the aircraft that can handle it. In fact, all future ones will have to have it, because it is my belief that the airplane must be able to talk to the ground directly, and we are also supplying—I mean the Air Force communications system, to the ground, with the forward air controllers. [Deleted.]

What I would like to say, this is a fact of life which I think we have just entered upon, and probably the only practical solution is to match it at the point of contact by efforts of reducing the space and weight so that I can provide both communications in both places—not total, but where they need it.

Mr. WILSON. I was interested in your comparison also, moving into the aircraft field, of the O-1, the COIN/LARA to follow on from the O-1.

Don't you think that really a COIN/LARA could offer far more than the O-1 by the very designation of light arms reconnaissance? Don't you think that the bomb-carrying and gun-carrying capacity could be of some use? I can understand that it wouldn't be the total answer for delivering heavy strikes, but don't you think in the type of operation we have in Vietnam, and which we might have in these limited brush-fire wars, that the gun-carrying and bomb-carrying capacity is tremendously beneficial, too?

Dr. CHEATHAM. Yes, sir; there is no question about it.

We intended—indeed we in D.D.R. & E. feel the COIN/LARA meets the ideal requirements in Vietnam for harassment of the enemy, light attacks also.

Mr. WILSON. We have heard of flying jeeps. This could be as versatile as the jeep is to the Army, in that you could carry personnel if you had to, or supplies, if you had to, and armaments, and reconnaissance, communications, the whole thing. It would be a platform that could be pretty versatile in a changing situation such as you find in Vietnam, and certainly your O-1 does not offer that. It doesn't offer much more than reconnaissance for possibly target marking.

One further point: You mentioned the A-6A's. We had some testimony—you have heard it, I am sure—from the Navy, saying what fine airplanes they were. And I certainly agree. Are you satisfied with the delivery schedules, or doesn't that really concern you in your area?

Dr. CHEATHAM. It does not primarily concern me. The rates of delivery or decisions of that sort really reside with the Department of Defense, in the systems analysis portion of our offices. The only responsibility in my office is that it is available.

Mr. WILSON. Do you have, in Vietnam, a good testing ground for ideas being generated in your shop?

Dr. CHEATHAM. Yes.

Mr. WILSON. As you mentioned, we are deficient in this particular area; while we have developed our strategic forces well, we are deficient in the classical close air support, and also in limited warfare capability.

Dr. CHEATHAM. Philosophically and practically one of my major worries, of course, is that there is a war going on there, and there is a

great tendency to want to turn it into a testing laboratory. I am very anxious not to overload MACV with things he has to carry on in support of tests of this sort that divert his attention from the war.

I might add, if I may, for these reasons, we have augmented all of our tests and evaluation facilities with additional support. I would like to have the tests done very quickly, so anything shipped to Vietnam, the probability of it being extremely useful is going to be high.

Mr. WILSON. Since we are running out of A-1 aircraft, there is some talk of a new buy in this particular field. Are you advocating such a—in other words, rather than a new airplane, going back to the one that has proved itself.

Dr. CHEATHAM. There has been a study in this particular area, going back over the past about 4 months.

Mr. WILSON. Have you been called in to test the F-5? I understand there has been a testing team over there now, including some staff members from the other body, who are actually testing a limited number of F-5's as a possible use.

Dr. CHEATHAM. Yes; this goes into the Skoshi Tiger program. There are 12 airplanes that will be deployed there, I think.

Mr. WILSON. The designation F-5 doesn't quite fit the category of close air support, yet we are using the Century series fighters for some close air support, or some tactical delivery. Is it being considered as an attack, possible close air strike airplane?

Dr. CHEATHAM. It certainly has capability in this area. The airplanes we are sending over have had certain modifications put on them; we put an air fueling probe on it; we are placing nose cameras on it in order to get backup data. It certainly is being looked at as a cheap—relatively cheap, you see, airplane, that has also modest air-to-air capabilities in addition to use in air-to-ground work. [Deleted.]

Mr. WILSON. It was originally designed then as an air-to-air fighter, but now you are considering modifying it to make it air-to-ground as well?

Dr. CHEATHAM. Well, at about 3,000-pound payload, it still has a fairly good performance.

Mr. WILSON. Thank you, Dr. Cheatham.

Mr. PIKE. Mr. Ichord.

Mr. ICHORD. Thank you, Mr. Chairman.

I want to go along with Mr. Wilson in complimenting and thanking the doctor for a very clear and forthright statement. He has recognized our deficiencies and has shown that he is taking steps to correct them. [Deleted.]

This COIN/LARA aircraft, however, will not replace, or will not do the things that the A-1 is doing now, will it?

Dr. CHEATHAM. Not entirely, of course, because the payloads and the range payload characteristics are certainly significantly different.

Mr. ICHORD. Do you still envisage a need for something like the A-1 in addition to the other aircraft that we are using for close air support?

Dr. CHEATHAM. Yes. Generally—I don't think there is a single airplane that can do the job in Vietnam. I think it must be two airplanes. So in a sense you can compare, if you like, a team of O-1 and A-1 which are doing the job now, and ask yourself, "Is there a better team for doing that job?"

I would, myself, pick the COIN/LARA and then a heavy strike airplane as being a better match for the requirements of close air support in Vietnam. The principal reason for this is that the COIN/LARA does have—it does a very important thing: It is capable of continuous harassment; it keeps the enemy from building up any major defenses.

Mr. ICHORD. Better observation?

Dr. CHEATHAM. Better observation. We have frequent reference to this 60-30-10 formula, with a 10-percent emergency request. I think the COIN/LARA can cut significantly into that 10 percent, as an important way of reducing it. That is the place where we tend to lose our manpower—I mean our forces on the ground.

When they have dug in, and they must occasionally be able to do this, then I think we need a heavy strike airplane. The A-1 can do this; the B-57. I picked, however, because it is sort of designed for the job in this more modern day, an A-7 and A-6, talking here about [deleted] pound payloads. It is a pretty heavy strike.

Mr. ICHORD. On page 8 you mentioned that you are devoting a significant portion of your efforts toward limited war and counterinsurgency.

Do you find you are devoting an increasing part of your efforts toward limited war and counterinsurgency?

Dr. CHEATHAM. Well, I can give you some statistics; then we can judge them.

Starting in 1960 we had devoted \$10 million, I think, to counterinsurgency. In 1961 this was increased to \$20 million. In 1962 it went to \$40 million. In 1963 it rose to \$70 million. In 1964, \$140 million; and in 1965, \$160 million.

Mr. ICHORD. I take it, then, it is your view, and certainly the view of the Department, that the South Vietnam type of conflict is what you are going to likely be faced with in the future, more and more?

Dr. CHEATHAM. I would like to add one other item of information so the picture is complete.

To that \$160 million I have added \$45 million of emergency funds from Project Provost, which in a sense you can take as an indication that the rate at which I was building up somehow had gotten behind. I needed to jump up again. So, in fact, what I am really saying is because of Provost I now recognize the fiscal year 1966 requires about \$200 million. Our present plans for fiscal year 1967, as far as the budget is concerned, is about [deleted].

Mr. ICHORD. [Deleted] dollars.

While you are on Project Provost, you mentioned the emphasis was placed on night vision devices. I would like to ask you what kind of night vision devices are deployed in South Vietnam.

Dr. CHEATHAM. Infrared sniper scopes would be an example. We have [deleted].

Mr. ICHORD. Are they being actually used by the man out in the field?

Dr. CHEATHAM. Yes, sir. [Deleted.]

Mr. ICHORD. You think perhaps, then, our potential enemies probably have developed the same device?

Dr. CHEATHAM. Yes. As far as technology, it is not a breakthrough. This is a question of skill in production. That is my current problem.

Mr. ICHORD. Thank you very much, Mr. Chairman.

Mr. PIKE. Mr. Gubser?

Mr. GUBSER. Doctor, when do you anticipate there will be a COIN/LARA aircraft in Vietnam for evaluation?

Dr. CHEATHAM. Well, this is apparently being processed through the Department of Defense, and coordination on the study, of course, is under the Assistant Secretary for Systems Analysis.

The recommendation that has been made by D.D.R. & E. is to—well, let me say first of all we have funded \$1 million to speed up the static test and the flying test for the airplane. That is well within the regime of the research and development cycle of the airplane. In addition to that, however, we have recommended that about [deleted] be released in [deleted] for long-lead time items. The reason for this is to provide the option for early production, if the test which we have programed, now, static and flying, is satisfactory.

Now, normally basic trials would be over and completed by July of next year. By the action that we have taken, it makes it possible to come to a production decision on a logical basis you see.

Mr. GUBSER. What is the production lead time?

Dr. CHEATHAM. From the time that I say "Go," probably the first operational squadron will have it in 1 year.

Mr. GUBSER. That fast?

Dr. CHEATHAM. That fast, yes, sir. The point being the airplane is certainly within the state of the art, you see. I am not pushing anything.

Mr. GUBSER. But there will be COIN/LARA aircraft in Vietnam prior to a year from [deleted].

Dr. CHEATHAM. No, sir. No, that is the soonest.

Mr. GUBSER. How many aircraft are being built right now?

Mr. BLANDFORD. Six.

Dr. CHEATHAM. Six airplanes, sir.

Mr. GUBSER. None of those will go to Vietnam?

Dr. CHEATHAM. No, sir, those are all for tests. Those are all required in our static and flying tests. They are our all-service evaluation requirement. There are seven planes actually involved. Two go to each service for any special configuring they want to do for their own particular mission.

Mr. GUBSER. Probably, assuming everything went to perfection, the very earliest that any of those planes could be in Vietnam would be [deleted] is that correct?

Dr. CHEATHAM. Yes, sir. That is correct, sir.

Mr. GUBSER. Doctor, I feel—

Dr. CHEATHAM. That is allowing—I am saying 9 months for production, and I am allowing 3 months to get the crews together, to deploy and complete testing and training.

Mr. WILSON. I just want to ask a question on the COIN/LARA testing. Are you conducting a test on the Convair Charger which was built independently by the Convair people?

Dr. CHEATHAM. Yes, sir. We are having the same test crews that will be testing the North American airplane. We will run the test on the Charger to the extent that it is possible in San Diego, and, I think, starting there within the next few days.

Mr. GUBSER. What studies have been made on the logistics problems which would come with the COIN/LARA aircraft?

In other words, the advantage of the aircraft is that it would be closer to the front line, and operating from short strips, make-shift strips. But as one Air Force officer mentioned in these hearings a few days ago, there will be problems of supplying the ordnance that is to go on these aircraft.

What studies have been conducted which are aimed at finding some answers to that particular problem?

Dr. CHEATHAM. For COIN/LARA, I don't know of a specific study, but a general study in terms of intratheater logistics is being conducted within D.D.R. & E. at the present moment, with regard to materiel requirements. This is matching fixed wing and helicopter types of equipment.

Mr. EVANS. May I ask a question on that same question?

Mr. GUBSER. Go ahead.

Mr. EVANS. Have you taken into consideration the protection of the aircraft and logistics in arriving at your decision to build, to proceed as you have?

Dr. CHEATHAM. I had a couple more things I did want to say in regard to Mr. Gubser's question.

The airplane has been designed and configured for minimum maintenance per flight hour. It is a minimum amount for any airplane that we have had. Compared to the Century series which gets up to around 30 hours, it is practically 10 as a reduction factor.

The ordnance, of course, that would have to be supplied dictates the same logistic requirements that go with that ordnance. There is nothing special about that.

So, all in all—I mean, the airplane has been configured to minimize all of these sorts of classical problems you will have, you see, in deployment on short trips.

Mr. GUBSER. If you had a COIN/LARA operating 2 or 3 miles behind the front line, it could be supplied by helicopter, rather easily, couldn't it?

Dr. CHEATHAM. Certainly I consider helicopters as a very proper means for intratheater support, up to anything of about 50 miles. That is about the break point. When you start to go from 50 toward 200, I tend to think in terms of fixed wing support, because of the ton-nages involved.

That is just a rule of thumb.

Mr. Wilson, you have the same logistics problem in supplying the mortars, ground weapons, and so forth.

Mr. WILSON. It isn't actually much of an extra burden. You have to bring those things up where the troops can use them; you have to have your ammunition dumps and your trucks and so forth, if you are going to keep operating. Conceivably COIN/LARA could operate within that 50-mile radius, but not necessarily within 1 or 2 miles of the front line, where it would be—

Dr. CHEATHAM. Mr. Wilson—

Mr. WILSON (continuing). Subject to attack.

Dr. CHEATHAM. I would hesitate emphasizing 1 or 2 miles. I prefer that the COIN/LARA be back on something that would look roughly like an airfield operation, because it does need maintenance and over-haul. You can't ignore this.

In other words, I would say you have to do about what you have to do for helicopters at least, and that is not easy.

Mr. GUBSER. Will the COIN/LARA aircraft need different types of fuel?

Dr. CHEATHAM. No, sir.

Mr. GUBSER. It will operate on the same thing as trucks will operate on?

Mr. BLANDFORD. Multifuel.

Mr. WILSON. Multifuel, gasoline, jet fuel.

Mr. BLANDFORD. It is designed for multifuel, as I recall it.

Mr. GUBSER. In other words, it wouldn't bring in the requirement of a different kind of fuel needed in the frontlines?

Dr. CHEATHAM. Oh, no, sir.

Mr. GUBSER. I certainly echo what my colleagues have said about your testimony. I appreciate it.

Mr. PIKE. Mr. Nedzi?

Mr. NEDZI. Thank you, Mr. Chairman.

Doctor, what do you envision as the role and sum of the problems of the COIN/LARA aircraft if we don't have air superiority?

In other words, we are talking about a rather peculiar situation in Vietnam. Is this the premise on which the COIN/LARA was designed?

Dr. CHEATHAM. I have to answer that in terms of defining sort of a gray scale. It becomes a point, of course, if the enemy has won this air battle, overwhelmingly, we are just in great trouble in terms of countering him with aircraft. And you have to resort back to something sort of like the North Vietnamese have been doing, which is a very intense ground-to-air defense in order to do your job.

But within permissive environment, I think it is an ideal airplane for South Vietnam, up to some point of increasing intensity. I certainly don't expect the COIN/LARA to be able to cope even with a Mig-15, you see.

So the Air Force has got to carry this type of opposition out of the way.

Now, the fact is, in some types of warfare we will not have total air superiority, but we will have a sort of air supremacy as a function of space and time; you have it for awhile, and then you don't have it. During those brief moments that you have to make sweeps, to make a frontal assault from the ground possible with air support. I think this is a question of tactics. This is why I am perhaps so conscious of the complexities of it, because I don't tend to like to think about tactical warfare as black and white; as all or nothing. I think where you are going to fight is in the gray areas. Many time tactics are a very strong variant.

I can make it possible for COIN/LARA's, and A-7's and A-6's, to survive and be very useful, but I do require that upper limit be there in order to cap the situation.

Mr. NEDZI. I have no further questions.

Mr. PIKE. Mr. Evans.

Mr. EVANS. Doctor, I didn't understand your remarks in regard to the engines that are being developed for COIN/LARA.

I assume that you were saying that they are being built so they require less maintenance. You are talking about 3 hours and 30 hours. What is this, in terms of what?

Dr. CHEATHAM. As far as engines are concerned, I wanted it to be 1,000 hours between overhauls. This is sort of a rule of thumb, sort of a minimum requirement for tactical aircraft. I was talking in terms of the whole airplane. We talk about a number of maintenance man-hours per flight-hour, is the way of sort of roughly describing the complexity of the airplane, to keep it airborne.

Mr. EVANS. I see.

Dr. CHEATHAM. In a Century airplane, well, to give you some typical figures, we consider for example the A-7 has been designed with real attention to reliability and minimum maintenance. Here we are heading for an airplane that requires approximately 13 maintenance-hours per flight-hour. If you jump on up to F-4's or F-105's, and so forth, you get up into the 30-hour bracket of maintenance per flight-hour.

Mr. EVANS. With the COIN/LARA you are aiming to 3?

Dr. CHEATHAM. Three to five, in that area. I think the spec probably calls for 3.22. What I want to emphasize is, what we are after there is a small, tough, highly reliable airplane; lots of armor on it to take small caliber fire, and so forth, and survive.

Mr. PIKE. Is that all, Mr. Evans?

Mr. EVANS. Yes, thank you.

Mr. PIKE. Dr. Cheatham, I am going to start by saying I take exception to the description which the Air Force has given us time and time again, and which Mr. Nedzi just echoed here, to the effect that this is a unique or peculiar situation that we are confronted with in South Vietnam.

Isn't it the same kind of warfare we had all through World War II in the South Pacific?

Dr. CHEATHAM. Yes, sir; to a very large degree.

Mr. PIKE. Isn't it the same kind of a war that you think we can anticipate in any guerrilla situation, anywhere in the world?

Dr. CHEATHAM. Yes, sir.

Mr. PIKE. You say that we are proceeding—this is page 11 of your statement—we are moving—quote, “as rapidly as possibly to provide an airplane of this type, the COIN/LARA, for use in Vietnam to replace the O-1.”

Now, I believe it was Dr. Brown testifying before the Appropriations Committee last year who said that that plane would be flying last December. Is that an accurate statement? Is my recollection accurate on that?

Dr. CHEATHAM. I can't quote from my own personal knowledge on that, sir.

Mr. PIKE. I believe it was the Secretary of Defense testifying before the full Armed Services Committee who said that the plane would be flying in May of this year. Do you recollect that?

Dr. CHEATHAM. That is very possible, sir.

Mr. PIKE. Now, when you say “we are proceeding as rapidly as possible,” when was the COIN/LARA—what was the initiating document for the COIN/LARA? Somebody came up with a specific operational requirement.

Dr. CHEATHAM. The first requirement for this was, of course, the Marine Corps, who actually, I think, were behind the concept.

Mr. PIKE. When was that?

Dr. CHEATHAM. From my own personal knowledge, I can't give you a date, but it certainly precedes—I would guess at least about 2 years ago.

Mr. PIKE. Now, at this particular point, has any final decision been made to proceed with COIN/LARA aircraft?

Dr. CHEATHAM. As of right at this moment; no, sir.

Mr. PIKE. So, 2 years ago, the Marines indicated they had a specific operational requirement for it. Today there is, as yet, no decision to go ahead with it.

Do you really think it is a fair statement to say "we are proceeding as rapidly as possible"?

Dr. CHEATHAM. In an ideal sense, no, sir. In a practical sense, in terms of the numbers of people who have to be coordinated, the number of studies that have to be made, we are probably moving with continuous pressure.

Mr. PIKE. Where is the pressure coming from?

Dr. CHEATHAM. Some it comes from my office, because I happen to believe in the airplane and its need.

Mr. PIKE. Does any other come from the Armed Services Committee?

Dr. CHEATHAM. I suspect a fair amount of it has been in evidence for the last 2 weeks.

Mr. PIKE. To me it is a fiction to say that "we are moving as rapidly as possible" in this direction at this time, and in this context.

Now, I know that you have been trying to push the plane, but today there isn't any decision as to whether we are going to buy any COIN/LARA aircraft or not, and nobody has come to Congress with a request for any reprogramming of funds that I am aware of, have they, Mr. Blandford?

Mr. BLANDFORD. No, sir.

Mr. PIKE. And I expect if they were going to push for some [deleted] million, they would have gotten this by now.

Dr. CHEATHAM. Well, the final responsibility for coordination is with the Assistant Secretary for Systems Analysis. I understand that he will be making his recommendations to Secretary McNamara.

Mr. PIKE. Dr. Cheatham, would it be a fair statement to say that you might well have a month to go with respect to the same thing?

Dr. CHEATHAM. I would hope for it; yes, sir.

Mr. PIKE. All you are doing at the moment is hoping for it; is that correct?

Dr. CHEATHAM. I am waiting.

Mr. PIKE. Vietnam is waiting, too.

Now, you talk about the increased funds which are going into research and development in what you refer to as counterinsurgency and limited warfare, and you described how over the past 5 years in the Vietnamese contest we have gone from \$10 million to this year \$205 million, I believe, including your emergency appropriation; is that correct?

Dr. CHEATHAM. Yes, sir.

Mr. PIKE. That is \$205 million for limited war and counterinsurgency, out of a total budget of what?

Dr. CHEATHAM. Of \$6.7 billion.

Mr. PIKE. Somewhat less than 3 percent; is that correct?

Dr. CHEATHAM. Yes. I think probably though, in this context, I should point out that it is estimated that approximately \$300 million is being spent in the tactical warfare programs which are applicable, which you might call advanced COIN, or limited war.

In other words, this is the throw-off from your generalized programs. So you might make it \$500 million, if you want to be charitable.

Mr. PIKE. If we want to make it real charitable, we come up with well under 10 percent of all of our R.D. & E. going into the only kind of war we are fighting; is that correct?

Dr. CHEATHAM. Yes, sir; that is a correct statement.

Mr. PIKE. And you find this to be a significant portion?

Dr. CHEATHAM. Well—

Mr. PIKE. Let me ask you this: Do you find it to be an adequate portion?

Dr. CHEATHAM. At the present moment; yes, sir.

Mr. PIKE. You do?

Dr. CHEATHAM. Well, in the R.D. & E. area, yes, sir, because you have to ask yourself the question: "Could I spend it any faster?"

I have to spend this through organizations and agencies and existing facilities or capabilities. It takes time to build this up. It is not only to say just the brick and mortar and this and that, but you have to build up the importance of the concept in peoples' minds so that it has a priority to go with the money.

Mr. PIKE. Would it be a fair statement to make over the past two decades since World War II it hasn't had any importance in the minds of the Air Force, for example?

Dr. CHEATHAM. Well, I think that would be a bit unfair to the Air Force, Mr. Chairman.

Mr. PIKE. Well, how has the importance that the Air Force attached to it been manifested in their actions?

Dr. CHEATHAM. They have set up the special air warfare center activities, and also TARC, the tactical Air Force centers, and the weapons evaluation center down in Eglin. That did not exist 2 or 3 years ago. That has been done, I think, quite efficiently and very fast, in response, I think, to the realization of certain people in the organization of the importance of this, that they were going to be involved.

I would like to speak in defense of the effort that has been made by people like General Prichard, and so forth, down in that area, and I think with real dedication and interest in this field.

Mr. PIKE. I don't doubt for 1 minute there are individuals in the Air Force who are just as interested and devoted and dedicated as they can be, but I am trying to put the amount of effort that the Air Force has put into this in its proper perspective in relation to the total effort they put into everything.

What is the whole Air Force budget, do you know, for the current year?

Dr. CHEATHAM. I can give it to you in terms of TAC and SAC, which are some figures that I have.

Mr. PIKE. All right. Would you give it to us in the terms of TAC and SAC?

Dr. CHEATHAM. And the Air Defense Command.

If I talk about the total R.D.T. & E. investment and operating totals, for SAC it is \$3.7 billion.

Mr. PIKE. Right.

Dr. CHEATHAM. For TAC it is \$3.68 billion.

For ADC, it is \$1.319.

Mr. PIKE. Now, where is the TAC \$3.6 billion being spent?

Dr. CHEATHAM. R.D.T. & E. is \$213 million. Investment is \$1.8 billion, rounding it off. The operating expenses are \$1.66 billion, for TAC.

Mr. PIKE. How much was the R.D. & E.?

Dr. CHEATHAM. \$213 million.

Mr. PIKE. \$213 million. And of the \$213 million, R.D. & E., do you have any idea how much of that is being devoted to the problems of close air support?

Dr. CHEATHAM. In the sense of a close air support airplane, I can give it. Our budget figure at the moment is to give them \$10 million to study the problem.

Mr. PIKE. So the Air Force is devoting \$10 million to R.D. & E., on a close air support aircraft.

Dr. CHEATHAM. Yes.

Mr. PIKE. Out of a total budget of \$3.6 billion?

Dr. CHEATHAM. Yes, but probably as a percentage, you better reference it to 213, and then criticize it that way.

Mr. PIKE. All right.

Of the 213 R.D. & E. funds, \$10 million, somewhat less than 5 percent of TAC's R.D. & E. is going into a close air support aircraft?

Dr. CHEATHAM. Right.

But now to this, in all fairness—and I don't know how I can do this—I will estimate it fairly roughly—but I do have to add the work being done on munitions. In other words, this is the APWEP operation down there, and that is significant. So just the 10 might not be enough.

Mr. PIKE. Let's just basically ask this: It is the Air Force's job to provide close air support for the Army, essentially; is it not?

Dr. CHEATHAM. Yes, sir; there is no question about that.

Mr. PIKE. Now, the workhorse for close air support aircraft, in Vietnam, has been the A-1; correct?

Dr. CHEATHAM. A-1, up until about June. Since then the F-100 has flown many more sorties, percentagewise, than the A-1.

Mr. PIKE. And the F-100 we know was not designed for close air support.

Dr. CHEATHAM. No, sir; it was not.

Mr. PIKE. In its many sorties, has it carried more weight of armaments than the A-1? It doesn't carry as much armaments; does it?

Dr. CHEATHAM. I can give you some actual statistics. You would like this for South Vietnam?

Mr. PIKE. Oh, yes. Close air support.

Dr. CHEATHAM. Tons per sortie of an A-1 [deleted]. For an F-100 [deleted].

Mr. PIKE. How about the number of sorties?

Dr. CHEATHAM. If I am fumbling a bit for this information, Mr. Chairman, it is because I got it at 9:22 this morning, sir.

Mr. PIKE. In fairness to the chairman, I will say I told him I was going to ask him these questions last night.

Dr. CHEATHAM. I am sorry, the information systems analysis has given me did not include the number of sorties.

Mr. BLANDFORD. We have it for August, Mr. Chairman. The F-100's close air support single task sorties for the month of August were [deleted] for the A-1 versus [deleted] for the F-100.

Mr. WILSON. Do you have the total number of aircraft involved?

Mr. BLANDFORD. No. These are just the total sorties.

Dr. CHEATHAM. I don't know whether there are three times as many F-100's flying as A-1E's. I imagine the A-1's are getting kind of tired right now.

Mr. PIKE. We have run out of A-1's?

Dr. CHEATHAM. That is right.

Mr. PIKE. There are not any additional A-1's that we can use; isn't that correct?

Dr. CHEATHAM. That is correct.

Mr. WILSON. On this one point, to be sure our statistics are correct, is this Air Force-flown A-1 sorties?

Mr. BLANDFORD. These are just the U.S. Air Force participation, in sorties, in close air support sorties, for the month of August.

Mr. WILSON. You don't have any record of the A-1 sorties by the A-1E's?

Mr. BLANDFORD. Those are A-1E's, not A-1H's.

Mr. PIKE. How much does a sorties cost for an F-100?

Dr. CHEATHAM. I have this in average cost per ton of ordnance expended.

Mr. PIKE. Average cost per ton of ordnance expended? All right, what is the average cost per ton of ordnance expended?

Dr. CHEATHAM. For the F-100?

Mr. PIKE. For the F-100.

Dr. CHEATHAM. I have this in South Vietnam and for North Vietnam.

Mr. PIKE. We are only interested in South Vietnam, I think.

Dr. CHEATHAM. All right. The figure comes out as [deleted].

Mr. PIKE. [Deleted] ton expended. The average sortie you gave us earlier carried [deleted] tons?

Dr. CHEATHAM. Yes, sir.

Mr. PIKE. So—

Dr. CHEATHAM. I did want to emphasize this includes ordnance, operation, and attrition.

I have a figure which may be useful to you, the cost of ordnance only; that was [deleted].

Mr. PIKE. I come up with a figure of [deleted] every time an F-100 goes off on a sortie. Does that jibe with your figures, every time an F-100—not every time it goes off on a sortie. Every time it expends a ton—no, it would be a sortie.

Dr. CHEATHAM. Every time it goes on an average sortie.

Mr. PIKE. On an average sortie.

How much does an A-1 cost, every time it goes off? You have yours on a ton expended?

Dr. CHEATHAM. I have here a figure of [deleted].

Mr. BLANDFORD. [Deleted] per sortie?

Dr. CHEATHAM. Per ton delivered, or expended.

Mr. BLANDFORD. It would be [deleted] times [deleted].

Dr. CHEATHAM. [Deleted] times [deleted].

Mr. BLANDFORD. It would be [deleted] a sortie.

Mr. PIKE. All right.

How much does a B-52 cost every time it goes off on a sortie?

Dr. CHEATHAM. Well, again for South Vietnam [deleted] is the cost per ton of ordnance expended.

Mr. PIKE. [Deleted] per ton.

Dr. CHEATHAM. And it carries, on an average sortie, [deleted] tons.

Mr. PIKE. [Deleted.]

Mr. BLANDFORD. That would be about [deleted].

Mr. PIKE. [Deleted] per average B-52 sortie.

How many sorties did we conduct, let's say in the most recent month that you have available, all types of aircraft? This is in South Vietnam.

Dr. CHEATHAM. Running at a rate of about [deleted]—wait a minute; that figure would include southeast Asia—that is north and south.

The figure for South Vietnam I don't have right here at my fingertips, Mr. Chairman. The rates were running—there have been peaks of [deleted] a couple of times in recent weeks, but the average is more like [deleted].

Mr. BLANDFORD. Is this just the Air Force, or the total, Mr. Chairman?

Mr. PIKE. There would be [deleted]. But you are talking about north and south?

Dr. CHEATHAM. North and south when I say that.

Mr. PIKE. Well, that is not close air support by a long shot.

Haven't the cost effectiveness people run any studies about the average cost of a sortie in South Vietnam?

Dr. CHEATHAM. Well, I think I could give that by just selecting the airplanes here.

Mr. PIKE. All right.

Dr. CHEATHAM. And multiplying them out. I suspect it comes out about—South Vietnam I think the average would come out about [deleted] per ton expended. I would have to multiply that by sort of an average number of tons, and if I ran across—

Mr. PIKE. It would be about [deleted].

Dr. CHEATHAM. It would be somewhere there, as long as I left the B-52 out. That is what kind of swamps the calculation.

Mr. ICHORD. I didn't understand what all was included in that cost. Is that the gas, oil, and cost of the munitions?

Dr. CHEATHAM. Munitions, operating costs, including all the factors you are talking about, plus attrition.

Mr. PIKE. Let's clear the record up on that.

On attrition, what does the Air Force compute the loss of a B-52 to be?

Dr. CHEATHAM. For these calculations they are using in-country. They are using [deleted].

Mr. PIKE. If you lost a B-52, it costs you [deleted].

Dr. CHEATHAM. No. That would be [deleted] on the average.

Mr. PIKE. I am asking you what they calculate in their attrition figures, the loss of a B-52 to be.

Dr. CHEATHAM. Well, I can calculate it for you very quickly, Mr. Chairman.

Mr. WILSON. Mr. Chairman, does he have a slide rule?

Dr. CHEATHAM. I have it down to [deleted].

Mr. PIKE. How much does a B-52 cost?

Dr. CHEATHAM. I can't answer that.

Mr. PIKE. Colonel Coons, can you tell us how much a B-52 costs?

Colonel COONS. I can't. I will find out right now. (See page 4287.)

Dr. CHEATHAM. But the figures that have been used here are on the basis of [deleted].

Mr. PIKE. [Deleted] when a B-52 is lost.

Dr. CHEATHAM, how much are we spending a week or a month, for airstrikes in South Vietnam?

Dr. CHEATHAM. I would be the wrong one to estimate that, sir. I think I would have to ask systems analysis to provide us with that figure. I can do this on the basis of what my peak number of sorties are and what the average cost per sortie is, and if I were then to assume that was the bill, the total bill, I can give you that type of a figure right here, just by multiplying these two figures. In other words, I can take [deleted] sorties—

Mr. PIKE. [Deleted] sorties?

Dr. CHEATHAM. And I can certainly multiply it by a cost in-country per sortie, of about [deleted] so I would have something like [deleted].

Mr. PIKE. [Deleted] per month we are spending for air support in Vietnam?

Dr. CHEATHAM. Yes, sir, that is about what the figure is. On the other hand, I don't know whether I have the whole slice in those figures, but working with what they have given me, that is what I come out with.

Mr. PIKE. That is a very ball park figure, we understand that. You are not going to be crucified or nailed to it, but it is a ball park figure which I have heard before.

Mr. BLANDFORD. These are total sorties; these are Air Force, Marine Corps and everything, are they not?

Dr. CHEATHAM. Yes, sir.

Mr. PIKE. Not including the Vietnamese Air Force?

Dr. CHEATHAM. No. That would include them, because in a sense we are paying for it.

Mr. PIKE. We certainly are. It does include them?

Dr. CHEATHAM. I would include them.

Mr. PIKE. So at the current rate of expenditure, assuming this figure is right that would be [deleted] a year in air support in North and South Vietnam?

Dr. CHEATHAM. Yes.

Mr. NEDZI. That is for North and South?

Dr. CHEATHAM. No, the figure I just tried to estimate was South.

Mr. PIKE. Was South only?

Oh, I see. I thought the [deleted] sorties included both North and South.

Dr. CHEATHAM. I am sorry, that is right. I multiplied it by average sortie, South. To do this correctly I should take an average between that and the figure for the North.

The North figure is about [deleted] as opposed to [deleted]. I should be multiplying by [deleted] to have an average, here.

Mr. PIKE. So your figure is closer to [deleted] per month, for both North and South?

Dr. CHEATHAM. [Deleted.]

Mr. PIKE. [Deleted] per month for air power in North and South Vietnam.

Dr. CHEATHAM. To make sure we don't have it misunderstood, that is at the latest rate. It wouldn't apply necessarily to the bill you might find at the end of the year. At the beginning you will find we were flying about one-tenth of that.

Mr. PIKE. In the future we anticipate flying a little more than that?

Dr. CHEATHAM. Certainly I don't anticipate less, at the moment.

Mr. PIKE. General Oden of the Army testified that the Air Force had to have adequate forward air controllers, but he didn't know whether we had them or not. Do we have them, Dr. Cheatham?

Dr. CHEATHAM. Yes, sir. I would like to comment on that. The allocation within the Air Force is 12 forward air controllers per squadron, 4 of which are jump-qualified. That is to allow for the fact if a forward air controller is needed, and he isn't on the ground, they can drop him in.

If you really figure this roughly on the basis of 80 squadrons, we have within the Air Force today something like 960 forward air controllers available.

On the basis of about 200 battalions in the Army, taking a rough figure, this equates out to about 4.8 FAC's available per battalion. They are available. This is the only point I want to make.

It isn't a question here of having to build up or train the organization to provide for a sufficient number of FAC's. In fact, it is in excess of the Marine allocation. The point you are addressing, of course, is that this number is not in Vietnam at the moment, but it is available.

Mr. PIKE. Dr. Cheatham, what is your conclusion as to the effectiveness of close air support in South Vietnam?

Dr. CHEATHAM. Well, from a system standpoint, it can be improved.

I think the sort of average response time we find there is longer than we are capable of. I would hope that in the next few months we will rapidly close that time gate, which at the moment is the one that I consider most serious.

Mr. PIKE. You are going to close that by having faster aircraft, is that it?

Dr. CHEATHAM. No, not entirely.

I would like to close it in terms of having the proper communications. I don't think we have found that except when somebody was in real bad trouble and he had to fly from way up north to way down south, that the speed of the airplane was such a predominant factor. If I had to get way south, then it is very necessary to have a 400-plus knot airplane.

Mr. PIKE. Doctor, you mentioned earlier General Schriever having headed up a study under a code name of Forecast.

Dr. CHEATHAM. Project Forecast.

Mr. PIKE. Project Forecast.

Is that the same study that was a joint Air Force-Army group, that issued a secret report back in 1963?

Dr. CHEATHAM. No, sir.

Mr. PIKE. So there have been two studies; is that correct?

Dr. CHEATHAM. Two studies. Forecast was entirely an Air Force study.

Mr. PIKE. I see.

Dr. CHEATHAM. It went across the board in terms of all its requirements, forecasting the needs of things it ought to do in the future. Within that was included requirements of close air support, which was a substudy.

Mr. PIKE. Have there been any more studies you are aware of, say in the last 4 or 5 years, on the problem of close air support?

Dr. CHEATHAM. I think probably the most significant one is the one that is going on at the present moment, which is a joint Air Force-OSD study.

Mr. PIKE. I am not interested in that.

What I want to ask is this: Did either the 1963 joint Air Force-Army study or Project Forecast, make any mention of the fact that the Army and the Air Force could not talk to each other?

Dr. CHEATHAM. Of my own personal knowledge, I can't remember. I would have to go back and actually—let me put it this way: Certainly not a major point was made. I would have to go back and look to see if somewhere, you know, in chapter 3, paragraph 2, somebody did make a statement to that effect.

Mr. PIKE. When was it first brought to the attention of the Department of Defense that there was a very serious communications problem between the Air Force and the Army?

Dr. CHEATHAM. I think it became a very strong point with D.D.R. & E., with my office, in terms of our examination of command and controls systems. In other words, we found incompatibilities, for example, in some of the MTDS systems, NTDS systems, and similar Army systems; in other words, from the standpoint of data-processing requirements, we suddenly found there were incompatibilities in the communications. We became aware of this. I think Dr. Fubini should be given credit for having hit into this problem with a great deal of drive and enthusiasm; in fact, he certainly kind of turned things upside down.

Mr. PIKE. When was that?

Dr. CHEATHAM. About 2 years ago.

Mr. PIKE. It was after we got involved?

Dr. CHEATHAM. A year and a half, if you want to define the peak of activity.

Mr. PIKE. All right.

But it was after we got involved with Army troops on the ground, and Air Force planes flying air support, in Vietnam; is that correct?

Dr. CHEATHAM. I would certainly have to say that certainly focused real practical attention on the problem.

Mr. PIKE. Dr. Cheatham, you mention, on page 14 of your statement, that Project Provost, during the first 2 weeks of August, reviewed over 300 items forwarded by the services recommended support of 145, with 81 of these recommended for emergency funding.

Of the 81 which were recommended for emergency funding, have they gotten the funds?

Dr. CHEATHAM. No, sir. In this case the paperwork is waiting and in Mr. McNamara's Office, for his signature. We are awaiting release of funds from Congress in this case.

Mr. PIKE. For the release of funds from Congress?

Dr. CHEATHAM. Yes, for the emergency funds, the appropriations.

Mr. PIKE. Wasn't this included in the \$1.7 billion?

Dr. CHEATHAM. No, sir; it was not.

Mr. BLANDFORD. Well, it could have been, though.

Dr. CHEATHAM. It could have been.

Mr. BLANDFORD. Yes.

Dr. CHEATHAM. But it was not.

Mr. PIKE. Has Congress been asked to release the funds?

Dr. CHEATHAM. I don't know, sir. I can't answer that. In other words, I don't know what the Secretary's Office has done.

Mr. PIKE. You have certainly thrown down the gauntlet here, Dr. Cheatham, when we hear 81 projects which you requested during the first 2 weeks of August for emergency funding have not been funded because Congress has failed to act.

I think, Mr. Blandford, that maybe you could do some staff work on this. I would like to know exactly what the status of these 81 projects that Congress is holding up is.

Mr. BLANDFORD. I don't think you are going to find that the Congress is holding up these 81 projects. I think it is a question of decision as to whose emergency funds are going to be used. The only thing I could possibly think of is that they have decided to reprogram some items in connection with these 81 projects, and then they are going to submit a request for the reprogramming, because you have got money coming out of your eardrums over there right now.

Dr. CHEATHAM. If you are talking of procedures that I don't have intimate knowledge of, let me make sure my statement is without confusion.

I understand the emergency funds have not been released to the Department of Defense; that is, the appropriation to spend it. That is what I am waiting for.

Mr. BLANDFORD. That is the appropriations act of the past. That is just a bookkeeping operation, somewhere in the Bureau of the Budget. In other words, it hasn't been apportioned to you, I guess, is what you are talking about?

Dr. CHEATHAM. That is right.

Mr. BLANDFORD. That is not our fault.

Dr. CHEATHAM. All right, then, it is not your fault.

Mr. GUBSER. That is not in the President's supplemental?

Mr. BLANDFORD. Not to my knowledge.

The President signed the other day the \$1.7 billion, to be spent any way they see fit.

Mr. PIKE. All of these items that you really specified as having priority and emphasis were included in that 81?

Dr. CHEATHAM. The ones that are in the 81, the ones I felt could not wait until January for the next supplemental request.

Mr. PIKE. The reason I pursue this, Dr. Cheatham, is that your statement, on the face of it is so very encouraging. Then when we get down to the guts of it, we find that there hasn't been anything done, any go-ahead on the COIN/LARA, that the 81 items you requested emergency funding for in the first 2 weeks in August you don't have your money for. It does seem to me that once again the pressure just plain is not there to push these things as fast as they ought to be pushed.

Mr. BLANDFORD. Mr. Chairman, may I ask Dr. Cheatham to furnish for the record, if it is possible, a breakdown of what these 81 items are, or at least those items that are applicable to this inquiry, into close air support, and explain any funding difficulties that he has?

Dr. CHEATHAM. Yes, sir.

Mr. BLANDFORD. I frankly would like to know if you are having funding difficulties, where the stumbling block is, because I suspect it is just the fact of somebody's failure to sign a letter, to ask for re-programming, or they haven't been apportioned, but certainly not here.

Dr. CHEATHAM. Yes, sir.

(The information requested is classified and is in the files of the subcommittee.)

Mr. PIKE. Dr. Cheatham, you indicate that you would also like to see—I believe I got this from your earlier testimony—instead of one airplane generalized for, say, air-to-air and air-to-ground and close air support, you would like to see a single plane specialize in close air support. Is that a fair statement of your personal views?

Dr. CHEATHAM. Yes, and in fact I can expand on it, to make a general statement.

My feelings are quite strongly that we need the best in air-to-air. We need the best in air-to-ground. And then I would like to have a predominant third group of airplanes which are dual purpose, so I can throw them to either side of the battle as a function of time and place and phase of the battle, as they would be needed.

Mr. PIKE. In other words, you would have a specific air-to-air superiority plane. You would have a specific close air support aircraft. And then you would have a third aircraft——

Dr. CHEATHAM. Third class of aircraft.

Mr. PIKE. Third class of aircraft, let's say, capable of fighting either way, fighting its way in for close air support, under air opposition conditions; is that right?

Dr. CHEATHAM. Yes, sir. I just think it is a logical way to attack it.

Mr. WILSON. On that third point, doesn't your third class of aircraft really take over the area now occupied by helicopters and your observation aircraft? Doesn't that cover both?

Dr. CHEATHAM. I don't replace them. I am a very strong supporter for helicopters, and I don't think I do away with all my observation airplanes.

Mr. WILSON. But essentially, isn't your third class of aircraft to provide some of the functions of the helicopters, such as troop movement, observation, targeting, various things of that type?

Dr. CHEATHAM. When I think of a close support airplane, I think of it as a fixed-wing airplane. When you add some of the characteristics of the helicopter, then you take me over into another theater, and then I like to slice it differently.

Within these areas I have specialized requirements. I am not talking about three airplanes, and I hope the committee doesn't take it that way.

All I am saying is I can't afford to lose the air battle. I can't afford not to mop up the end game, and in between I need an efficient backup, you see, because I think technology can produce the dual. But anytime you do a dual, there is always a bit of compromise, and I don't want to compromise at these two important extremes.

Mr. BLANDFORD. Are you talking about a supersonic STOL aircraft as the third class?

Dr. CHEATHAM. Not right now.

Mr. BLANDFORD. Is this what you have envisioned as a follow-on for COIN/LARA, at some future date, in 1980 or the late 1970's?

Dr. CHEATHAM. Not necessarily, sir.

My feelings are not that fixed. I will still want to go back to the fact that this is a very flexible game. I play it to my best knowledge; I will forecast it as best I can for 5 years, but I want to change it the next year if the game didn't come out that way.

Mr. BLANDFORD. Would it be possible to conclude that the F-5 squadron which you are sending to South Vietnam for testing, that no decision will be made on COIN/LARA until the F-5 has been thoroughly tested?

Dr. CHEATHAM. No, sir. Absolutely not.

Mr. BLANDFORD. Is there any relationship between the study and the F-5 study?

Dr. CHEATHAM. No, sir. In fact, may I please clarify that, because I would like to be understood on this point very clearly.

My reason for supporting the F-5, the test program, relates as much to its possible use in that area as it does to the fact that I am concerned with regard to my responsibilities for providing insurance for readiness, in case we suddenly need a lot of airplanes. I feel that modification test and evaluation of the best I could produce next year, or when the gong is rung, resides with me today. Therefore, I want to see an F-5 improved, I want to see the F-5 pushed as far as I can have knowledge of the test data on it. I would like to see the F-104 in terms of the CL-901 configuration, et cetera, down the line.

If somebody asked me suddenly what is the best airplane I can produce in a hurry, I have an answer. I just feel that is an obligation of R.D. & E. to do that.

Now, with regard to the question of the F-5, in that sense, it is not a competitor in my mind, at all.

Mr. BLANDFORD. I just wanted to make sure that we understood that the AAFSS program, or the F-5 testing, or the X-V5 testing or any of these is not in your opinion a roadblock with respect to a decision to go ahead with the COIN/LARA program.

Dr. CHEATHAM. I would get most discouraged if it ever were.

Mr. PIKE. I won't ask you whether you have gotten discouraged already on the length of time it has taken to get this decision. All I can say is that I might have been, in your position.

Dr. Cheatham, when you look down the road for close air support, you envisage, in place of the O-1, which was an Army aircraft, then, and the A-1, which was a Navy aircraft, you envisage a COIN/LARA, which was essentially a Marine Corps aircraft, and as your attack plane, either an A-6 or an A-7A. Who developed the A-6A and A-7A?

Dr. CHEATHAM. These are Navy planes.

Mr. PIKE. Would it be a fair statement to make that in your opinion the Air Force has not indicated—I am going to withdraw the word "indicate," and substitute, the Air Force has not demonstrated a sufficient interest in close air support to take care of problems which we encounter in guerrilla-type warfare?

Dr. CHEATHAM. Mr. Chairman, I would like to answer that. I have tried to address myself, I think, to that problem a little bit in my opening statement.

I think there is a very justifiable and recognizable lack of concentrated attention on that in recent years in the sense of maybe going back 10, because they had a unique job which none of the other services had, which was the strategic posture.

It is very reasonable that the Navy, having the role of applying roll-back techniques, in support of the landing of the Marines on the beaches, and so forth, would have tended toward an attack type airplane.

All I can say is "Thank goodness, that was so for the country."

In the meantime—and I think within the last year—there has been a very strong increase in the Air Force's interest and attention to this problem. It has to grow, of course, you know, through the organization.

Mr. PIKE. In the context in which we find ourselves in Vietnam, wouldn't you be rather horrified if there hadn't been an increased interest in the Air Force?

Dr. CHEATHAM. Yes, sir; that would be horrifying. I am not at the moment horrified by the Air Force attitude. They are a strong supporter of the COIN/LARA. In fact, they are asking for the first [deleted]. They would like to get it before the Marines.

Mr. PIKE. Who is asking for the next [deleted].

Dr. CHEATHAM. Between the Marines and the Air Force, we have a pretty bona fide requirement for the first [deleted] which is what I was working toward.

Mr. WILSON. On that point, the initial requirement for COIN/LARA, when it was called COIN, was what, do you recall? How many planes did the Marine Corps say they wanted; how many could the Navy use; how many the Army said they could use?

Dr. CHEATHAM. The Marine Corps has always had a very firm requirement for [deleted] immediately. That has stayed with them for all time.

The Air Force requirement, I think, probably came next in terms of firmness of numbers.

Navy and Army probably are less firm, although they are now getting firmer.

Mr. WILSON. What is the total requirement as of now?

Dr. CHEATHAM. Well, a requirement has been passed through to the Joint Chiefs that would total up to about [delete] if you include MAP requirements. After this has been thoroughly screened, you come up with a requirement of about [delete] which, in my opinion, is very firm.

Mr. PIKE. Mr. Blandford.

Mr. BLANDFORD. I just want to read one thing, Dr. Cheatham, and this is what we asked Dr. Agan about the other day. Let me read a report from Aviation Daily. I want to know if this is a basically correct analysis of the symposium that was conducted out in Beverly Hills:

Air Force Maj. Gen. Arthur C. Agan, Jr., said several new aircraft are needed for the tactical inventory, including a light attack and utility aircraft for low-scale limited war. Existing aircraft are being examined for this as well as the COIN competitors. Agan said there is a need now for a new fighter-bomber, smaller than the F-111, for close air support and air superiority.

This would seem to imply there is some issue between a single weapon, a single mission aircraft, as proposed by the Marine Corps, LARA, and a several-mission aircraft, apparently proposed by the Air Force.

Now, is this correct or incorrect?

Dr. CHEATHAM. The statement as you read it there, I think, is a fairly accurate reporting of what was said there,

Mr. BLANDFORD. Isn't COIN/LARA a single mission aircraft in that sense of the word?

Dr. CHEATHAM. No, COIN/LARA—well, this is semantics, but I tend myself to look at the COIN/LARA as having multipurposes, and functions, that it can perform. But down very definitely in the counterinsurgency limited war region; it is specialized for that, specialized for the requirement, but it does do multiple functions.

In fact, we tried to build into it as many as we could. The ability to carry six paratroopers, to be able to carry litter patients, perform police functions, as well as to be able to do light attack. But we have kind of insisted that this function not be perverted in any way. It is still a little, tough airplane, and it is going to be able to deliver a pretty good munitions payload.

Mr. BLANDFORD. So is this why the decision has not been reached to produce the COIN/LARA aircraft?

Dr. CHEATHAM. It is not attributable to the Air Force.

Mr. BLANDFORD. I don't mean to imply the Air Force is the road-block, but is it this type of thinking, or are these types of questions being asked in OSD, that have led to—

Dr. CHEATHAM. No; I think the questions that are being examined and studied are more in the terms of cost effectiveness of alternatives; I mean whether this airplane can in fact replace O-1's, whether I can phase these out, get them paid for, and so forth. It is pretty much, I think, a systems-analysis/cost-effectiveness type of study, and not one of requirements or needs.

Mr. PIKE. I believe we can easily elicit from your statement your personal belief that the cost effectiveness is not the answer to the problem of close air support.

Dr. CHEATHAM. It is not certainly the total answer; no, sir.

Mr. PIKE. Dr. Cheatham, we have been giving you kind of a rough time here. I want to conclude your testimony. I may have to drag this out of you, but I would like the members of the subcommittee to hear what your shop has done in regard to the problem of tactics in relation to SAM missiles and the results that have been achieved thereby.

Dr. CHEATHAM. [Deleted.]

So I conclude that we at the moment are staying abreast of them, anyway.

Mr. PIKE. I just wanted to conclude with that one thing, which I was aware of. I think it is a really tremendous achievement, Dr. Cheatham. I think you deserve all the credit in the world, not only for this concrete result, but for your whole approach to the problem, which demonstrates conclusively that you know both the uses and the limitations of the computer.

Mr. BLANDFORD. Mr. Chairman, I believe General Schriever can be here on the 14th of October, Thursday the 14th.

Mr. PIKE. That being the case, this committee has no further business until the 14th of October, which is 1 week from tomorrow.

Mr. WILSON. We discussed the possibility—

Dr. CHEATHAM. I had a note here that I forgot to read you. Col. Coons did get the average fly-away cost of the B-52, which is \$9.1 million.

Mr. ICHORD. Mr. Chairman, a question on that.

I was surprised to learn the cost per ton on the A-1 was more than the F-100 [deleted] per ton on the A-1 and \$2,900 on the F-100. Those were the figures that I heard.

Of course, the A-1 costs less. I think the fuel cost would be less. What accounts for the reason that the cost of the F-100 is more?

Mr. BLANDFORD. Increased attrition.

Mr. ICHORD. Increased attrition?

Dr. CHEATHAM. That is probably the answer.

Mr. PIKE. I don't believe the fuel does cost less for the A-1. You are using higher octane stuff with the jets.

Mr. BLANDFORD. You throw the loss of one aircraft in here, and you raise your per-ton cost considerably.

Dr. CHEATHAM. You see, the impact of attrition, it might be of interest to the committee that in general you move that same airplane from South Vietnam to North Vietnam, the cost goes anywhere from 2 to 3 times. You can have typical figures—we are talking about the A-1 [deleted] and it will jump up to [deleted].

Mr. BLANDFORD. Due principally to what?

Dr. CHEATHAM. Attrition.

So you have a much more—you have a reasonably high attrition rate.

Mr. BLANDFORD. I see.

Mr. PIKE. Thank you very much, Dr. Cheatham.

(Whereupon, at 12:15 p.m. the subcommittee was adjourned.)

HOUSE OF REPRESENTATIVES,
SPECIAL SUBCOMMITTEE ON TACTICAL AIR SUPPORT
OF THE COMMITTEE ON ARMED SERVICES,
Washington, D.C., Thursday, October 14, 1965.

The subcommittee met, pursuant to call, at 10 a.m. in room 2216, Rayburn Building, Hon. Otis G. Pike (chairman of the subcommittee) presiding.

Mr. PIKE. We are both pleased, proud and privileged to have as our witness this morning General Schriever, whose exploits and accomplishments are known to the country. Some of us who have had the opportunity to get to know him personally are not only aware of his accomplishments, but are also aware of his dedication and the pleasant and unassuming manner with which he has conducted himself, in spite of the fact that he might well have been taking bows in all directions for a long time.

(The biographical sketch of Gen. Bernard A. Schriever is as follows:)

BIOGRAPHICAL SKETCH OF GENERAL BERNARD A. SCHRIEVER

Gen. Bernard Adolph Schriever is commander of the Air Force Systems Command. AFSC is responsible for research, development, procurement, and production actions required to place complete aerospace systems in operation.

General Schriever was born in Bremen, Germany, on September 14, 1910. His parents migrated to the United States in 1917 and he became a naturalized citizen in 1923. He received his early schooling in San Antonio, Tex., and was graduated from Texas A. & M. in 1931 with a bachelor of science degree.

General Schriever's military career began in 1931 when he accepted a reserve appointment in the field artillery after graduation from Texas A. & M.

Entering flight training at Randolph Field, Tex., in June 1932, he earned his wings and commission as a second lieutenant in the Air Corps Reserve in June 1933 at Kelly Field, Tex.

First assigned as a bomber pilot at March Field, Calif., General Schriever later was stationed at Hamilton Field, Calif., and Albrook Field, C.Z. In September 1937 he reverted to inactive reserve status and accepted a position as commercial airline pilot.

Reentering the service as a second lieutenant in the Regular Army in October 1938, General Schriever was assigned to the 7th Bomb Group, Hamilton Field, Calif. A year later he was assigned as test pilot at Wright Field, Ohio. While at Wright Field he attended the Air Corps Engineering School, specializing in aeronautical engineering subjects and was graduated in September 1941. He then entered Stanford University, Palo Alto, Calif., to pursue an advanced course in aeronautical engineering and in June 1942 was awarded a master's degree in mechanical engineering (aeronautical).

In July 1942 General Schriever joined the 19th Bomb Group in the Southwest Pacific. While in that theater he participated in the Bismarck Archipelago, Leyte, Luzon, Papua, North Solomons, South Philippines, and Ryukyu campaigns.

In October 1942 General Schriever became Chief, Maintenance and Engineering Division, and later Chief of Staff, 5th Air Force Service Command. In September 1944 he assumed command of the advanced headquarters, Far East Air Service Command, which supported theater operations from bases in Hollandia, New Guinea, Leyte, Manila, and Okinawa.

PERSONAL FACT SHEET

(a) *Personal data*

1. Born September 14, 1910, Bremen, Germany; father—Adolph Schriever (deceased); mother—Elizabeth Schriever (deceased).
2. Married January 3, 1938; wife—Dora Brett Schriever; children—Brett Arnold, Dodie Elizabeth (wife of Capt. T. G. Moeller), and Barbara Alice.
3. Hometown address: San Antonio, Tex.

(b) *Education*

1. Texas A. & M., Texas, 1931.
2. Stanford University, California, 1942.
3. Primary Flying School, Randolph Field, Tex., 1932.
4. Advanced Flying School, Kelly Field, Tex., 1933.
5. Air Corps Engineer School, 1941.
6. National War College, 1950.

(c) *Service*

1. November 1931 to June 1932: Field Artillery, Organized Reserve Corps.
2. June 1932 to June 1933: Flying Cadet Randolph and Kelly Fields, Tex.
3. July 1933 to September 1938; Air Reserves—two extended active-duty tours and five short tours of active duty.
4. October 1938 to October 1939; Regular Army assigned to 7th Bomb Group, 9th Bomb Squadron, Hamilton Field, Calif.
5. October 1939 to September 1941; test pilot, Assistant Operations Officer, and also attended the Air Corps Engineering School, Wright Field, Ohio.
6. September 1941 to June 1942; student, Stanford University, California.
7. July 1942 to October 1942; joined the 19th Bomb Group in the Southwest Pacific.
8. October 1942 to August 1943; Chief, Maintenance and Engineering Division, 5th Air Force Service Command.
9. August 1943 to June 1944; Chief of Staff, 5th Air Force Service Command.
10. June 1944 to August 1944; Chief of Staff, Headquarters Far East Air Service Command.
11. September 1944 to January 1946; commanding officer, Advanced Headquarters, Far East Air Service Command.
12. January 1946 to August 1949; Chief, Scientific Liaison Branch, Deputy Chief of Staff, Materiel.

13. August 1949 to June 1950; student, National War College, Washington, D.C.
 14. July 1950 to December 1950; Deputy Assistant for Evaluation, Deputy Chief of Staff, Development, Headquarters, USAF, Washington, D.C.
 15. January 1951 to May 1954; Assistant for Development Planning, DCS/D, Headquarters USAF.
 16. June 1954 to August 1954; Assistant to the Commander, Headquarters Air Research and Development Command, Baltimore, Md.
 17. July 1954 to May 1957; Assistant to Commander, ARDC with additional duty as Commander, Air Force Western Development Division, Inglewood, Calif.
 18. June 1957 to February 1958; Commander, Air Ballistic Missiles Division, Inglewood, Calif. (WDD changed to BMD 1 June 1957).
 19. February 1958 to April 1959; Deputy Commander for Ballistics Missiles, ARDC.
 20. April 1959 to March 1961; Commander, Headquarters ARDC, Andrews Air Force Base, Md.
 21. April 1961 to present; Commander, Air Force Systems Command, Andrews Air Force Base, Md.

(4) *Decorations, service medals, and awards*

Distinguished Service Medal with Oak Leaf Clusters	American Defense Service Medal
Légion of Merit	American Campaign Medal
Air Medal	Asiatic-Pacific Campaign Medal
Purple Heart	National Defense Service Medal
Distinguished Unit Citation with two Oak Leaf Clusters	Air Force Longevity Service Award with one Silver Oak Leaf Cluster
	Philippine Liberation Ribbon

(c) *Effective dates of promotions*

Rank	Temporary	Permanent
Second Lieutenant	Nov. 28, 1931	Oct. 1, 1938
First Lieutenant	Mar. 27, 1935	Oct. 3, 1941
Captain	Apr. 15, 1942	
Major	July 16, 1942	Aug. 5, 1943
Lieutenant colonel	Mar. 2, 1943	July 2, 1948
Colonel	Dec. 21, 1943	July 23, 1952
Brigadier general	June 23, 1953	Oct. 24, 1956
Major general	Dec. 13, 1955	Nov. 20, 1958
Lieutenant general	Apr. 25, 1959	
General	July 1, 1961	

Mr. PIKE. General Schriever, it is always a pleasure to see you, and we certainly welcome you here this morning.

General SCHRIEVER. Thank you, Mr. Chairman.

Mr. PIKE. You may proceed with your statement.

General SCHRIEVER. Yes, sir.

STATEMENT OF GEN. BERNARD A. SCHRIEVER, U.S. AIR FORCE

I might say that I am very happy to be called before the committee, since the systems command represents a very large amount of the Air Forces, particularly with respect to the future. It is a pleasure to be here.

Mr. Chairman, the Air Force Systems Command has built up a lot of momentum in support of tactical warfare that I think you will find pertinent to your investigation.

First, I have a few words on my view of limited war and our tactical air operations in South Vietnam—particularly from the R. & D. viewpoint. Then I will cover in some detail the main operational problems in close air support in South Vietnam. These main operational problems are also our main areas of development activity. I'll

discuss the problems of detecting and identifying targets, the command and control and communications problems in calling for fire support, the tactical fighter delivery systems, munitions and logistics support. I'll discuss these main areas and indicate to you some of the development activities we have underway to improve our operations. I'll try to indicate which are quick reaction efforts using the southeast Asia priority, which are interim efforts between 1 and 5 years from now and then indicate some of the larger next generation efforts applicable in 1971 and beyond.

The most difficult thing about supporting limited wars is the wide variety of operational situations. Limited wars include the entire spectrum of conflict intensity [deleted].

Similarly, if you look at the potential locations in the world for which we must plan limited war operations, there is extreme variability in the climate and geography that we must cope with. Perhaps most important of all is the wide variety of sociological and political influences on military operations in all limited war.

The war in South Vietnam is called by many people a counter-insurgency or COIN operation. You will recall that several years ago the nature of the conflict was much lower in intensity and then presented quite a different problem to air power than today. Further down the spectrum are situations like the recent Dominican Republic and in many African and Latin American countries there are situations that are often nearly imperceptible. These too deserve important attention with the idea of preventing the counterinsurgency operation from developing into the shooting stage. Of course you also recognize that there is a lot of the limited war spectrum on the higher side than that today in South Vietnam. There are the demands for interdiction of enemy installations and supply routes, and the necessity to deal with ground defenses such as in North Vietnam now. Beyond this is the need for an effective capability to do air battle if the enemy should engage in a contest for air superiority. All of this spectrum is possible within the realm of nonnuclear war.

Our problem in R. & D. is twofold. We must be sensitive and quick to serve current operational needs while still keeping good perspective across the total spectrum of limited war. We must provide a technological base sufficiently mature that we can quickly adapt the technology needed for rapid production of hardware to meet any situation.

As we all know, our national policy has stressed the maintenance of our deterrent forces. This has been and continues to be sound. Our capability to survive a thermonuclear attack and strike back with sufficient force that the enemy no longer constitutes a viable society is so enormously important that if we were to lose this capability our existence as a Nation would be in grave danger. Our efforts in limited war were given lower priority during the fifties, however, in recent years and as of now, limited war is enjoying equal priority. The sustained emphasis on limited war since late 1961 from top national levels has built up a momentum of support which should be maintained in technology without transient diversion.

Of course, South Vietnam is of extreme importance now for several reasons. One is that we are in direct active combat there but another is that our forces, tactics, and equipment may not be tailored for maximum effectiveness against the tactics of the Vietcong and his use of his particular climate and terrain.

Today's limited war demands for technology stem from two things in particular. First is the wider spectrum of situations we must deal with that I have already mentioned. Second is the increase in surface-to-air defenses. Between the days of Korea and now, ground forces have invested much in a capability for surface-to-air defenses to cope with the decisive impact that airpower can have on a ground campaign. When you couple the increased vulnerability to surface-to-air defenses with the rising costs of military hardware, it is imperative that every sortie represent the very best in combat effectiveness and efficiency.

During Gold Fire exercises last year, the Air Force put forth quite an effort to demonstrate its capability to support strike command in joint tactical operations. In preparation for these exercises, the Tactical Air Command quickly recognized some very important needs for improved hardware and technology. Air Force Systems Command teamed up with TAC on a long list of quick reaction projects to provide the best possible tactical capability. Several impressive demonstrations of new technology were made in areas of real time reconnaissance, airborne command posts, and tactical airlift aerial delivery.

Turning now to our operation in South Vietnam, our mission is largely close air support to the ground forces. The close air support job is more difficult than usual by old standards and it compounds the problems of target detection, communications for fire support, and response time. Ground forces are in much wider dispersed deployments and in relatively small units compared to past experience such as Korea. In previous operations, we knew that close support targets would materialize along a fairly well known line of contact with the enemy. We could position our forward air controllers with those ground forces in contact with the enemy, set up our communications and deploy our fighters with some confidence that our posture would be very close to maximum responsiveness in close air support. In South Vietnam these days, ground contacts occur in an unpredictable pattern over a wide area. This limits considerably our ability to be ideally positioned with the elements critical to close air support. In many instances, we find that tactical flexibility isn't sufficient to cope with basic facts such as these about the battle situation. We therefore, have placed emphasis on technology to achieve significant improvement in some of our essential operations. I will proceed now to discuss some of the more pressing problems and describe our responses as examples of what I mean.

First, the target detection problem. To blunt some of the Vietcong initiative in springing up anywhere, we try to locate him first. But, finding troop-sized targets under foliage and jungle concealment is a tough assignment. [Deleted.] We have gotten our forward air controllers airborne especially for better local visual reconnaissance in nonjungle areas. We have a quick reaction effort to provide the forward air controller stabilized optics to assist him in visual target detection. For jungle terrain, we turned to exploration of technology that could be adaptable to the situation. [Deleted.]

It has aided in correlating with intelligence reports and in pinpointing Vietcong locations. We are continuing to improve the detection capability [Deleted]. Another quick reaction program has been

operational in South Vietnam for some time. To assist in detecting ambushes along transport routes, we equipped C-123's and later C-130's with defoliant spray tanks that have seen much use. [Deleted.]

Once a target in South Vietnam is found by any means, one of the big problems is to establish its location so the strike fighter pilot can find it. In such undeveloped areas, there are all too few identifying features for reference in target location. We could make valuable use of an accurate position reference system for common use by ground forces, reconnaissance, forward air controllers, and fighters. [Deleted.]

It will be particularly suited for use in South Vietnam and has promise of increasing our responsiveness measurably at night and in bad weather.

Also in the target positioning and communications area, there are other examples of technology payoffs in smaller but important ways. The forward air controller is a keyman in coordinating close support fire and he must be at least as mobile as his associated ground units and sometimes more so. In the very forward area, he is least conspicuous if he leaves his jeep concealed a few hundred feet to the rear and proceeds on foot. The weight and communications capacity of his man-pack radios have needed improvement. Solid-state miniaturized electronic technology developed over the very recent years has enabled us to proceed directly to develop communications sets that are truly and easily man-portable. We have already delivered multimode man-pack radios to South Vietnam that cover VHF AM and FM in addition to UHF and HF. The total package weighs 48 pounds which represents a factor of 4 in improvement in communications and lightweight. We now have designs for a miniaturized UHF radio weighing only 6 pounds and for the interim period, we are continuing development of a still lighter weight multimode package.

Once the call for supporting air weapons is received, our problem is response time. This depends on our deployment, speed, and loitering time of fighter aircraft. Today, we have deficiencies in all of these. The A-1E is a 150- to 180-knot airplane that is too slow for adequate responsiveness except at very short distances. The F-100 is fast enough but is limited on loitering time. All our aircraft need too much runway to permit a shifting and dispersing deployment to improve responsiveness. I am convinced that we must increase the numbers and types of our tactical fighters if we are to effectively and efficiently perform the wide variety of fighter missions in limited war. In the conditions of air superiority as in South Vietnam now, we need an aircraft such as the LARA. Compared to the A-1E, it has much better short-field performance for easily shifting deployment and much better speed for covering distances. But I emphasize that its adequacy is limited to the permissive air environment where we have complete air superiority, and where distances and required payloads are modest. It carries enough payload for light close air support needs and this leads to the second type of aircraft that is to be designed primarily for close air support. We would want to retain the short-field deployment capability but increase the performance in both speed and firepower capability.

As I see it, these two types are needed in addition to the high-performance fighters needed for deep penetration of enemy territory and the air defense mission. The improved F-5 is representative of this

second type and as you know, we have a dozen of them [deleted]. Now for evaluation. Once the fighter arrives in the battle area, the next problem is to orient the fighter pilot and identify the target to him. Our current use of smoke rockets and flares leaves much to be desired. We have, in quick reaction development, several types of [deleted] target marking systems which will yield improvements. [Deleted.]

This leads to a discussion of our munitions program.

Since 1961 we have developed and introduced into South Vietnam a number of really significant advancements in nonnuclear weapons. Some of the close-support targets are hard and dug in and require large loads of heavy ordnance. However, many of the close-support targets are soft and dispersed for which an area weapon is much more suitable. One of our most valuable weapon achievements has been the dispenser-type munitions which distribute small bomblets over an area. Using these dispenser munitions, the Century series aircraft can cover an area [deleted]. We have also provided a dispenser munition for the A-1H which covers an area about [deleted]. Further development of dispenser munitions is continuing that will increase area coverage [deleted]. Another big improvement has been in the warhead for the 2.75-inch rocket. We have in production a new warhead which explodes on the surface using our new super-quick fuse and breaks up into [deleted] fragments, a [deleted] increase over the old warhead. For the interim period, we have a warhead employing [deleted].

It was evaluated in South Vietnam this summer and we are now in full production. Another weapon improvement that we are quite proud of was developed in-house. [Deleted.]

We have an extensive munitions development program that will provide continuing improvements over the near and interim period. We are working hard on several tactical air-to-surface missiles [deleted].

In the area of logistics, our problems are of two kinds. First is the airlift and resupply of deployed and dispersed ground forces in the midst of a primitive and hostile environment. The second problem is quite different. It concerns the logistics support of the flying units at their operating base.

In airlift and resupply, one main deficiency is inaccurate aerial deliveries in remote areas where the cargo cannot be recovered or may be captured by Vietcong. Another problem is vulnerability of the delivery aircraft. We have a number of quick reaction programs in test phase that measurably improve both accuracy and survivability. We have several methods of cargo extraction during a grass-level flyby. One method uses a cable and hook and another a parachute for cargo extraction. For smaller loads we are developing steerable parachutes that help survivability by a standoff delivery. Using ground beacon guidance for the steerable parachute, we are expecting accuracies of about 100 feet.

In the area of base support, we need to modernize support equipment such as shelters, vehicles, and power generators to be more deployable. We need to reduce size and weight of equipment for practical air mobility. We have a long list of item improvements in process. Some new lightweight aircraft maintenance shelters have been sent to South Vietnam and a number of improved items are scheduled for delivery over the near and interim periods.

My discussion so far has indicated the direct applications of advanced technology to current operations in South Vietnam. I think you'll agree that cumulatively R. & D. is importantly relevant in such wars. I would like now to discuss some of our long-term aspects.

Beyond our response to the hardware and technology needs of current operations, however, the Air Force has another important obligation that we all must understand and appreciate. We must maintain perspective and balance in our valuable technological commodity. We cannot take the easy route of narrowing our attention to only those immediately urgent problems. Even in the field of limited war, we must constantly recognize that the close air support operations of South Vietnam are not far in distance or time from considerably different circumstances in North Vietnam. Even in South Vietnam it is not inconceivable that air superiority could be contested. The Air Force must constantly seek the capability and flexibility to react to any situation any time. There will always arise some unforeseen and specialized needs for which we are not optimized. Here is the place where a broad and sustained technology program is of utmost importance. As I have previously indicated, available technology can furnish some hardware for an immediate capability and a readiness to proceed directly to development and production of operational equipment of maximum effectiveness. We are fully aware of the direct and important operational payoffs we can provide across the entire spectrum of COIN and limited war.

Beyond all the improvements that will become operational over the next 5 years, there remain some areas requiring additional effort. I'll mention several that were identified as long-term goals during the AFSC study called Project Forecast several years ago. We are working hard on the critical technology now for use as building blocks for the next generation tactical systems for the post-1970 period.

The first is a capability that bears on a whole range of problems such as target detection and location, communications, and command and control. It is the airborne warning and control system (AWACS). It will solve much of our low-altitude surveillance and communications problems and allow simultaneous observation of targets and friendly fighters and permit direct control of intercepts and ground strikes.

Another important capability needed for our tactical delivery aircraft is V/STOL. It permits dispersal and thus adds much to responsiveness and survivability of both our fighter and airlift aircraft. We have a comprehensive technology program in support of V/STOL. We are developing high-performance lift and cruise engines, V/STOL flight control, and such supporting items as rapid pad construction. In conjunction with the Federal Republic of Germany, we are planning development of a prototype V/STOL fighter for operational evaluation.

[Deleted.] Our navigation, computation, and displays are being improved, we have an advanced technology program in tactical avionics across the board that is aiming to produce a Mark II avionics package for a block change in the F-111A production [deleted]. Solid state microelectronics is being exploited to the maximum possible for important gains in size, weight, and reliability in addition to performance. This program includes work on radar homing and

warning [deleted] to increase our effectiveness against surface-to-air defenses beyond that now in work. We plan that this program will continue beyond the F-111 package to develop still more improvements for V/STOL fighters several years later.

When we consider the whole spectrum of tactical targets, we are having to engage in destruction of defended ground targets at too high a risk of attrition of our forces. We have the CBU dispenser munitions and the BULLPUP air-to-ground missile [deleted].

Sustained operation of tactical fighters inside the firing range of World War II type AAA and small arms is costly. Even a minimal exploitation of our air medium dictates that our altitude and mobility advantages should yield the benefits of a standoff delivery. We must first develop guidance technology as a prerequisite to practical and useful operational hardware. We have such a technology program underway but it takes time to develop the standoff guidance technology. Our current efforts are aimed at visual delivery from about [deleted] miles out from the target and a delivery accuracy of [deleted]. Beyond that we will continue with technology on guidance techniques [deleted].

Now I'd like to cover some of the organizational and management procedures we've set up in support of tactical warfare. Coming out of South Vietnam's experiences seems to be a growing recognition of the influence that R. & D. can have in such operations. Over the past several years, there have been so many needs for improved technology and hardware that a direct communications pipeline has been established between the Air Force Systems Command and the theater of operations in South Vietnam. We now have professional engineers in South Vietnam for on-the-site investigations and firsthand experience. Special management procedures have been established for processing southeast Asian requirements simultaneously by a number of supporting agencies. Quick reaction funding procedures have also been established to shortcut the redtape in getting action underway. Within the Air Force Systems Command we have established the Aeronautical Systems Division as the lead division for coordinating the entire command support of limited war and giving technical support to tactical air commands, tactical air warfare center, tactical air reconnaissance center, and special air warfare center.

I think we are likely to be engaged in various kinds of limited war for a long time. Since this kind of war is a very expensive operation, we must take adequate long-term measures to keep the cost down by driving hard for efficient capabilities in addition to effective ones. Since our problems and the alternative solutions are so numerous, we must do our best at planning and analysis to get good selectivity in our chosen goals. And of course, fundamental to all of this is the need for sustained momentum in an adequate technological base. That is one of the best investments in dollars and good people the Nation can make for its future security—in limited and other kinds of wars.

Mr. Chairman, I have here a paper on close air support and excerpts of combat evaluation of close air support effectiveness. The Secretary of the Air Force and the Chief of Staff have asked that I submit these to you for inclusion in the record.

Mr. PIKE. Without objection, they will be placed in the record right at this point.

(The documents previously referred to are as follows:)

U.S. ARMY,
MILITARY ASSISTANCE COMMAND, VIETNAM,
II CORPS ADVISORY GROUP,
APO U.S. Forces, 96295, February 28, 1965.

MACTN-IIC-SA.

Subject: Outstanding air support in the An Khe Valley operation.

Through: Commander, U.S. Military Assistance Command, Vietnam, APO U.S. Forces, 96243.

To: Commander, 2d Air Division, APO U.S. Forces, 96307.

1. In the month of February the nature of the counterinsurgency effort in the II Corps tactical zone has changed considerably. We have been faced with heavier concentrations of enemy forces. Actually, we welcome this change for it provides an excellent opportunity to exploit even further the outstanding air support which we are receiving. This is particularly true since the 2d Air Division has been permitted to add jet aircraft to our in-country support.

2. During the period February 21-23 we had several company size road security units heavily engaged along Highway 19 in the An Khe Valley. The combined operation which was executed on February 24, 1965 to extract two of these units is a typical example of truly outstanding air support. This operation would not have been possible without the integrated close air support of the B-57's from the 405th Tactical Wing, the F-100's from the 613th Tactical Fighter Squadron, and the A-1E's of the 602d Air Commando Squadron. The bombing and strafing by these aircraft suppressed heavy enemy ground and antiaircraft fire allowing helicopters of the 52d Aviation Battalion to make 3 lifts from Highway 19 and extract 220 officers and men who had been surrounded and would have otherwise been lost. This operation demonstrated the mutual support potential which can be called on to produce victory from what might become defeat under the unusual battle conditions in counterinsurgency.

3. The An Khe Valley operation provides a typical example of the fine air support we have been receiving in the II Corps tactical zone. May I extend our congratulations to you and the participating units of the 2d Air Division for a job exceedingly well done.

THEO C. MATAXIS,
Colonel, Infantry, Senior Adviser.

HEADQUARTERS, U.S. MILITARY ASSISTANCE COMMAND, VIETNAM,
APO San Francisco, 96243, March 3, 1965.

MACJOO-1st Ind-Serial No. 872

Subject: Outstanding air support in the An Khe Valley operation.

To: Commander, 2d Air Division, APO U.S. Forces, 96307.

The increased integration of U.S. airpower in the counterinsurgency campaign in South Vietnam has been a significant accomplishment. The air support provided by your command, as cited by the senior U.S. adviser of Army of Republic of Vietnam II Corps, is typical of the support rendered by the 2d Air Division throughout the area of operations. The AnKhe Valley operation on February 24, 1965, using aircraft from the 405th Tactical Wing, the 613th Tactical Fighter Squadron, and the 602d Air Commando Squadron reflects great credit on the 2d Air Division. I want to take this means of commending those personnel responsible for the outstanding air support which was rendered.

W. C. WESTMORELAND,
General, U.S. Army, Commanding.

CLOSE AIR SUPPORT (1965)

Definition.—Close air support is air action against hostile targets which are in close proximity to friendly forces and which requires detailed integration of each air mission with the fire and movement of those forces.

The Air Force and Army both recognize that close air support relates directly to the two other functions of tactical air operations—interdiction and counter-air. Recognition of this interrelationship is a product of joint training and battle experience in World War II, Korea, and the Republic of Vietnam (RVN);

it stems from the need to obtain maximum effectiveness from the mobile and concentrated firepower of aircraft.

The close air support function is designed to assist surface forces in the immediate battle area through the accurate and timely aerial delivery of firepower against selected targets. The destruction of these targets is intended to have an immediate impact on the battle in progress.

The close air support function includes two essential components:

(1) A responsive command and control system which will permit exploitation of the flexibility of airborne firepower and its integration with the fire and maneuver of the surface force.

(2) Air weapons systems capable of accurate and discriminate delivery of firepower on designated targets.

Application of this capability occurs within the framework of the unified command structure. We believe that unified strategic direction and unified command of combatant forces is the best way of integrating land, naval, and air forces into an efficient team. USAF combatant capabilities are allocated by JCS action to the operational command of the commander in the chief of one of the U.S. unified commands. The commander of a unified command may further allocate USAF squadrons to a subordinate unified or joint command. In such cases, broad allocation of tactical air support becomes the job of a commander whose responsibilities extend beyond any one service.

This commander may allocate the entire force for close air support or allocate only a portion to close support, using the remainder for other tasks which may be determined by priority. When the priorities are being established, the joint force commander can apply the entire effort to the support of a single operation or distribute the allocation to several operations. Decisions as to specific close air support targets and time on targets rest with the commander of the supported ground unit.

Responsiveness

Responsiveness is a primary criterion for measuring the usefulness of close air support. Support that is not timely cannot be useful.

Important to enhancing response in close air support operations is joint, coordinated preplanning. Operational experience in World War II, in Korea, and again in RVN reflects that joint planners have not always adequately preplanned close air support for known operations. Joint preplanning allows us to meet foreseeable needs, inevitably reduces response times and enhances the exploitation of available airpower assets.

Another significant factor is the command and control system which provides rapid and reliable control of close air support operations. Since the development of the first tactical air control system in World War II the system has been continuously improved by the use of better and more flexible communications equipment and procedures.

When we deployed our initial cadre of special air warfare (SAW) aircraft to RVN in 1961, we introduced a tactical air control system (TACS). The TACS was introduced to provide the communications link between the ground forces and the close air support capability. We attached air liaison officers and forward air controllers to every major United States and Vietnamese ground unit in direct contact with the enemy. The centralized control capability of the TACS has proven to be a vital ingredient in conducting the responsive close air support mission. The TACS represented the first control network to be introduced into southeast Asia. Today it provides an integrated control structure capable of responsive operational direction of the total air effort.

From 1957 until 1965, joint doctrine required the Army to provide the communications equipment and vehicles and operate the air request net. Joint and service studies of better ways of operating and subsequent tests by Strike Command in field exercises have resulted in a complete overhaul of the tactical air control system. As of July 1, 1965, the Air Force, in agreement with the Army, will provide the vehicles, communications equipment, forward air controllers, and operate the air request net. The system is designed to permit the fastest possible direct response to a ground unit requiring support. Upon request by the ground commander, an air strike is launched unless an intervening ground echelon vetoes the request. The TACS provides the command and control linkage to the close air support assets which have been dispersed throughout RVN. Strike aircraft are deployed to as many as [deleted] airfields as the battle situation requires.

[Deleted.] To reinforce the total capability for a flexible, responsive tactical strike system, a number of close air support aircraft are maintained on both air-

borne and ground alert. The numbers and types of aircraft on alert status vary according to expected operations, and provide a capability for rapid response to requests for immediate close air support. The improved TACS, the new air request net, and the recent deployments of first line tactical aircraft have significantly increased our capability to provide responsive and accurate close air support. Recent reports from COMUSMACV and U.S. Army officers in the field attest to the effectiveness of this increased capability.

Special air warfare capabilities

Since 1961, all of the services have devoted increased effort to the development of capabilities, optimized for operations in so-called wars of liberation. A small portion of the Air Force SAW force was deployed to the RVN as early as November 1961.

The nature of conflict like that in South Vietnam [deleted].

Our experience has shown that often the local situation precludes the introduction of "first line" aircraft and equipment, particularly in the early stages of counterinsurgency. Consequently, the SAW force used in Vietnam was equipped with selected, less sophisticated close air support aircraft to provide compatibility with the VNAF.

As an initial step to provide "nonfirst line" aircraft to RVN, the U.S. Air Force introduced a composite unit of modified T-28's and B-26's. As the tempo of activities increased, the U.S. Air Force recognized the need for additional close air support aircraft in RVN. We procured and modified A-1's because of additional firepower and because the aircraft assisted us in our training mission in South Vietnam as they expanded their A-1 force. In 1964, the U.S. Air Force was authorized to increase its SAW fighter force in Vietnam to two squadrons of A-1 aircraft.

Commencing in 1962, the Air Force initiated actions to expand and modernize the SAW force. In that year we proposed a force of 254 aircraft to be made up largely of types optimized for the SAW mission, but at that time the prevailing view was that old aircraft no longer needed for their original missions should be employed for this purpose. However, the SAW force, which is specifically designed for combating "wars of liberation," has grown since 1962 to a total authorized strength of nearly [deleted] aircraft. [Deleted.]

In order to provide for future improvements, the U.S. Air Force examined the light armed reconnaissance aircraft (LARA) as a close air support aircraft for counterinsurgency warfare. We have supported its procurement, in numbers up to [deleted], for various purposes. These include [deleted] to replace O-1's presently used by the airborne forward air controllers in South Vietnam. Others could partially replace the strike/recce aircraft of the SAW force and be used for transport/utility in the SAW force. The final number will be dependent on the outcome of performance, cost, and effectiveness comparisons.

We believe the LARA type will provide a suitable follow-on aircraft for many SAW close air support missions. Procurement of the LARA type by the Air Force will provide an aircraft to perform the two ground attack missions in a counterinsurgency environment. [Deleted.] If, however, our commitment to a conflict of this nature intensifies, as it has in Vietnam, the special air warfare force must be backstopped by the heavy firepower of the general-purpose tactical fighter force.

Tactical fighter aircraft for close air support

Historically, the development of tactical fighter aircraft for U.S. air forces has emphasized high performance and versatility. During World War II, aircraft such as the P-51 and P-47 provided the close air support and interdiction required by the ground forces, and also fought and won the air battle over Germany. During the Korean war, the F-80 and F-84, both high-performance aircraft, also became the workhorse close air support airplanes, and did an outstanding job.

In Vietnam today ground attack missions, both close air support and interdiction, are being flown interchangeably by U.S. Air Force A-1's, B-57's, and F-100's. None of these aircraft was designed with the Vietnamese war specifically in mind. Yet these aircraft are being used effectively—indeed decisively—in our national effort in Vietnam. [Deleted.] All of these aircraft have characteristics which lend themselves to the close air support task. Their speed permits faster response from strip alert bases or airborne combat air patrol. Their capability to carry heavy armament and ordnance loads provides the air-to-ground firepower so necessary to this mission.

Throughout its history, the Air Force has met two demanding criteria. First, we have been responsive to the needs of our national policy and its strategic direction. Second, we have configured our force structure to meet the credible threats of the international environment.

We have made a significant contribution to deterrence of high-level nonnuclear as well as nuclear conflict. We shall continue to have an increasing ability to deter higher levels of nonnuclear war as our tactical forces are modernized with the F-4 and the F-111. We have also recognized that insurgencies and low-level limited wars are the most difficult to deter, and we are therefore likely, indeed almost certain, to continue to be involved in them in the future. Because the probability of our waging such wars is so high, we are and have been moving to obtain not only aircraft, but sensors, ordnance, communications, and techniques specially suited for waging them.

For the near term we are working jointly with OSD officials to select an aircraft for direct support, at various levels of conflict, which could be procured from existing design. Versions of the CL-901, F-4, F-5, A-6, and A-7 are being examined.

Night and all-weather capability

Acquisition of night and inclement weather capabilities is now and has been a major Air Force objective for 25 years. In both World War II and Korea every effort was made to utilize technological advances to enhance around-the-clock operations.

The ability to operate at night and in adverse weather requires the precise mating of highly trained personnel, navigational aids, ordnance, and target acquisition equipment into a weapon system.

All of our current strike aircraft have the ability to navigate to a target area, penetrate and operate against point targets below an overcast. The Tactical Air Command has increased the night strike training of all its F-100 and F-4 squadrons. F-100's, B-57's, and A-1's have been conducting night attacks in South Vietnam with significant effects. [Deleted] effectiveness of these attacks has been enhanced by the use of cargo aircraft dropping flares. Often the mere appearance of flares has caused guerrillas to break off their attacks. [Deleted.]

In addition to these near-term fixes we have an active R. & D. program to develop sensors to improve the all-weather capability needed for close air support.

Summary

We have focused on two related issues—the U.S. Air Force capability to fight effectively in “wars of liberation” and the U.S. Air Force capability to provide close air support. We have dealt with these two issues in the context of the total U.S. Air Force capability for tactical air operations.

In the early 1960's, a new emphasis was given to preparing to fight counterinsurgency. Fundamental to our national approach to this problem has been a recognition that we would be responding to requests for help from beleaguered nations having limited resources and modest development.

In the forces we have utilized to train friendly forces for counterinsurgency and in some of our own operations, we necessarily turned to off-the-shelf aircraft like the A-1. Multipurpose aircraft in our inventory, such as the F-100, have an excellent capability to meet close air support criteria—and today this is being effectively demonstrated in South Vietnam.

Our close air support system is designed to meet the criterion of responsiveness. We shall meet the requirements of the future environments; first, by improving the tactical air control system and, second, by procuring more effective aircraft.

In respect to aircraft, the Air Force wants a LARA type aircraft for counterinsurgency operational tasks. The Air Force also wants an aircraft with greater capability than the LARA, designed primarily for close air support, to augment our capability to deal with wars at the level of intensity current in Vietnam and also with combat at higher intensity.

[Deleted.]

General SCHRIEVER. I have a short, 10-minute film. I hope you won't consider this a snow job, but pictures are worth a thousand words, or perhaps 10,000 words, and you will know we are working on the problem.

Mr. PIKE. We will not consider it a snow job if they are pictures of things you have, instead of things you hope to have some day.

General SCHRIEVER. We will try to keep it in proper perspective.

Mr. PIKE. The thing that concerns us is that time after time we are told what we are going to have "some day"—and "some day" never comes.

We have been told about vertical-take-off aircraft for as long as I have been on the committee. I have not seen any, at least enough for operational use. It has been experiments and experiments.

We would like very much to see the movie.

General SCHRIEVER. Thank you.

Colonel MARET. General Schriever has indicated the immediate, mid-range, and long-range programs within the Air Force Systems Command to enhance our operations. He has stressed, in particular, those aspects of our programs that have direct bearing on our involvement in southeast Asia. We would now like to show you, in a brief series of film clips, some of the systems he discussed and others which were not touched on, but which are the products of our research and development efforts to strengthen limited war capabilities. Many of the systems shown in these clips are presently fully operational in southeast Asia. Others are undergoing operational evaluation in the combat areas. Some are still under development and will add to our limited war capabilities in the near future.

The film covers, in sequence, logistics-supply systems, reconnaissance communications, command and control systems, and tactical air and munitions systems.

(Whereupon, a short film was shown, with the accompanying commentary by Lt. Col. Paul L. Maret, Headquarters Air Force Systems Command, as follows:)

6. *The C-130 with JATO.*—Eight JATO bottles give improved short field take-off performance for the C-130 with benefits similar to those for the C-123B. The aircraft takes off in less than 800 feet.

7. *Dust suppression.*—A substance called coherox, applied to unimproved surfaces reduces the amount of dust created by aircraft reversing propellers. This improvement in dust suppression reduces the amount of engine damage. It is possible to land aircraft at more frequent intervals instead of waiting for big dust clouds to dissipate. Dust clouds may help the enemy to pinpoint landing operations, and for this additional reason, need to be kept to a minimum.

8. *RF-4C.*—The RF-4C is a multisensor tactical reconnaissance airplane. The aircraft is equipped with the KA-56 camera. [Deleted] exposure with one shot.

9. *EIMSS (electronic image motion stabilization system).*—The electronic image motion stabilization system is a new technique to stop image motion induced by vibration or random motion. At present, the system is being applied to provide stabilizing binoculars for the forward air controllers. It will improve our visual reconnaissance. The stabilizing unit will have application to such equipment as motion picture, television, and reconnaissance cameras, and to sighting devices.

10. *Communications and reconnaissance.*—In 1964, Systems Command completed a communications link [deleted]. The system consists of a radio microwave, a submarine cable, and a troopscatter radio link.

11. *Airborne command post.*—[Deleted.]

12. *Control tower.*—Five transportable control towers should be operational in SEA by mid-1966.

13. *Manpack radios.*—The manpack radios increase the communications capability for forward command and control.

14. *Communications jeep.*—Also, 150 communications jeeps are being used in SEA to provide ground-to-air communications. They also link Army and Air Force controllers.

15. [Deleted.]

16. *"Charger" COIN A/C.*—Short field take-off and landing are a few of the capabilities of new counterinsurgency aircraft now being evaluated by the Air Force, Navy, and Army. Assets include a wide range of munition loads, aerial delivery, and utility transport capabilities. This is an example of a counterinsurgency aircraft which is being produced and evaluated at the present time. This aircraft can perform missions of reconnaissance, bombing, and strafing for close air support operations.

17. *HH-3E.*—Presently the CH-3C helicopter is being introduced into Vietnam as a rescue helicopter.

18. *F-100 Super-Sabre.*—The F-100 with the BULLPUP is designed to hit hard ground targets. This guided missile is controlled by the pilot after launch. [Deleted.]

19. *Mach 2 F-104G.*—The Mach 2 F-104G attacks ground targets with Vulcan cannons.

20. *F-104.*—The F-104 launches a SIDEWINDER heat-seeking missile against an aerial target. The missile homes on the Q-80 jet exhaust heat source.

21. *F-105 Thunderchief.*—The F-105 Thunderchief with an external bomb load delivers 16, 750-pound high explosive bombs.

22. *F-105.*—The F-105 is also equipped with the Vulcan cannon.

23. *LAU-3, 2.75 rocket launcher.*—The LAU-3 launcher on an F-100 fires 19 2.75 folding fin rockets in ripple fire.

24. *F-5.*—Although not in the Air Force inventory, operational evaluation of the F-5 starts [deleted] in Vietnam. Systems command has pushed development to get 12 of these aircraft into a combat role under control of the 2d Air Division.

25. *SUU-16 Gun Pod.*—The SUU-16 Gun Pod incorporates the M-61 Gatling Gun and a linkless feed system.

26. [Deleted.]

27, 28, 29. *Firebombs.*—Those are actual combat scenes of the effect of napalm delivery in Vietnam. A spotter plane directs the attacking plane against known targets.

30. *Station keeping equipment.*—To satisfy the need for formation flying in adverse weather, a radar station keeping system has been tested and evaluated. As a result, Air Force transport aircraft will have this equipment installed.

31. *B-52.*—The B-52 has been modified to drop conventional bombs. Iron bombs are dropped out of the bomb bay or from externally mounted racks. The aircraft have a capacity for about 50 750-pound bombs. The B-52's are operationally based at Guam.

32. [Deleted.]

33, 34. *CBU-2 antipersonnel and material munition.*—The CBU-2 is a dispenser munition which uses the standard dispenser to disperse antipersonnel/material bomblets. An F-105 is dispersing the bomblets. The CBU-2 is deployed in Vietnam.

35. [Deleted.]

36. *Qualification test of M-3 incendiary cluster with B-57.*—This was one of a series of munitions qualified for release and delivery from the B-57.

37. *Retarded bomb.*—This shows a retarded bomb being developed by the Air Force for low-level delivery. Then the fighter plane can escape prior to the detonation of the warhead.

Colonel MARET. As General Schriever pointed out, there is extreme variability in the climate and geography that we must cope with.

Our research and development efforts are not confined to conditions that apply to Vietnam alone. We are advancing our technologies for limited war under all possible conditions.

Thank you.

I must apologize for losing a loop on this projector. These were just made and clipped together last night.

Mr. PIKE. General Schriever, we certainly thank you for your most comprehensive testimony and the film, which certainly goes far beyond our particular concern and jurisdiction, which is limited to tactical air support.

How much does one JATO bottle cost?

General SCHRIEVER. The last time the Air Force bought JATO bottles was in 1962. At that time, the unit cost was \$187 each. Best estimate of present cost is \$240 each. AFLC is the purchaser of these items for the Air Force. The AFLC records do not show any usage rates or requirement to restock the items.

It requires eight JATO bottles to launch a C-130. After takeoff, the bottles are jettisoned. At the 1962 cost, this is about \$1,500 per launch. At the estimated 1965 cost, this is about \$1,900 per launch.

JATO is not presently proposed for augmenting C-123 takeoffs. Small jet engines are under consideration for this.

Mr. PIKE. Isn't using JATO tanks to get a plane off the ground an awful expensive way to get a plane off the ground?

General SCHRIEVER. It is certainly not the way we would like to do it.

Mr. PIKE. Where are our SHRIKE missiles? We have been hearing for a long time about our capability to use a SHRIKE missile against targets which emit radar impulses. Why haven't they been used against the SAM sites in Vietnam?

General SCHRIEVER. Design, development and production of the SHRIKE missile is under U.S. Navy control. The U.S. Air Force acquires the missiles and any other equipment or data common to both services by military interdepartmental purchase request.

[Deleted.]

Mr. PIKE. Can you tell us why it hasn't been successful?

General SCHRIEVER. No, sir; I cannot tell you exactly why.

Mr. PIKE. General Schriever, what is the Air Force's definition of "limited war?"

General SCHRIEVER. I don't know that we have an official definition, (The definition of "limited war" was supplied for the record, and is as follows:)

[Extract from Joint Chiefs of Staff Publication 1, Dictionary of United States Military Terms for Joint Usage (short title: JD), Dec. 1, 1964, p. 83]

EXTRACT

Limited war.—Armed conflict short of general war, exclusive of incidents, involving the overt engagement of the military forces of two or more nations.

This definition is identical with that shown on page 81, Air Force Manual 11-1, dated December 7, 1961.

Mr. PIKE. On page 2 of your statement you say, "In recent years and as of now, limited war is enjoying equal priority," and you refer to "priority" as pertaining to our efforts and national policies.

Can you tell us how much of the research and development funds of the Air Force have gone into planning for limited war, say since 1960, as compared with strategic war?

General SCHRIEVER. I don't have all those numbers here. I have them in my headquarters; yes, sir.

If you take the general war forces, which are your strategic forces, with quick recovery program, you will find there has been a very significant decrease in the amount of moneys that have gone into strategic warfare as compared to general purposes forces.

Mr. PIKE. I am sure with the accumulation of what has been considered to be an adequate nuclear missile deterrent there will be a relative decrease. But are you saying to us that the limited war funding is equal to the strategic war funding?

General SCHRIEVER. I would have to check the figures, because this would not only involve the Air Force but the other services as well.

Mr. PIKE. Well, I am talking only about the Air Force.

General SCHRIEVER. The general purposes forces, which includes the procurement of such aircraft as the F-4, for example, the development of the F-111, the airlift forces that support general purpose forces, like the C-141, I think actually—I have to check the figures—we are spending more money in this area now than for strategic forces.

Mr. PIKE. If you start to throw in the C-141 as a limited war procurement, I am sure I would have to agree. On the other hand, I am not sure that I would throw in the C-141 as a limited war procurement.

General SCHRIEVER. It is not solely limited war procurement, but we are using it to go to South Vietnam, now, so it certainly applies to limited war activities.

Mr. PIKE. And it also applies to strategic war activities.

General SCHRIEVER. That is true.

Mr. PIKE. Because it applies to both, it is a little unfair, I think, to throw it in on the side of limited war.

General SCHRIEVER. It is a little difficult—

Mr. PIKE. This is the reason I asked you to start with, for your definition of a "limited war." Were we talking about the same thing?

General SCHRIEVER. Well, I consider limited war—we have defined or attempted to define "counterinsurgency," which is the operation we were engaged in in South Vietnam prior to the active engagement of U.S. forces.

It is a limited war now, by definition, but this could, of course, escalate, and the war we are fighting as it pertains to North Vietnam is quite a bit different than it is in South Vietnam, for example. You have a variety of levels of intensity that can be applied to "limited war."

Mr. PIKE. Agreed.

Off the record.

(Remarks were directed off the record.)

Mr. PIKE. You say on page 4:

Our forces, tactic and equipment may not be tailored for maximum effectiveness against tactics of the Vietcong and his use of his particular climate and terrain.

Wouldn't it be accurate to say, rather than "may not," "are not"?

General SCHRIEVER. I wouldn't say they are not. I would say they are not optimum, and they are not optimum for several reasons. In some cases it is because technology doesn't provide us with an optimum system against some of these activities in South Vietnam.

Mr. PIKE. Technology never provides you with an optimum system for anything, does it? There are always new realms of technology.

The question is: Have we aimed our efforts and our technology at the type of situation that we have in a guerilla type of war?

General SCHRIEVER. No, I think it is fair to say that we have not aimed our capabilities specifically at that particular problem. We have not overlooked it as a problem.

Mr. PIKE. Well, General, you say that—now I go over to page 6—you say:

We have gotten our forward air controllers airborne especially for alert local visual reconnaissance in nonjungle areas.

You had your forward air controllers airborne in Korea, the Korean war, didn't you?

General SCHRIEVER. Perhaps General Ferguson can answer, he was in Korea.

General FERGUSON. Yes, Mr. Pike.

Mr. PIKE. Then there came a time when you lost the capacity or lost the equipment to keep your forward air controllers airborne, did you not, General Ferguson?

General FERGUSON. In 1953, after the Korean war, the Army and the Air Force agreed that the Army would provide communications in connection with close air support. This agreement continued in effect until this year. As a result of recently conducted joint field exercises, the Army and the Air Force decided that the Air Force would again provide these equipments. We are doing this now as stated, and formalized, in the September 1965 agreement. Previous testimony before this committee has indicated the equipments currently in place in Vietnam. These equipments include both the jeeps and the O-1E observation aircraft, both equipped with appropriate communications.

Mr. PIKE. In the business of getting your forward air controllers airborne, then, you have gone back to the situation that existed at the time of the Korean war?

General FERGUSON. Yes, sir, and further back than that, to World War II, in certain cases.

Mr. PIKE. Right.

You told us, General Schriever, at the bottom of page 9, here, after talking about the desirability for aircraft such as LARA, you say that it "leads to a second type of aircraft that is to be designed primarily for close air support."

Then on the next page you say, "The improved F-5 is representative of this second type."

Was the improved F-5 designed primarily for close air support?

General SCHRIEVER. No, sir. As you know, the F-5A is an evolution of the T-38 jet trainer. The intent behind the F-5A design was to provide a military assistance tactical fighter that would have pretty versatile capability to do interdiction, close air support and serve as a decent air-to-air fighter as well. Using that as a departure point, the further evolution into the improved F-5 was very definitely designed primarily to optimize its use in close air support.

Mr. PIKE. Do you have a plane that was designed primarily for close air support?

General SCHRIEVER. We have no plane that was primarily designed for close air support.

Mr. PIKE. Are you at the present time working on a plane designed primarily for close air support?

General SCHRIEVER. Do you mean planning, or actually working on it?

Mr. PIKE. Well, I mean—there are enough people in the Air Force so that I am sure someone is thinking about one, someplace. But are you actually working on a plane designed primarily for close air support?

General SCHRIEVER. Not working on a plane in the sense of bending metal but over the past year or so, the Air Force has been intensively studying the best characteristics that should be built into our new TAC

fighter types. As I mentioned, the improved F-5 we regard as representative of an interim airplane but the F-X is our main thrust of effort to get the best possible fighter to cope with our anticipated close support needs. In the Systems Command we have been studying the problem and conducting supporting technology for quite a long time.

Mr. PIKE. I think one of the reasons we are all here, General Schriever, is that there just hasn't been one. We have been working on it, and we have been thinking about it, but since World War II, I think it is fair to state that, the Air Force simply has not developed a plane designed primarily for close air support. Is that not a fair statement?

General SCHRIEVER. That is true.

Mr. PIKE. You say on page 10 that you have "another quick reaction program to get the best available [deleted] installed on the A-1E's to improve our night capability for visual strike."

Why on earth are you putting this new product on those old, old planes?

General SCHRIEVER. They are over there, and doing the job. We want to improve their capability.

Mr. PIKE. Don't you have other things over there that would be better?

General SCHRIEVER. We have the F-100 and the A-1E's. We could certainly put them on our higher performance airplanes, but they are not being used at the moment to any great extent in South Vietnam. They are being used in North Vietnam.

General FERGUSON. May I add to that, Chairman Pike, please? We are installing [deleted] into four or five A-1 aircraft. This type aircraft was selected because of its flying characteristics and the way our forces are using it now. We plan to install this type of equipment, along with the [deleted] in our 123's for test purposes in Vietnam.

As we refine and improve these devices, we will install them in higher performance or more optimum-designed aircraft.

Mr. PIKE. So you find yourself putting this on A-1E's, on the 123's [deleted].

How old are the A-1E's?

General FERGUSON. They are a product of World War II designs. The production of the A-1 series began about 20 years ago.

Mr. PIKE. Don't you really think—and I will throw this last nasty one at either one of you—that when you find yourself in the position that you are having to put your new [deleted] equipment on World War II A-1E's [deleted] you find yourself in a position where you really just plain don't have the equipment that you ought to have for this kind of warfare?

General SCHRIEVER. [Deleted.] And we actually established our special air warfare forces with this kind of equipment, starting back in about 1962 or 1963.

Mr. PIKE. [Deleted] you find you don't have the modern equipment to use, so you are having to do with the A-1's and the C-47's, isn't that true?

General SCHRIEVER. The answer there is that is true; that is right.

Mr. PIKE. That is all I have.

I apologize, General Schriever. I have to leave. I am going to ask Mr. Ichord to take over the committee. I have to go do something on the Senate side.

(Whereupon, Mr. Ichord assumed the chair.)

Mr. ICHORD. Mr. Chamberlain, do you have any questions?

Mr. CHAMBERLAIN. Yes, Mr. Chairman, I have a few questions I would like to ask.

Referring to your statement on page 9, General Schriever:

I am convinced that we must increase the numbers and types of our tactical fighters if we are to effectively and efficiently perform the wide variety of fighter missions in limited warfare.

I am quite impressed with that sentence. I am wondering if you could expand upon it a bit and tell us a little more about what you are getting at there?

General SCHRIEVER. Well, I can expand it very simply. I think we need an aircraft of the type that LARA represents. This aircraft, in a permissive air environment, can be very effective, and it has a multiplicity of missions that it can perform, including close air support. In a counterinsurgency environment, the other type aircraft is one of higher performance. It has an interim capability.

I would like to see a V/STOL capability here with a higher performance airplane that has the ability to conduct close air support operations and have also a certain amount of survivability in the event of enemy air attack.

I mentioned the F-5's as a representative aircraft. This aircraft is relatively cheap, it has good performance, it has high reliability, and it should be easy to maintain. This is the type of aircraft that I have in mind.

I think technology will permit that [deleted] this type of aircraft can be a V/STOL. We are not ready to lay such an aircraft down at the moment, that is why we are talking about an interim aircraft, such as the F-5 type. These are the two in addition to high-performance airplanes which are presently represented by the 105, the F-4, and then with the F-111 in development and soon to be in production.

Mr. CHAMBERLAIN. You have anticipated my followup question, which was going to be as to the degree of your urgency that you assign to this. What priorities, if any, do you attach to this?

General SCHRIEVER. I put a high degree of urgency to it.

Mr. CHAMBERLAIN. Is there anything that is impeding progress as far as the Congress is concerned? Do you have all the funds you need to push this as you feel it should be pushed?

General SCHRIEVER. There has to be a decision made for the production of the LARA, for example, and this is at the DOD level, not the Air Force.

Mr. CHAMBERLAIN. Are you more or less awaiting that decision to be made at the moment; are you ready to make that decision, or how far down the road is this?

General SCHRIEVER. I can't answer that. The Air Force has recommended that the procurement of these aircraft be made. I don't know—

Mr. CHAMBERLAIN. When, General?

General SCHRIEVER. Well, this was an air staff recommendation. I think the first recommendation came in 1962.

Is that right?

General FERGUSON. The Air Force made its recommendation on the LARA last month, September.

General SCHRIEVER. We are talking about the LARA now?

Mr. CHAMBERLAIN. Yes. Talking about the LARA.

General SCHRIEVER. That is right.

Mr. CHAMBERLAIN. Your testimony is that the first Air Force recommendation for this plane was made in 1962?

General SCHRIEVER. Is that right?

General FERGUSON. No; not for this particular airplane. The recommendation in 1962 was for an airplane to perform a close air support mission, not an airplane that was flying, but an airplane in the design phase optimized for ground attack.

Mr. CHAMBERLAIN. There was a requirement, and a need, and you wanted to fill that need, and that was the basis for your recommendation?

General FERGUSON. That is correct.

Mr. CHAMBERLAIN. Subsequent to that recommendation in 1962, then, how many additional recommendations have been made by the Air Force to meet this requirement?

General FERGUSON. Rather than develop a new aircraft in 1962—it was decided that airplanes of older vintage would be suitable for use in South Vietnam. These included the T-28, the B-26, and aircraft of that class.

In 1963, the Air Force also looked at modifications of certain trainer-type airplanes, such as the T-37. The Air Force investigated larger engines for the T-37 and other modifications to adapt it for ground attack. The T-28 was also proposed, with a new engine, to satisfy the ground attack requirement. We recommended against both these aircraft because of the expensive modifications involved and the relative small gain in capability.

At that point the Marines undertook what is known as the COIN airplane or light armed reconnaissance aircraft, LARA. There was no Air Force interest at that point because of the aircraft characteristics, as we understood them. But in the last year, as the development has progressed, the Air Force has developed considerable interest in this airplane. We went formally to the Secretary of Defense for [deleted] LARA-type airplanes.

Mr. CHAMBERLAIN. Has this been approved?

General FERGUSON. The program change proposal went to the Secretary.

Mr. CHAMBERLAIN. Suppose we get the green light, how long would it be before we would have our plane?

General FERGUSON. With normal development, the first airplanes would be available in [deleted].

Mr. CHAMBERLAIN. For testing or development?

General FERGUSON. There is one LARA flying now and two or three will be flying by January of next year. Under an accelerated development and production scheme, the first production airplanes could be available about [deleted]. I think we will be in a better position to judge the aircraft specifics in 60 to 90 days and freeze the design at that time. The airplane is flying now and providing data on performance.

Mr. CHAMBERLAIN. Thank you, General Ferguson.

On page 10 of your statement, General Schriever, in the middle of the page, you talk about the next problem, i.e.:

The next problem is to orient the fighter pilot and identify the target to him. Our current use of smoke rockets and flares leave much to be desired. We have in quick reaction development several types of [deleted] target-marking systems which will yield improvements. We have another quick reaction program to get the best available [deleted] installed on the A-1E's to improve our night capability for visual strike.

If our smoke and flares "leave much to be desired," and this is a problem we have, what are we talking about in terms of time frame? When are we going to be doing something about this? It doesn't seem to be very clear.

General SCHRIEVER. When I say "quick reaction," all of these are projects—and I might say we have over 125 of them, right now—in this particular category of being responsive to southeast Asia. [Deleted.] I cannot give you the exact time on these two, but I will furnish this for the record.

Mr. CHAMBERLAIN. I do think it would be well, because I think all the members of the committee, from my presence here and the questions that have been asked, realize that our smoke and flares do have their limitations, and if we have something better, I would like to have the feeling it is on the front burner and everything is turned all the way up.

General SCHRIEVER. I assure you every one of these quick-reaction items is on the front burner. I just don't have in mind the exact timing of all of them.

Mr. CHAMBERLAIN. We have nothing being deployed at the present time beyond our—

General SCHRIEVER. Well, this [deleted] as General Ferguson pointed out, is under test at the moment.

Mr. CHAMBERLAIN. I was going to ask the "when" question there, too, General. When?

General SCHRIEVER. I would like to furnish the exact time for the record.

Mr. CHAMBERLAIN. I think we would like to have it, General.

General SCHRIEVER. All right.

(The information requested is classified and is in the files of the subcommittee.)

General SCHRIEVER. In general I assure you, where I speak of quick reaction, these are the highest priority projects, and they are being pursued as rapidly as possible, as quickly as we can get them accomplished.

Mr. CHAMBERLAIN. General, the same page, page 10, the next sentence raises questions in my mind:

In the interim period, we expect to be able to use [deleted] to accurately designate ground targets for detection by the fighter pilot.

Could you expand on that sentence a little and tell us a little more about how this is being done? And, again, the "when" question here.

General SCHRIEVER. Again, I will have to furnish this for the record, on the exact time, but by definition to interim period is 18 months to 5 years, in that time frame.

(The following information was received for the record:)

This problem will be resolved incrementally. [Deleted.]

Mr. CHAMBERLAIN. How is this going to work? My knowledge of [deleted] is certainly somewhat limited, most limited. Could you explain to us how this is going to work here?

General SCHRIEVER. The way this works is that the [deleted].

Mr. CHAMBERLAIN. Where is the spotter?

General SCHRIEVER. It is on the ground.

Mr. CHAMBERLAIN. He must be remote.

General SCHRIEVER. He is remote, but, of course, he has to see the target. So whatever the visual——

Mr. CHAMBERLAIN. How far is he from the target?

General SCHRIEVER. He could be any distance that he can see it. And he would have to have a clear line of sight, [deleted].

Mr. CHAMBERLAIN. No obstruction at all?

General SCHRIEVER. No obstruction.

Mr. CHAMBERLAIN. So even with this we will have quite a few limitations, with this problem?

General SCHRIEVER. Oh, yes. This is just a limitation of this technology; yes.

Mr. CHAMBERLAIN. I don't mean to monopolize the time, Mr. Chairman.

Mr. ICHORD. That is all right.

Mr. CHAMBERLAIN. On the [deleted] here on page 11, you make reference to the new series of [deleted] weapons. I am pleased to hear of this new one that will [deleted] and that you are in full production at the present time. This is perhaps not in our close air support, but I am concerned about it. Is that new [deleted] deployed now?

General SCHRIEVER. Yes, sir; you saw it in the picture.

Mr. CHAMBERLAIN. Are we using it entirely at the present time?

General SCHRIEVER. I couldn't answer that.

Do you know?

General FERGUSON. No, I think we are just transitioning over to it.

Mr. CHAMBERLAIN. How long have we had the new [deleted] out there?

General FERGUSON. It arrived about 6 months ago. It is in production now as a [deleted].

Mr. CHAMBERLAIN. Is everything possible essentially being done to get in the new one there with dispatch?

General FERGUSON. The production rate is very good for this stage of the program. [Deleted.]

Mr. CHAMBERLAIN. I am amazed to find we are having to use something in one place while in another place we are using something that is [deleted]. I think it must be difficult for us to continue to operate out there with the old [deleted].

Thank you, Mr. Chairman.

Mr. ICHORD. General, you referred to the possibility of enemy contesting our air superiority in South Vietnam. Have we ever encountered any enemy aircraft, at all, in South Vietnam?

General SCHRIEVER. Not to my knowledge.

Do you know?

General FERGUSON. No, not to my knowledge.

Mr. ICHORD. I suppose you have in mind the possibility of the Chinese coming in?

General SCHRIEVER. Yes, sir.

Mr. ICHORD. On page 7 you referred to [deleted]. I am not familiar with just how that is going to operate. Could you elaborate on what you are going to do with [deleted] tell us how it operates?

General FERGUSON. May I answer that, Mr. Ichord?

Mr. ICHORD. Yes.

General FERGUSON. [Deleted.]

Mr. ICHORD. Mr. Nedzi.

Mr. NEDZI. I think I have just one question to ask you.

In response to Mr. Pike's question, General, as to whether the Air Force had under development any close air support planes, you said they did not?

General SCHRIEVER. I think that needs to be qualified. We do not have under development at the moment one that is primarily aimed at close air support. We have in the Systems Command and within the Air Force a number of exercises, studies, analyses, and so forth, going on in connection with a close air support aircraft specifically or primarily for that mission.

I think we need to go back a little in history. The Air Force, during World War II, evolved to the fighter-bomber philosophy the P-38, P-47's, P-51's. They were all used for close air support, as well as interdiction, as well as air superiority. And our aircraft, since World War II, the F-105, most of our fighter aircraft, have all had a close air support capability, but they were also designed for interdiction and air superiority.

So the reason I say we have not designed one primarily for close air support is that we went the route of a multipurpose aircraft. So we have a close air support capability, but not one primarily designed for that.

Mr. NEDZI. The primary purpose of my question was to elicit from you your judgment as to whether this is the way we should have proceeded, and whether there are areas in which we should accelerate with respect to the close-air-support plane, using hindsight, foresight or anything else.

General SCHRIEVER. There is also a matter of judgment, here. We, in the military, never feel that we have enough forces to do the job we are responsible for.

Mr. NEDZI. That is the purpose of my question.

General SCHRIEVER. Yes. I, for one, felt that because of the nature of the limited war with which we were faced, that we should develop an aircraft primarily for this mission.

On other other hand, I would not support such an aircraft at the expense of cutting down our force structure of high-performance airplanes, because we need those, too, as evidenced in North Vietnam today [deleted].

Mr. NEDZI. [Deleted.]

General SCHRIEVER. [Deleted.]

We have lost several airplanes to enemy aircraft, although that has not been a factor over there. I think we have only had two or three encounters in this area. But the automatic weapons, the surface-to-air missiles, have all increased the vulnerability and decreased the

survivability of our high-performance airplanes in such a situation as North Vietnam—and that is certainly not the most sophisticated situation that you could get into.

So we need the high-performance planes for that purpose in escalated limited war, certainly.

It has been a matter of judgment, here. I don't think people have been against designing an airplane primarily for close air support, but if we do that, it has been a question, are we going to have to take a cut in our force structure for the other aircraft, and here, I think, has really been the crux of the problem: There just simply are not unlimited forces.

Mr. NEDZI. Is it your position, then, that on balance the development of aircraft in the Air Force has been satisfactory?

General SCHRIEVER. I have to give my personal view here. I would have started a development for a close-support airplane, for the nature of warfare that we have been encountering since the end of World War II, sooner. And I so recommended.

Mr. NEDZI. Is anything being done in this direction now?

General SCHRIEVER. Oh, yes; our technology program, yes. We are doing everything we can to improve our capability for close air support.

Mr. NEDZI. At the present time, in your judgment, is the program satisfactory, then?

General SCHRIEVER. Technology, subsystemwise, yes; I would say yes. But we don't have specifically an airplane laid down at the moment, in other words, the vehicle. We are developing the propulsion, electronics, as technology permits. I think that part of our program is adequate.

Mr. NEDZI. Has there been an orientation, or is there a commitment in the Air Force now toward the development of this kind of aircraft?

General SCHRIEVER. Yes.

Mr. ICHORD. Thank you, Mr. Nedzi. Mr. Gubser.

Mr. GUBSER. Doesn't it really get down to a question of whether it is more effective costwise and missionwise to go the route of one aircraft that can do a lot of jobs, or to proliferate the development and come down to the point of where we have a specific close-support aircraft? Hasn't that been the real question that has caused the delay, if there has been any delay?

General SCHRIEVER. Well, I think that is right. When I went to flying school we had attack aircraft. I have flown every attack aircraft that has been built. This was a close support aircraft. We had small aircraft, finally we went up to as big as the A-26 in World War II. There was an evolution to the fighter-bomber airplane in World War II, which was a multipurpose plane. We had a close air support capability in those aircraft.

I think it was a natural thing for people to want to get the most out of one airplane in terms of capability. Again, when you are fighting for structure you want to retain the maximum capability that you can get with your force. I think it is a matter of judgment as to whether or not we are going to have over the next x years a situation such as South Vietnam, where you have a permissive air environment, where you can employ aircraft with lower performance, that do not need to worry about air superiority and sophisticated ground defenses.

If you take the position that this is going to be the case, we certainly should have a specialized plane for close ground support; and this is the position the Air Force has now taken.

Mr. ICHORD. If the gentleman will yield.

Mr. GUBSER. Go right ahead.

Mr. ICHORD. Isn't that a very important point, General? You can use equipment in South Vietnam because of the fact that we have no contesting of our air superiority, that you could not use otherwise?

General SCHRIEVER. Exactly right. You have that permissive environment.

Mr. ICHORD. Thank you, Mr. Gubser.

Mr. GUBSER. But up until now, I think I am proper in concluding, this question as to which route we will follow has been one that involved—I don't use this as a nasty word—cost effectiveness, isn't that right?

General SCHRIEVER. I am not sure you can apply cost effectiveness very effectively in a limited war situation, because the number of situations that you can have are almost infinite; and to try to come up with cost-effectiveness exercises that prove anything is, in my opinion, pretty hopeless in a limited war.

Mr. GUBSER. Would you say, General, that the lessons we have learned in Vietnam have pointed up the fact that you cannot apply the cost-effectiveness technique in a situation like Vietnam, where the possibilities are so infinite?

General SCHRIEVER. I think the cost-effectiveness analysis is very valuable.

Mr. GUBSER. I do, too.

General SCHRIEVER. If you use it as a tool and then apply judgment. You have to apply judgment, particularly in a limited-war situation, because of the varied, almost infinite number of situations that might apply.

In a strategic or general war situation, here the situations are much more finite, and you can in fact, let us say, apply cost effectiveness in a greater degree in making your decisions than you can in a limited war.

Mr. GUBSER. What I would like to establish in my own mind, General, and perhaps there is no answer to this question, but apparently the Air Force has now made a determination that they should go the route, or we should go the route, of developing a plane specifically designed for close air support purposes.

A DOD witness we had the other day—I don't recall his name—

General SCHRIEVER. Dr. Cheatham.

Mr. GUBSER. Yes; a very impressive witness, I might say.

Mr. MARSHALL. Dr. Cheatham is present today.

Mr. GUBSER. Indicated that the decision will not be made on the requested procurement of [deleted] aircraft until [deleted]. Is that correct? I hope I am wrong.

General SCHRIEVER. I did not read his testimony.

Dr. CHEATHAM. Yes; the decision for production, the earliest one presently planned, could be the end of [deleted].

Mr. GUBSER. Then, though the Air Force has channelized its thinking and made its decisions as to what it considers best, is it a true statement to say that the Defense Department has not as yet decided

that we wish to go this route of developing and procuring an aircraft which is designed specifically for this one purpose, i.e., close air support? Is it still pending?

General SCHRIEVER. It is still pending as far as the Air Force is concerned. But I don't know what their position is.

Mr. GUBSER. In other words, you have never been told that the Defense Department agrees with the Air Force's present position?

General SCHRIEVER. Well, no. But I think the Defense Department itself has been a strong proponent in the development of the LARA. I am talking about the DOD level.

Mr. GUBSER. I am not trying to hang the Defense Department, here. I am just trying to decide what decision has been made, and at what level.

General SCHRIEVER. There may be a decision I don't know about. From an Air Force standpoint, we don't know what decision has been made, if any.

Mr. GUBSER. General, are you familiar with the research and development facts and figures of the LARA?

General SCHRIEVER. No, sir. This has not been under Systems Command. I do not have them readily available.

Mr. GUBSER. Do you happen to know whether or not persons who do have charge of that situation feel that it is proven out to the point of where there should be a procurement?

Now, General Ferguson, you have asked for [deleted]. You must be convinced that the LARA is a proven concept.

General FERGUSON. In concept, I have no reservations. But the airplane has been flying just 2 or 3 months. I have been out to look at it; I have read the test reports and seen films of it flying. But I am not prepared to approve contractual agreements for production tomorrow. I think a few more hours of flight test are necessary. As Dr. Cheatham said, the time to make the decision is [deleted].

Mr. GUBSER. In other words, your request for [deleted] aircraft has the "if" attached to it, "provided it proves out"?

General FERGUSON. I don't question that it will. The few test hours we have today show it is moving along well. But we need more complete flight test data before committing the LARA to production. Give us until the first of January to see what the test data shows. I cannot foresee any major problems in an airplane of this design. It is relatively simple. But there are apt to be minor changes that should be identified before production.

Mr. GUBSER. But it is your opinion that this decision would be expedited and speeded up if the Defense Department would decide that this is an important plane and that we ought to have it as quickly as possible? You are convinced enough that you wanted to ask for [deleted] of them, and there are no if's, and's, or but's?

General FERGUSON. Yes, in concept and general design, I am convinced. But from a development point of view, 2 or 3 more months of flight test will provide the data to optimize the design prior to production and avoid costly modification programs. The modification programs are, of course, time consuming as well as expensive.

Mr. GUBSER. Then you must have some reservations, some doubt. There must be an "if" attached to your request.

General FERGUSON. No, insofar as the airplane is concerned, and the number of airplanes is concerned, there is no "if" in my answer. But the wheels and landing gear might have to be strengthened, or possibly the engines should be bigger, and the flight test data will answer these questions prior to production.

Mr. GUBSER. Well, let me ask another question; and it is a very iffy question, and very hypothetical, and if you don't want to answer it is perfectly all right with me. But here we are in Vietnam with the close air support mission being performed by A-1E's, F-100's and various other aircraft. Nothing new is coming in which will perform the specific job in the same manner as the A-1E and the A-1H are performing it. Let's assume now that we can go along until [deleted] when the LARA could be available, at the same level of use, we have the continuing requirement at the same level as at present, in Vietnam. Are we going to run out of equipment, or will we still have A-1E's, A-1H's, F-100's, which can do this job as they are doing it now?

General FERGUSON. Are you putting the question to me?

Mr. GUBSER. Yes, if it is appropriate.

General FERGUSON. 1. USAF tactical jet aircraft were committed to air support operations in Republic of Vietnam in early 1965 because MACV, air support requirements exceeded the capabilities of VNAF/USAF A-1's to fill them. MACV air support requirements are currently being met by VNAF, USAF and USN aircraft. It is anticipated that the buildup of ground forces in Republic of Vietnam will generate an increased level of tactical air support. [Deleted.]

2. At the forecast attrition rate, sufficient A-1E's are available to maintain the squadrons in South Vietnam at their present level until [deleted]. Additional general purpose tactical strike aircraft can be committed to service in Republic of Vietnam should the actual attrition rates for the A-1's significantly exceed the forecast.

Mr. GUBSER. There will be no gap, no lag?

General FERGUSON. 3. Therefore, there will be no gap in the abilities of the USAF to provide close air support in Republic of Vietnam prior to the projected availability date of the LARA aircraft.

Mr. GUBSER. But you are just right at the borderline, if I correctly interpret your remarks.

That is all. Mr. Chairman, thank you.

Mr. ICHORD. Thank you, Mr. Gubser.

General, is the F-5 going to have any improved capability over the F-100, for example, as a close support airplane?

General SCHRIEVER. Yes, sir. The main advantage it has, of course, is that it will have a much shorter field takeoff capability than the F-100.

Mr. ICHORD. How much does it take for a F-5 to get off the ground?

General SCHRIEVER. There are several different versions, but this airplane can get off the ground in about 2,500 feet. I can provide the performance characteristics of the airplane for the committee, the one that is proposed—that is the one I am talking about here, the improved version.

Mr. ICHORD. I think we have it in the record heretofore, do we not?

Mr. MARSHALL. No; we do not. We would like to have that.

Mr. ICHORD. All right.

(The information furnished to the subcommittee is classified and is in its files.)

General SCHRIEVER. I mentioned the F-5 as a "for instance." There are other airplanes under consideration besides the F-5. I don't want to leave the impression that the F-5 has been selected by the Air Force. It has not. But it is the type of aircraft performance wise, maintainability wise—it should have good survivability against small arms fire, because it has a dry wing—and things of this kind, that are very attractive in the environment in South Vietnam.

Mr. ICHORD. Does it have any more loitering? It doesn't have as much, does it?

General SCHRIEVER. It has about the same as the F-100. One of the things we would like to have is more loitering time.

Mr. ICHORD. The Chair recognizes Mr. Irwin.

Mr. IRWIN. What, specifically, is the LARA plane we have been talking about? Who makes it? And what is its performance?

General FERGUSON. May I have the slide that shows the airplane, please?

This is the LARA airplane. The Department of Defense has contracted with North American, Columbus, Ohio, to produce seven of these airplanes. It is a twin turboprop engine aircraft, with a pilot and observer, designed for short takeoff and landing distances. It carries about 3,000 pounds of ordnance, from the small cluster bombs, to general purpose bombs, to napalm. The fuselage is designed to carry a few passengers. We are looking at a version that would carry 12. The airplane has about a 200-mile radius of action, with about 2 hours of loitering time.

Mr. IRWIN. Someone calls this the COIN aircraft. Whose designation is that?

General FERGUSON. The name has evolved, but I do not know where it started. When we started talking about "counter insurgency," the two words were combined into COIN.

Mr. IRWIN. Thank you.

Mr. ICHORD. Off the record.

(Discussion off the record.)

Mr. ICHORD. On the record now.

Mr. EVANS.

Mr. EVANS. I have no questions.

Mr. ICHORD. Are there any further questions by members of the committee? Mr. Chamberlain.

Mr. CHAMBERLAIN. I don't want to put words in your mouth, General, but I am left with an impression, and I would like to see if it is correct.

First, you told us that some time ago it was your professional opinion as a military man that we should have developed close air support aircraft much sooner than we have. When did you reach that conclusion, general?

General SCHRIEVER. Well, you must realize that as professional military men we are not always in complete agreement around the board.

Mr. CHAMBERLAIN. I understand. I am asking for your personal opinion, when you came to that conclusion.

General SCHRIEVER. I couldn't tell you exactly when, but 7 or 8 years ago I came to that conclusion.

Mr. CHAMBERLAIN. Again, asking for your personal opinion, in light of what you have said and the recommendation you have said you made along that line, that if we had such an aircraft today we could be doing a better job in Vietnam today? Would you say that would be correct?

General SCHRIEVER. Well, I think an airplane tailored precisely to the close air support mission, if we had one, could do a better job than we are doing today.

Mr. CHAMBERLAIN. You don't have this.

General SCHRIEVER. We don't have it. I am not saying we are not doing a reasonably good job today. We are.

Mr. CHAMBERLAIN. With what you have.

General SCHRIEVER. With what we have.

Mr. ICHORD. I don't want to prognosticate, but I think the South Vietnam situation will be over and forgotten before we get this close-air-support airplane we have been talking about. But you do feel that other situations will have the same need, need the same type of plane?

General SCHRIEVER. That is right. This is the world we are living in. That is my personal view. But you must remember that from where the Chief of Staff sits he has to look at the total spectrum of the force structure. I am certainly not going to quarrel with the decision that was made.

My personal opinion is what I have stated, and I have to tell that to you, being a candid witness. But I do not say what we did was not right. In my opinion we certainly did an adequate job in Korea, and in World War II.

You must remember that, from the Air Force standpoint, we have been engaged in the war in Vietnam as combatants for only a relatively short period of time.

Mr. CHAMBERLAIN. I would not want the record to stand with any inference that I criticized the job our boys are doing out there with what they have. I think they are doing a tremendous job.

Mr. ICHORD. Thank you. Are there any other questions? Mr. Marshall.

Mr. MARSHALL. Concerning the communications, General, we have had some witnesses testify to deficiencies in the communications setup.

By agreement between the U.S. Army and the Air Force in December 1957, the Army was responsible for the following:

Furnishing and maintaining the equipment and personnel—except for the forward air controller—of tactical control parties, providing communications equipment to the tactical control party which was compatible with and possesses the same channel spacing as that used in aircraft.

The Air Force was responsible for providing forward air controllers, directing aircraft through the forward air controller.

Now, under the new agreement reached in September 1965 between the Army and the Air Force, the Air Force now is responsible for furnishing all personnel and equipment for tactical air control parties except armored combat and/or special-purpose vehicles and crews; controlling and operating the Air Force Q net and tactical air direction nets.

The Army is responsible for logistic support of tactical air control parties serving with the Army forces: providing such armored vehicles and/or special-purpose vehicles and crews required by TACP's.

This new agreement will not become effective until the availability of Air Force personnel and equipment for the tactical air control parties.

Do you have the Air Force personnel now to fulfill this agreement?

General FERGUSON. I believe in previous testimony the specific numbers of forward air controllers in Vietnam has been given. It is on the order of 200 or more, as I recall. I would like to correct that for the record, if necessary. We are heading for, if we have not already achieved, the numbers of people required for this; we are well down the road to it. This is also true of the equipment. You remember, you have been told we have the jeeps with the equipment on board, and how many are in Vietnam now, which is part of equipment agreement.

Mr. MARSHALL. That was part of the Army responsibility prior to September 1956. Did they provide this equipment?

General FERGUSON. Yes, they provided the standard equipment.

Mr. MARSHALL. Why has the Air Force now taken over the responsibility that previously the Army had? Is there a particular reason for this?

General FERGUSON. Yes. In 1962, a comprehensive Air Force study of the Army/Air Force fire support coordination system concluded that the service responsible for providing tactical air support should also be responsible to provide the means whereby the other service could make its requirements for tactical air support known. By adopting a policy of single-service responsibility for both providing and operating the TACP equipment, questions as to service responsibility would be eliminated and improvements could be more rapidly coordinated and introduced.

Mr. MARSHALL. The Air Force has provided fully equipped TACP's in South Vietnam?

General FERGUSON. We have provided some of the elements of the tactical control system.

Mr. MARSHALL. The Air Force has provided it in South Vietnam, although the Army was responsible for providing it. Why? If they weren't capable of providing why wasn't something done about it sooner?

General FERGUSON. The Army capability to provide this equipment was not an issue. The concept for revised fire support coordination, in which the Air Force would provide the TACP equipment, was originally approved for test purposes in the fall of 1962. After test of the new concept proved its soundness, request for authority to procure the required equipment was submitted to DOD in December 1962. Authority was granted by DOD in May 1963, but funds were deferred to fiscal year 1965. Subsequently, as the equipment became available to the Air Force, it was introduced into South Vietnam as rapidly as the tactical environment would permit. Action thus preceded the formal change of responsibility in September 1965.

Mr. ICHORD. There being nothing further, no further questions, General Schriever and General Ferguson, we want to say that we very much appreciate your appearance here today.

The committee is adjourned.

(Whereupon, at 12:05 p.m., the committee was adjourned, sine die.)

CHRONOLOGICAL LIST OF HEARINGS

	Page
Wednesday, September 22, 1965.....	4639
Thursday, September 23, 1965.....	4678
Tuesday, September 28, 1965.....	4699
Wednesday, September 29, 1965.....	4730
Thursday, September 30, 1965.....	4762
Wednesday, October 6, 1965.....	4798
Thursday, October 14, 1965.....	4827

WITNESSES

Agan, Maj. Gen. Arthur C., Jr., U.S. Air Force.....	4782
Barnes, Capt. Michael V., U.S. Army.....	4655
Cheatham, Dr. Thomas P., Jr., DOD.....	4800
Damron, 1st Sgt. Wade, U.S. Army.....	4642
Ferguson, Lt. Gen. James, U.S. Air Force.....	4844,
	4845, 4847, 4849, 4853, 4854, 4855, 4857
Hays, Lt. Col. Emmett L., U.S. Air Force.....	4713
McGraw, Lt. Col. William C., Jr., U.S. Marine Corps.....	4754
Oden, Maj. Gen. Delk McCorkle, U.S. Army.....	4765
Plummer, Lt. Col. Frank S., U.S. Army.....	4664
Ramsey, Capt. David A., U.S. Marine Corps.....	4731
Rennick, Capt. Alan L., U.S. Air Force.....	4679
Sands, Capt. David A., U.S. Air Force.....	4700
Schriever, Gen. Bernard A., U.S. Air Force.....	4829
Schwend, 1st Lt. Howard L., U.S. Marine Corps.....	4744
Snead, Comdr. Leonard A., U.S. Navy.....	4760

INDEX

	Page
Agan, Maj. Gen. Arthur C., Jr., U.S. Air Force, statement of	4782
Air support.....	4782
Air Force-Army coordination.....	4796
Communications.....	4792
Forward air controller.....	4783, 4784
Planes:	
A-1.....	4789, 4791
A-6A.....	4798
B-26.....	4790
B-57.....	4791
F-4.....	4789
F-100.....	4789
F-105.....	4789
O-1.....	4793
COIN/LARA.....	4787, 4796, 4797
Helicopters.....	4793
Radio equipment.....	4792
Recommendations.....	4785, 4788
Barnes, Capt. Michael V., U.S. Army, statement of	4655
Air support.....	4655
Bombs, use of.....	4657, 4658
Communications.....	4659, 4661
Distance of airfields from operations.....	4656, 4662, 4663
Language problem.....	4658, 4662
Napalm, use of.....	4658
Planes:	
A-1.....	4656, 4661, 4663
B-57.....	4657, 4661, 4663
L-19.....	4659, 4662
Century series.....	4663
Helicopters.....	4658, 4661
Target identification.....	4657, 4663
Time required for air support to arrive.....	4656, 4657, 4659, 4660, 4661
White phosphorus.....	4658
Recommendations.....	4663
Training, adequacy of.....	4663
Bombs, use of.....	4644, 4645, 4649, 4651, 4657, 4658, 4676, 4681, 4688, 4752
Cannon, use of.....	4645, 4646, 4650, 4677
Ceatham, Dr. Thomas P., Jr., statement of	4800
Research and development program.....	4800
Communications.....	4805, 4806
Forward air controllers.....	4805, 4820
Funds allotted to research on limited war and counterinsurgency.....	4809, 4814, 4816, 4821, 4822
Planes:	
A-1.....	4809, 4816
A-6.....	4809, 4812
A-7.....	4809, 4812, 4813
B-57.....	4809
F-4.....	4813
F-5.....	4808, 4813, 4824
F-100.....	4816
F-104.....	4824

Cheatham, Dr. Thomas P. Jr., statement of—Continued**Research and development program—Continued****Planes—Continued****Page**

O-1..... 4807

COIN/LARA..... 4807, 4808, 4810, 4812-14, 4824, 4826

Helicopters..... 4811, 4823

Project Provost..... 4805

Radio equipment..... 4806

Studies..... 4820

Time required for air support to arrive..... 4820

Tactical warfare trends..... 4802

Command system..... 4673

Communications..... 4647, 4648, 4654, 4659, 4661, 4725, 4726,

4729, 4732, 4741, 4743, 4747, 4750, 4754, 4758, 4774, 4792, 4805, 4806

Damron, 1st Sgt. Wade, U.S. Army, statement of..... 4642**Air support**..... 4642

Bombs, use of..... 4645, 4646, 4650, 4651

Cannon, use of..... 4645, 4646, 4650

Communications..... 4647, 4648, 4654

Distance of airfields from operations..... 4648, 4653

Forward air controller..... 4650

Machineguns, use of..... 4646, 4653

Napalm, use of..... 4644, 4645, 4649, 4651

Night operations..... 4645, 4652

Planes:

A-1..... 4644, 4645, 4650, 4651, 4653

A-1E..... 4653

L-19..... 4644, 4646, 4651

Helicopters..... 4646, 4651-4653

Radio equipment..... 4648, 4651, 4652

Rockets, use of..... 4646, 4653

Target identification..... 4646

Time required for air support to arrive..... 4646, 4648, 4654

Distance of airfields from operations..... 4648,

4653, 4656, 4662, 4663, 4718, 4723, 4736

Ferguson, Lt. Gen. James, U.S. Air Force, testimony of..... 4844,

4845, 4847, 4849, 4853, 4854, 4855, 4857

Forward air controller..... 4650,

4665, 4671, 4673, 4681, 4683, 4684, 4694, 4703, 4706, 4726, 4732, 4741,

4746, 4747, 4755, 4757, 4762, 4766, 4767, 4772, 4783, 4784, 4805, 4820,

4831, 4844, 4856.

Hays, Lt. Col. Emmett L., U.S. Air Force, statement of..... 4713**Air support**..... 4713

Communications..... 4725, 4726, 4729

Distance of airfields from operations..... 4718, 4723

Forward air controller..... 4726

Night operations..... 4714, 4715, 4724

Planes:

A-1..... 4724, 4727

C-47..... 4720

F-100..... 4715, 4720, 4723, 4727, 4728

O-1F..... 4716, 4718, 4721, 4724

Helicopters..... 4720

Radio equipment..... 4725, 4726, 4729

Target identification..... 4717, 4719, 4721, 4724

Training for..... 4728

Recommendations..... 4722, 4725, 4727, 4728

McGraw, Lt. Col. William C., Jr., U.S. Marine Corps, statement of..... 4754**Air support**..... 4754

Communications..... 4754, 4758

Forward air controller..... 4755, 4757

Planes:

F-4B..... 4754, 4759

Helicopters..... 4756

Radio equipment..... 4758

Target identification..... 4756-4759

	Page
Machineguns, use of-----	4646, 4653
Mission planning-----	4665, 4675
Napalm, use of-----	4644, 4645, 4649, 4651, 4658,
	4668, 4669, 4675, 4682, 4685, 4688, 4702, 4732, 4737, 4738, 4742, 4752
Night operations-----	4645, 4652,
	4678, 4682, 4687, 4693, 4706, 4708, 4712, 4714, 4715, 4724, 4739, 4762
Oden, Maj. Gen. Delk McCorkle, U.S. Army, statement of-----	4765
Air support-----	4765
Communications-----	4774
Doctrine-----	4770
Forward air controller-----	4766, 4767, 4772
Limited War Laboratory-----	4777
Planes:	
A-1E-----	4772
O-1-----	4775
COIN/LARA-----	4777
Helicopters-----	4770, 4775
Mohawks-----	4770, 4775
Procedures to obtain air support-----	4773
Radio equipment-----	4767-4769, 4774
Time required for air support to arrive-----	4772, 4775
Training-----	4771
Planes:	
A-1-----	4644, 4645
	4650, 4651, 4653, 4656, 4661, 4663, 4724, 4727, 4789, 4791, 4809, 4816
A-1E-----	4653, 4667, 4672, 4676, 4678, 4680, 4681,
	4685, 4686, 4688, 4689, 4690, 4692, 4695, 4699, 4772, 4832, 4845, 4854
A-1H-----	4667, 4669, 4674, 4676, 4678, 4687, 4697, 4833
A-4-----	4734, 4745
A-6-----	4809, 4812
A-6A-----	4760, 4761, 4798
A-7-----	4809, 4812, 4813
B-26-----	4693, 4790, 4847
B-52-----	4711
B-57-----	4657, 4661, 4663, 4675, 4791, 4809
C-47-----	4666, 4694, 4720
C-123-----	4705, 4706, 4832, 4842, 4845
C-130-----	4705, 4832, 4842
C-141-----	4843
F-4-----	4734, 4789, 4813, 4843, 4846
F-4B-----	4754, 4759
F-5-----	4808, 4813, 4824, 4832, 4844-4846, 4854, 4855
F-100-----	4676,
	4680, 4689, 4690, 4695, 4709, 4711, 4715, 4720, 4723, 4727, 4728, 4789,
	4816, 4832, 4845, 4854, 4855.
F-104-----	4824
F-105-----	4789
F-111A-----	4834, 4843
F-X-----	4845
L-19-----	4644, 4646, 4651, 4659, 4662, 4671-73, 4691
O-1-----	4775, 4793, 4807
O-1F-----	4708, 4711, 4712, 4716, 4718, 4721, 4724
T-28-----	4693, 4847
T-37-----	4847
COIN/LARA-----	4695,
	4777, 4787, 4796, 4797, 4807, 4808, 4810, 4812-4814, 4832, 4834, 4844,
	4846, 4847, 4853, 4855.
Century series-----	4663, 4833
Helicopters-----	4646, 4651-4653
	4658, 4661, 4670-4672, 4676, 4677, 4720, 4736, 4738, 4739, 4744, 4746,
	4750, 4752, 4756, 4770, 4775, 4793, 4811, 4823.
Mohawks-----	4770, 4775
V/STOL-----	4834, 4846

	Page
Plummer, Lt. Col. Frank S., U.S. Army, statement of	4664
Air support.....	4665
Bombs, use of.....	4676
Cannon, use of.....	4677
Command helicopters.....	4671
Command system.....	4673
Dong Xoai battle.....	4665
Forward air controller.....	4665, 4671, 4673
Mission planning.....	4665, 4675
Napalm, use of.....	4668, 4669, 4675
Night operations.....	4678
Planes:	
A-1E.....	4667, 4669, 4672, 4676, 4678
A-1H.....	4667, 4669, 4674, 4676, 4678
B-57.....	4675
C-47.....	4666
F-100.....	4676
L-19.....	4671-4673
Helicopters.....	4670-4672, 4676, 4677
Radio equipment.....	4659, 4668
Target identification.....	4672, 4674, 4676-4678
Time required for air support to arrive.....	4666
Radio equipment.....	4648,
4651, 4652, 4659, 4668, 4691, 4725, 4726, 4729, 4741, 4743, 4745,	
4748, 4749, 4758, 4767-4769, 4774, 4792, 4806, 4832.	
Ramsey, Capt. David A., U.S. Marine Corps, statement of	4731
Air support.....	4731
Communications.....	4732, 4741, 4743
Distance of airfields from operations.....	4736
Forward air controller.....	4732, 4741
Korea, use of air support.....	4737
Napalm, use of.....	4732, 4737, 4738, 4742
Night operations.....	4739
Operation Starlight.....	4731
Planes:	
A-4.....	4734
F-4.....	4734
Helicopters.....	4736, 4738, 4739
Radio equipment.....	4741, 4743
Target identification.....	4733, 4741
Time required for air support to arrive.....	4733, 4736, 4739
White phosphorus.....	4738
Combat boots.....	4743
Gas, use of.....	4737
Operation Golden Fleece.....	4734, 4739
Operation Starlight.....	4734
Operation Thunderbolt.....	4734, 4739
Vietcong tunnels.....	4735, 4738
Recommendations.....	4663, 4683, 4710, 4722, 4725, 4727, 4728, 4785, 4788
Rennick, Capt. Alan L., U.S. Air Force, statement of	4679
Air support.....	4680
Bombs, use of.....	4681, 4688
Forward air controller.....	4681, 4683, 4684, 4694
Napalm, use of.....	4682, 4685, 4688
Night operations.....	4682, 4687, 4693
Planes:	
A-1E.....	4680, 4681, 4685, 4686, 4688, 4689, 4690, 4692, 4695, 4699
A-H.....	4687, 4697
B-26.....	4693
C-47.....	4694
F-100.....	4680, 4689, 4690, 4695
L-19.....	4691
T-28.....	4693
COIN.....	4695
Radio equipment.....	4691

Rennick, Capt. Alan L., U.S. Air Force, statement of—Continued

Air support—Continued	Page
-----------------------	------

Target identification.....	4681, 4685
----------------------------	------------

Time required for air support to arrive.....	4683, 4687
--	------------

Recommendations.....	4683
----------------------	------

Rockets, use of.....	4646, 4653, 4702
----------------------	------------------

Sands, Capt. David A., U.S. Air Force, statement of	4700
--	-------------

Air support.....	4700
------------------	------

Forward air controller.....	4703, 4706
-----------------------------	------------

Napalm, use of.....	4702
---------------------	------

Night operations.....	4706, 4708, 4712
-----------------------	------------------

Planes:	
---------	--

B-52.....	4711
-----------	------

C-123.....	4705, 4706
------------	------------

C-130.....	4705
------------	------

F-100.....	4709, 4711
------------	------------

O-1F.....	4708, 4711, 4712
-----------	------------------

Rockets, use of.....	4702
----------------------	------

Target identification.....	4702, 4703, 4705, 4706, 4712
----------------------------	------------------------------

Time required for air support to arrive.....	4701
--	------

Training for.....	4703
-------------------	------

Recommendations.....	4710
----------------------	------

Schriever, Gen. Bernard A., U.S. Air Force, statement of	4829
---	-------------

Research, development, procurement, and production of aerospace systems:	
--	--

Close air support, documents from U.S. Military Assistance Command, Vietnam.....	4836
--	------

Close air support plane, development of.....	4847, 4850, 4851, 4853, 4855
--	------------------------------

Cost effectiveness in limited war.....	4852
--	------

Film commentary.....	4840
----------------------	------

Funding for limited war and strategic war compared.....	4842
---	------

JATO assist.....	4842
------------------	------

Limited war and tactical air operations in South Vietnam.....	4830
---	------

Definition of "limited war".....	4842
----------------------------------	------

Long-term plans.....	4834
----------------------	------

Operational problems of close air support in South Vietnam.....	4831
---	------

Airlift and resupply.....	4833
---------------------------	------

Base support.....	4833
-------------------	------

Forward air controller.....	4831, 4844, 4856
-----------------------------	------------------

Logistics.....	4833
----------------	------

Munitions program.....	4833
------------------------	------

Organizational and management procedures.....	4835
---	------

Radio equipment.....	4832
----------------------	------

Target detection and identification.....	4831, 4833, 4848
--	------------------

Time required for air support to arrive.....	4832
--	------

Planes:	
---------	--

A-1E.....	4832, 4845, 4854
-----------	------------------

A-1H.....	4833
-----------	------

B-26.....	4847
-----------	------

C-123.....	4832, 4842, 4845
------------	------------------

C-130.....	4832, 4842
------------	------------

C-141.....	4843
------------	------

F-4.....	4843, 4846
----------	------------

F-5.....	4832, 4844-46, 4854, 4855
----------	---------------------------

F-100.....	4832, 4845, 4854, 4855
------------	------------------------

F-111A.....	4834, 4843
-------------	------------

F-X.....	4845
----------	------

T-28.....	4847
-----------	------

T-37.....	4847
-----------	------

Century series.....	4833
---------------------	------

COIN.....	4834, 4847, 4855
-----------	------------------

LARA.....	4832, 4844, 4846, 4847, 4853, 4855
-----------	------------------------------------

V/STOL.....	4834, 4846
-------------	------------

SHRIKE missile	4842
-----------------------------	-------------

	Page
Schwend, 1st Lt. Howard L., U.S. Marine Corps, statement of	4744
Air support.....	4744
Bombs, use of.....	4752
Communications.....	4747, 4750
Forward air controller.....	4746, 4747
Napalm, use of.....	4752
Planes:	
A-4.....	4745
Helicopters.....	4744, 4746, 4750, 4752
Radio equipment.....	4745, 4748, 4749
Target identification.....	4746, 4749, 4751, 4752
Time required for air support to arrive.....	4748
Snead, Comdr. Leonard Alexander, U.S. Navy, statement of	4760
Air support.....	4760
Forward air controller.....	4762
Night operations.....	4762
Planes: A-6A.....	4760, 4761
Target identification	4646, 4657, 4663, 4672, 4674, 4676-4678, 4681, 4685, 4702, 4703, 4705, 4706, 4712, 4717, 4719, 4721, 4724, 4738, 4741, 4746, 4749, 4751, 4752, 4756-4759, 4831, 4833, 4848
Time required for air support to arrive ...	4646, 4648, 4654, 4656, 4657, 4660, 4661, 4666, 4683, 4687, 4701, 4733, 4736, 4739, 4748, 4772, 4775, 4820, 4832
Training	4663, 4703, 4728, 4771



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[No. 44]

CLOSE AIR SUPPORT

REPORT

OF

SPECIAL SUBCOMMITTEE ON TACTICAL AIR SUPPORT

OF THE

COMMITTEE ON ARMED SERVICES HOUSE OF REPRESENTATIVES

EIGHTY-NINTH CONGRESS

SECOND SESSION

FEBRUARY 1, 1966



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JOHN R. BLANDFORD, *Chief Counsel*

SPECIAL SUBCOMMITTEE ON TACTICAL AIR SUPPORT

OTIS G. PIKE, New York, *Chairman*

RICHARD H. ICHORD, Missouri
LUCIEN N. NEDZI, Michigan
G. ELLIOTT HAGAN, Georgia
DONALD J. IRWIN, Connecticut
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BOB WILSON, California
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JOHN R. BLANDFORD, *Chief Counsel*
RALPH MARSHALL, *Professional Staff Member*

(11)

LETTER OF TRANSMITTAL

JANUARY 27, 1966.

Hon. L. MENDEL RIVERS,
*Chairman, Committee on Armed Services,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: I have the honor to transmit herewith the report of the Special Subcommittee on Tactical Air Support which, at your request, conducted hearings from September 22 to October 14, 1965, on this subject, with primary interest directed to the question of close air support in Vietnam. This report has been reviewed and approved by the subcommittee members.

The report is submitted for your approval prior to its release to the Department of Defense for security review and final printing.

Sincerely,

OTIS G. PIKE,
Chairman, Special Subcommittee on Tactical Air Support.

(III)

REPORT OF SPECIAL SUBCOMMITTEE ON TACTICAL AIR SUPPORT

On August 17, 1965, Chairman L. Mendel Rivers of the Committee on Armed Services of the House of Representatives, concerned about recurring questions which had arisen over the adequacy of our close air support in Vietnam, constituted a Special Subcommittee on Tactical Air Support.

Chairman Rivers ordered the special subcommittee to investigate in depth certain aspects of tactical air support with special reference to the war in Vietnam, including the following:

1. The adequacy or inadequacy of our close air support;
2. Recent progress in developing and producing new type aircraft for tactical warfare;
3. The development of new tactics and techniques for air support;
4. Present and future capacities for maintaining air superiority in tactical situations;
5. The adequacy of existing logistic and support facilities for tactical aircraft;
6. Costs, quantities, and effectiveness of the various tactical aircraft.

The subcommittee was directed to file its conclusions and recommendations not later than December 15, 1965.

Because of the extension of the congressional session and the delay in the anticipated adjournment date it became impossible for the subcommittee members to visit many of the defense and industrial installations within the continental United States where visits had been anticipated. The committee did, however, hold extensive hearings in Washington.

Hearings were commenced on September 22, 1965, and continued until October 14, 1965. Fifteen witnesses from the Army, the Air Force, the Navy, the Marines, and the Department of Defense were heard. The list of witnesses is as follows:

1. 1st Sgt. Wade Damron, USA, assigned as adviser to 27th Regional Forces Battalion, Vinh Long Province, Mekong Delta.
2. Capt. Michael V. Barnes, USA, battalion adviser to 9th Vietnamese Division.
3. Lt. Col. Frank S. Plummer, USA, planner of air support for over 300 air mobile operations; also served as helicopter forward air controller.
4. Capt. Alan L. Rennick, USAF, A-1E pilot in Vietnam; also served on ground as forward air controller.
5. Capt. David A. Sands, USAF, flew 91 combat missions as an F-100 pilot in Vietnam.

6. Lt. Col. Emmett L. Hays, USAF, squadron commander, 416th Tactical Fighter Squadron; personally flew 118 missions as F-100 pilot.

7. Capt. David A. Ramsay, USMC, commanding officer, Company 1, 3d Battalion, 3d Marines, Chu Lai.

8. 1st Lt. Howard L. Schwend, battalion forward air controller, 3d Battalion, 3d Marines, Chu Lai.

9. Lt. Col. William C. McGraw, Jr., commanding officer, Marine Fighter-Attack Squadron 531; flew 62 combat missions in F-4B's from April 10 to June 15, 1965.

10. Comdr. Leonard A. Sneed, USN, commanding officer, Attack Squadron 75, 1st A-6A Squadron deployed by the U.S. Navy; squadron flew over 300 missions in July 1965.

11. Maj. Gen. Delk McCorkle Oden, USA, Director of Officer Personnel, Office of Personnel Operations, Department of the Army; former Director of Army Aviation; served in Vietnam as Chief, Army Section, Military Assistance Advisory Group, May 1963 to May 1964; commander, USA Support Command, Vietnam, May 1964 to April 1965.

12. Maj. Gen. Arthur C. Agan, Jr., USAF, Assistant Deputy Chief of Staff for Plans and Operations.

13. Dr. Thomas P. Cheatham, Jr., Deputy Director of Defense Research and Engineering, Tactical Warfare Programs, Department of Defense.

14. Gen. Bernard A. Schriever, USAF, commander, Air Force Systems Command.

15. Lt. Gen. James Ferguson, USAF, Deputy Chief of Staff, Research and Development.

Because of limitations of time the subcommittee was unable to pursue the assigned inquiry regarding present and future capabilities for maintaining air superiority in tactical situations and was able to give only superficial consideration to the question of the adequacy of existing logistic and support facilities for tactical aircraft. The subcommittee, on the other hand, concentrated on and pursued in depth the question of close air support in subversive or guerrilla-type warfare generally, and in Vietnam specifically.

The overriding issue is that of the adequacy of the support given by the pilots and aircraft of the Air Force, Navy, and Marines to our own Army, our Marines, and the Vietnamese forces on the ground in Vietnam. This issue is fundamental not only to our conduct of the war there, but also to our ability to fight subversive or guerrilla-type wars in remote and undeveloped environments anywhere in the world.

The type of tactical air support under consideration is that provided to ground units in close proximity to their frontlines and of such a nature as to affect the fire and maneuver of their units. The interdiction type of support behind enemy frontlines or at such a distance from our forces as to have no immediate effect on their situation was not considered.

A WAR IN TRANSITION

The war in Vietnam is not the same war in October 1965, that it was in January 1961. In the early days of our military effort in Vietnam our troops, such as Sergeant Damron, were serving in the field as advisers to the Vietnamese forces which were solely responsible for

both the ground fighting and, with the help of American advisers, for the air support. The aircraft which are available for air support have changed over that period from the small T-28 trainer plane through the A-1 propeller driven attack plane and B-57's to the F-100, A-4, and F-4 jets. Many other types of aircraft, over 20 in all, are in Vietnam today, but these 6 types have provided most of the muscle and have flown almost all of the sorties by fixed-wing aircraft in support of friendly ground troops.

At this point it is essential to mention the role of the armed helicopter. Under the current doctrine of roles and missions assigned to each service, the Army can have armed helicopters, which may direct "suppressive fire" at the enemy, but may not have fixed-wing aircraft to provide "close air support" for its ground troops. A helicopter can supplement close air support, but existing limitations preclude it from delivering sufficient sustained firepower to provide close air support. Present doctrine involves a bit of semantics which may satisfy those responsible for keeping the roles and missions of the two services within the agreed limits, but it is obvious to the most casual observer that the Army's armed helicopters have, in fact, been heavily relied upon to provide what is essentially close air support for friendly forces on the ground.

In the earlier days of the war in Vietnam our close air support was frequently ineffective and primitive. This was due to many factors. As one witness put it, sometimes when he needed and called for close air support the message never got through because of radio transmission failures. Sometimes the message got through and the air support never came. Sometimes the air support came and missed the target; sometimes the air support came and was very effective. It can certainly be said that there has been a substantial improvement; it cannot be said that it is as effective as it should be.

THE COMMUNICATIONS FIASCO

Perhaps the most appalling fact which came to the attention of the subcommittee was the fact that until very recently the Air Force, which has the responsibility for providing close air support to the Army on the ground, could not talk to the Army on the ground because the Air Force radios were not compatible with the Army radios. The only way that the Army troops on the ground have been able to communicate with the Air Force in the air is by assigning Air Force personnel with Air Force radios to the ground troops; this Air Force forward air controller is assigned at the battalion level. General Oden, testifying on what would happen to an Army platoon or Army company needing air support, reported as follows:

The platoon will have to go back to the company and battalion to get it.

Question. The platoon will have to go to the company, the company will have to go to the battalion?

General ODEN. That is correct, sir. * * *

Question. The platoon is using what kind of radio equipment?

General ODEN. They have PRC-10's, sir.

Question. The company is using what kind of radio?

General ODEN. PRC-10.

Question. When we get to the battalion then the Air Force liaison group at the battalion level is able to communicate with the Air Operation Control Center?

General ODEN. That is correct, sir.

Question. And also, I presume, with the aircraft. Is that correct?

General ODEN. That is correct.

Question. The platoon cannot communicate with the aircraft?

General ODEN. No, sir.

Question. The company cannot communicate with the aircraft?

General ODEN. That is correct, sir.

This is the situation today. It has been worse in the past.

In the past 4 years, there have been two major studies on the subject of close air support—one a joint Air Force-Army group which issued a secret report in 1963; the other an Air Force report called Project Forecast. A present joint Air Force-OSD study is being conducted. We hope it is more effective than its predecessors. Dr. Cheatham, in discussing the prior studies, was asked this question:

Did either the 1963 joint Air Force-Army study or Project Forecast make any mention of the fact that the Army and the Air Force could not talk to each other?

Dr. CHEATHAM. * * * Certainly not a major point was made. I would have to go back and look to see if somewhere, you know, in chapter 3, paragraph 2, somebody did make a statement to that effect.

Question. When was it first brought to the attention of the Department of Defense that there was a very serious communications problem between the Air Force and the Army?

Dr. CHEATHAM. I think it became a very strong point with D.D.R. & E., with my office, in terms of our examination of command and controls systems. In other words, we found two incompatibilities, for example, in some of the MTDS systems; in other words, from the standpoint of data processing requirements, we suddenly found there were two incompatibilities in the communications. We became aware of this. I think Dr. Fubini should be given credit for having hit into this problem with a great deal of drive and enthusiasm; in fact, he certainly kind of turned things upside down.

Question. When was that?

Dr. CHEATHAM. About 2 years ago.

Question. It was after we got involved?

Dr. CHEATHAM. A year and a half, if you want to peek at it.

Question. All right. But it was after we got involved with Army troops on the ground, and Air Force planes flying air support, in Vietnam; is that correct?

Dr. CHEATHAM. I would certainly have to say that certainly focused real, you know, practical attention on the problem.

According to the testimony of General Schriever, by agreement between the U.S. Army and the U.S. Air Force in December 1957, the Army was responsible for—

providing communications equipment to the tactical control party which was compatible with and possesses the same channel spacing as that used in aircraft.

It seems to the subcommittee an unbelievably tragic thing that it was only after we got into the war in Vietnam that it was forcibly brought to the attention of the Army and the Air Force that they were unable to communicate with each other in the field.

It seems even more incredible, considering the fact that "close air support" has been a tactical doctrine since before World War II.

WHO'S GOT THE SPOTTER PLANES?

During the Korean war the Air Force tactics called for using light spotter planes to mark targets for the attack planes to hit. After the Korean war all of these planes were taken away from the Air Force and assigned to the Army. The Army has been flying O-1 aircraft since the Korean war. Air Force pilots feel that these aircraft carrying airborne forward air controllers are essential to their operation. Captain Rennick testified as follows:

Question. Do you think that your planes, either the A-1's or the F-100's, enable you to eyeball the target on the ground as well as you ought to be able to?

Captain RENNICK. You mean, do you think that we could work without a forward air controller?

Question. Yes.

Captain RENNICK. No, sir; I do not.

Question. And that should have to be a flying air controller?

Captain RENNICK. I would say that an airborne forward air controller over any situation where close support is required is——

Question. Essential?

Captain RENNICK. Necessary, sir.

When we got into Vietnam the Air Force was unable to provide its own airborne forward air controllers because it did not have a suitable plane to put them in. Under questioning by our counsel, General AGAN was asked how the close air support operations in South Vietnam differed in doctrine and technique from the doctrine and technique that were used in Korea. His answer was, "The important thing we have done is to add the airborne forward air controller. We have 120 airborne forward air controllers."

Under further questioning by Mr. Blandford the following dialog took place:

Question. You didn't use any type of forward air controller in the Army-Air Force concept in Korea?

General AGAN. Oh yes, sir; ground forward air controllers.

Question. You were using ground. I am talking about airborne.

General AGAN. We did use airborne; not in the same way we are using them here * * *

Question. * * * but the concept of having aircraft target spotting is not new?

General AGAN. No, sir.

What was really different in Vietnam was the fact that when we got there the Air Force no longer had the capability which it had once had to provide its own airborne forward air controllers. General Oden was asked how long the Army had been flying O-1 aircraft. The answer was: "Since the Korean war." The questioning proceeded:

Question. Do you know how long the Air Force has had O-1 aircraft?

General ODEN. Yes, sir * * * they have had a very limited number but——

Question. I am talking about as observation and forward air controller aircraft,

General ODEN. Since 1963—I believe I am correct on that, sir.

General Oden testified further:

I was Director of Aviation and we provided the Air Force the aircraft immediately in 1963.

Question. * * * how many did you provide?

General ODEN. We provided 3 for training initially and a total of 22 shortly thereafter to equip their squadrons.

Question. Weren't the 22—the ones that were to be turned over to the Vietnamese?

General ODEN. Oh, no, sir; that is for Air Force squadrons, air commando squadrons.

Question. Do you know why the Air Force decided in 1963 that they needed some O-1's?

General ODEN. No; but the requirement came out of Vietnam; that is all I know, sir.

General Schriever again claimed an innovation in putting the forward air controllers in the air. He said this:

After very little success with photo reconnaissance, we have gotten our forward air controllers airborne especially for better local visual reconnaissance in nonjungle areas.

Under questioning, this Vietnam innovation broke down as follows:

Question. You had forward air controllers airborne in Korea—the Korean war—didn't you?

General SCHRIEVER. Perhaps General Ferguson can answer. He was in Korea.

General FERGUSON. Yes, Mr. Pike.

Question. In the business of getting your forward air controllers airborne then, you have gone back to the situation that existed at the time of the Korean war?

General FERGUSON. And further back than that, to World War II, in certain cases.

Again, it seems strange to the subcommittee that the Air Force should claim as a new tactic and a new technique developed in Vietnam, a technique which had been used in Korea, and it seems even stranger that the Air Force had to go to the Army in order to get the planes required to do the job which the Air Force pilots described as necessary.

WHO'S GOT THE ATTACK PLANES?

There has been a great deal of discussion about which aircraft is the best aircraft available for the job of close air support.

During the authorization hearings held before the full Armed Services Committee this year General McConnell, Air Force Chief of Staff, testified that the best plane we had for the job of providing close air support was the A-1 aircraft. General Agan was not so sure:

General AGAN. If I were to say what is the best close air support aircraft in South Vietnam I would say the A-1 has done an excellent job, where it could haul a lot of ordnance and move into a situation where it was well suited for that task.

Question. Well, what in your opinion is the best close air support aircraft in Vietnam?

General AGAN. Sir, we are running some comparative tests out there now, or will be soon, to get facts.

Question. We have been flying planes out there for quite a while, General.

Haven't we gotten any opinions yet as to what is the best aircraft for the close air support mission?

General AGAN. Yes, sir, I can give you my personal opinions on various kinds of aircraft.

Question. What is your personal opinion?

General AGAN. You can see what has happened in the past—A-1 has done a fine job. I think the F-4 will do a fine job when it gets out there.

Question. Well, let's not project into the future. Let's talk about what is the best close air support the Air Force has in South Vietnam.

General AGAN. Sir, the A-1 as I said, is the best suited airplane we could get hold of for South Vietnam.

Question. Now where did you get hold of the A-1?

General AGAN. From the Navy, sir.

This is the record of the past. As to the present, General Agan testified as follows:

Question. You are familiar with the capability of the A-6A, isn't it right?

General AGAN. Yes, sir.

Question. Does the Air Force have a plane which has a similar capability for night or all-weather work?

General AGAN. No, sir.

Again, it is interesting to note that the A-6A is a Navy, and not an Air Force aircraft.

Not only has the Air Force had to get the spotter planes which it needs from the Army; it has had to get its attack planes from the Navy, and at the present time it is not producing any plane having the same capabilities for attacking ground targets at night that the Navy's all-weather A-6A has.

GUNG HO FOR LARA

As to the future: Both General Agan and General Schriever testified as to the desire of the Air Force to acquire COIN/LARA-type aircraft, designed specifically for the job of providing both a reconnaissance and an attack capability in close proximity to friendly forces. The record is replete with admissions that since World War II the Air Force has not designed any aircraft for the primary mission of close support for ground troops. The COIN/LARA aircraft would have such a primary mission. General Agan testified in response to a question from counsel that the Air Force was "gung ho" for the LARA.

He said:

We have asked for the LARA; we have asked for [deleted] of them; and the sooner we can get LARA-type aircraft and get them out into South Vietnam, I think the better it will be.

General Schriever, testifying on the same subject, was asked by Congressman Chamberlain what priorities, if any, he attached to the LARA aircraft.

General SCHRIEVER. I put a high degree of urgency to it.

Question. Is there anything that is impeding progress as far as Congress is concerned? Do you have all the funds you need and whatnot, to push this, as you feel it should be pushed?

General SCHRIEVER. There has to be a decision made for the production of the LARA, for example, and this is at the DOD level, not the Air Force.

Question. Are you more or less awaiting that decision to be made at the moment? Are you ready to make that decision, or how far down the road is this?

General SCHRIEVER. I can't answer that. The Air Force has recommended that the procurement of these aircraft be made.

The following questions and answers, however, took a little bit of the punch out of the Air Force's gung ho support for the LARA. Mr. Chamberlain proceeded to ask General Schriever when the Air Force had decided it wanted this plane.

General SCHRIEVER. Well, this was an air staff recommendation. I think the first recommendation came in 1962 (addressed to General Ferguson)—is that right?

General FERGUSON. For the LARA airplane it was last month, September.

General SCHRIEVER. We are talking about the LARA now?

Mr. CHAMBERLAIN. Yes, talking about the LARA.

General SCHRIEVER. That is right.

The subcommittee notes with interest that the Air Force's gung ho recommendation for the LARA came the month after this subcommittee was created, and 2 months after another subcommittee of the House Armed Services Committee, after a visit to Vietnam, had recommended that a COIN aircraft must be accelerated. The LARA aircraft, incidentally, has been developed by the Navy in response to a Marine requirement.

DECISIONS, DECISIONS

The Air Force does not stand alone in its responsibility for the lack of an aircraft optimized for close support. The Air Force's indifference to the development of this plane has its counterpart within the Department of Defense.

Dr. Cheatham, in his prepared statement before the subcommittee, testified that—

Our first attempts at reconnaissance and surveillance in South Vietnam using general reconnaissance aircraft of the RF-101 and RB-66 types to find an enemy

who was not distinctive in appearance, who mounted an attack in minutes and disappeared quickly in an equivalent time period, were found inadequate. Photographic processing and interpretation was much too slow. We rediscovered the efficiency and efficacy of the human eye and brain that was able to obtain an intimate back-of-the-hand knowledge of a specific sector and thus introduced the O-1 in large numbers. The airplane could be obtained from the Army and deployed quickly. It, however, had its disadvantages in limited payload for communication and inadequate handling qualities for climb and maneuverability. Many targets were found that could not be struck due to distances involved in bringing strike aircraft from the very limited number of available airfields. The net result was the realization that a light attack reconnaissance airplane capable of continuous harassment of the Vietcong was needed in South Vietnam. We are moving as rapidly as possible to provide an airplane of this type (the COIN/LARA) for use in Vietnam to replace the O-1.

Now, just how rapidly are we moving? The Marines established a requirement for such an aircraft in 1962. Research and development funds have been authorized and expended for the production of seven prototype aircraft by North American Aviation. The Convair Division of General Dynamics built its own version at its own expense.

On February 25, 1965, Dr. Harold Brown advised the Armed Services Committee that the first flight of the North American plane was expected in May. The first flight took place in July. Dr. Cheatham in expanding on his testimony on what the Defense Department meant by "we are proceeding as rapidly as possible," testified as follows:

Question. Now at this particular point, has any final decision been made to proceed with COIN/LARA aircraft?

Dr. CHEATHAM. As of right at this moment, no, sir.

Question. So, 2 years ago the Marines indicated they had a specific operational requirement for it. Today, there is as yet no decision to go ahead with it. Do you really think it's a fair statement to say, "We are proceeding as rapidly as possible"?

Dr. CHEATHAM. In an ideal sense, no, sir. In a practical sense, in terms of the numbers of people who have to be coordinated, the numbers of studies that have to be made, we are probably moving with continuous pressure.

Question. Where is the pressure coming from?

Dr. CHEATHAM. Some of it comes from my office because I happen to believe in the airplane and its need.

Question. Does any of it come from the Armed Services Committee?

Dr. CHEATHAM. I expect a fair amount of it has been in evidence for the last 2 weeks.

In Vietnam, we are involved in a war. American lives are being lost. The availability of such an aircraft should help reduce this loss of life. Under these circumstances, the length of time which it has taken and is still taking to arrive at a decision to proceed with the production of such an aircraft seems inexcusable. Assuming that the decision were made tomorrow, it would, according to General Ferguson, be the summer of 1967 before the first planes would be available under normal development. With every day that the decision is delayed, the troops must continue to wait and wait, and hope and hope.

After the completion of these hearings, and in November 1965, the Department of Defense finally approved production of the COIN/LARA aircraft. In January 1966, Congress was asked to expedite some funds for the aircraft. Even after the decision to produce the plane was reached, the papers moved slowly.

THE SILENT SUFFERERS

It is the official position of the U.S. Army, expounded by the Chief of Staff, that "the Air Force is best qualified to determine what type of aircraft is best suited to support."

The Air Force has done exactly that with the results noted above. They have never built an aircraft designed primarily for close air support. They are not actively engaged in developing one at the present time. The Marine Corps wrote the requirements for the COIN/LARA. In the final report on the joint study conducted in 1963 by the close air support boards of the U.S. Army and the U.S. Air Force, dated August 15, 1963, it became very evident that there was a great difference of opinion between what the Army wanted as a close air support aircraft, and what the Air Force wanted to provide them.

The Army asked for a STOL capability from sod or semiprepared strips; the Air Force asked for a 5,000-foot takeoff. The Army called for an all-weather navigation capability and simple visual target acquisition means; the Air Force agreed that an all-weather navigation system was necessary but called for "optimized weapon delivery capability"—whatever that means.

The Army said that an ordnance load of 4,000 pounds would be adequate; the Air Force called for 10,000 pounds. The Army called for a plane with a speed of from mach 3 to mach 9; the Air Force wanted to cruise at mach 9 and have a supersonic capability.

The Army called for an aircraft such as the Navy VAL (A-7A). The Air Force said they wanted a versatile supersonic fighter aircraft for close air support, and concluded that the presently programed supersonic fighter aircraft provides a substantial gain in effectiveness over the VAL selected by the Army as a close air support aircraft, and "provides the additional bonus of multipurpose capability."

It is obvious that the Army and the Air Force were not talking about the same plane. It is also obvious that in a showdown the Army is not allowed to talk. General Oden, under questioning by the subcommittee in this regard, testified as follows:

Question. When the Army finds in a Vietnamese situation that they have to provide O-1's to the Air Force to meet Air Force requirements in Vietnam, and when the Army finds that it has to arm in Vietnam Mohawk aircraft to do a job that needs doing in Vietnam, don't you think that the Army, itself, might properly say that it should have some voice in the type aircraft that are needed for close air support?

General ODEN. Mr. Chairman, I am the official Army witness and I am not speaking personally and I adhere to the position of the Army Chief of Staff.

Question. Well, from that would I gather that by indirection if you were speaking personally and were not the official witness you might not adhere to the position of the Army Chief of Staff?

Mr. BLANDFORD. May I suggest that we follow the directive issued by the Secretary of Defense and that you press the general for his personal opinion, and you must use those words.

Question. Yes. I think I have that piece of paper somewhere around here. I am not sure that I can word this correctly, but I will now ask you for your own personal opinion and not the official opinion as to whether the Army should not have some voice in the type aircraft it gets for close air support.

General ODEN. Mr. Chairman, in response to your question, I personally think that the Army should have considerable voice in the type of aircraft that the Air Force procures for its support.

In view of the wide divergence between what the Army feels it should have in the form of aircraft providing close air support for

Army forces, and what the Air Force has been willing to provide it in the past, and is planning to provide it in the future, the committee agrees that the Army should have a substantially greater voice in this regard than they have had in the past. The committee feels that the Army has been remiss in not backing up its own views as to its own needs with greater determination and enthusiasm. The committee further feels that in view of the quality of close air support which the Air Force has provided for the Army, it may be appropriate to review the doctrine which forbids the Army from providing its own.

IS RESPONSE TIME IMPORTANT?

According to the men fighting on the ground in Vietnam, whether Army or Marines, the most important single ingredient of close air support is getting on target fast. The Vietnamese war is a hit and run war in which attackers strike suddenly and fade away rapidly.

To a man pinned down by rifle or mortar fire, a minute can seem like an hour, and any delay can be the difference between life and death. The pilots who have flown in Vietnam have agreed fully that what they want more than anything else is to be over the target when needed. There are essentially three ways of accomplishing quick reaction or responsiveness: First, to keep these planes airborne at all times. This is a very expensive proposition at the end of a 13,000-mile pipeline. A second course, which appears to be the official Air Force position, is to have the fastest planes possible on the ground. A third possibility, which the COIN/LARA is designed to accomplish, would be to keep slower aircraft closer to the troops, and on station for a much longer period of time.

The subcommittee feels that there are both advantages and disadvantages with each of these concepts. The important thing, however, is that responsiveness be given the top priority in the thinking of both the Air Force and the Army in planning for close air support. The joint Army-Air Force close air support boards, in listing the areas wherein improvements in aircraft would provide the greatest payoffs in overall close air support effectiveness, listed three areas in the following priorities:

1. Improved survivability.
2. Improved target acquisition by the strike pilot.
3. Development of low level delivered munitions for use against hard point targets.

Quick reaction or responsiveness were not mentioned as a top priority need. Survivability is certainly important against sophisticated ground offense such as those being encountered in North Vietnam, but in the permissive air environment of South Vietnam and with the nature of the ground weapons being used against aircraft in South Vietnam, it is not. General AGAN testified in this regard as follows:

Question. How important is survivability in a close air support aircraft in a guerrilla war situation? In other words, what is the Air Force getting in the nature of antiaircraft fire in South Vietnam?

General AGAN. Mostly small arms, sir, up to 57 millimeter; mostly small arms, 50 caliber.

Question. The survivability of the close air support aircraft in Vietnam hasn't really been a problem, has it?

General AGAN. No, sir; it hasn't been in South Vietnam.

Quick reaction and responsiveness have been accorded far too little attention.

WHERE IS THE TARGET?

There is no question about the second greatest need in order of priority. The problem of acquisition and marking targets in a jungle environment is and remains a headache which is now receiving substantial attention. That it has not received substantial attention in the past is best exemplified by the fact that the same techniques are being used to mark targets in Vietnam today as were being used in the Solomon Islands in World War II. In this respect all services and the Office of the Secretary of Defense must share the blame.

Forward air controllers in airborne spotter planes have added some refinement with target-marking rockets, but the fact remains that the state of the art in regard to marking small targets in a jungle environment has advanced almost nowhere in the last 20 years.

At a time when we find it possible to transmit through 134 million miles of space fairly accurate photographs of Mars, it should be possible to determine what is going on in the jungle 1,000 feet below a spotter plane. If a tiny fraction of the energy and funds which have been devoted to the former were to be applied to the latter, the problem should not be insoluble.

As it is, the problem has not only not been solved; it has been largely ignored.

THE MARINES DO IT DIFFERENTLY

The Marines on the ground have traditionally been provided close air support by Marine and Navy pilots in the air. There have been few problems of incompatibility of radio equipment or lack of liaison between the air and the ground. When a Marine company is engaged in a mission it has a Marine forward air controller, a commissioned officer, and a pilot, on the ground with it, and when the company commander needs air support, he gets it. The air support is controlled from the ground. The Marines do use helicopters as a backup airborne forward air controller, but essentially the company commander orders the airstrike. The forward air controller is with the company commander; the targets are marked from the ground and the planes in the air are called in from the ground by direct communication between the forward air controller and the pilot of the attacking aircraft.

Dr. Cheatham, in discussing the adequacy of the Army-Air Force system as compared to the Marine system, stated the following:

A question has been raised as to the adequacy in numbers of FAC's on the ground, with the point being made that a Marine Corps battalion is deployed with three times as many FAC's as an Army battalion. This question is being examined right now by the Army and Air Force with specific reference to South Vietnam operations.

The subcommittee is pleased to note that the matter is being studied by the Army and Air Force right now. The subcommittee would have been even more pleased if the matter had been studied some time ago. The subcommittee would have been ecstatic if the problem had been solved before the hearings began.

IT'S NOT ALL BAD

This has been a critical report. It has been particularly critical of the Air Force, because we believe it has not devoted a sufficiently large proportion of its interest, time, energy, or funds to the mission of close air support.

The fact remains, however, that with planes which were not designed for the job, the job is being done to some extent. They are delivering massive attacks on the enemy, and the enemy is being hurt by them. The attacks are increasing in numbers, in intensity, and in effectiveness. The pilots who are flying them deserve a nation's respect and praise.

Our criticism is directed at the upper echelons, both in and out of the Air Force, where policy is made, for not preparing well enough to fight guerrilla war. In January 1961 Chairman Nikita Khrushchev addressed a conference of the Communist Party and set forth the military doctrine by which he said Communist conquest would be achieved. He listed four kinds of war:

- (1) World wars.
- (2) Local wars.
- (3) Liberation wars.
- (4) Popular uprisings.

Mr. Khrushchev announced to the world that international communism was opposed to both world wars and local wars as being intolerable in a world armed with nuclear weapons. He described "wars of national liberation," as he referred to guerrilla warfare, as "inevitable," and said the Communist movement would support such wars. With specific reference to the war in Vietnam, he said, "It is a sacred war."

In Mr. Khrushchev's sacred war the tide is turning against him. American men, in American machines and on American feet, are joining with brave Vietnamese men and the job is getting done. We are relearning some age-old truths about the ugly necessity of meeting foot soldiers on the ground with other foot soldiers on the ground, and of having pilots in the air equipped not only with sophisticated radar equipment but also with machines which enable them to use their eyes. We are relearning, also, both the value and the limitations of studies and of criteria which tell us only what aircraft can deliver a ton of bombs to the target area at the smallest price per ton. The B-52 can probably deliver 17 tons of bombs to the target "area" less expensively than an A-1, but it is not a close support aircraft. It must hit predetermined targets and there is a fundamental difference between "area" targets and "point" targets, as defined in close air support doctrine.

There are too many variables in tactical warfare to enable us to arrive at decisions involving procurement of aircraft by computer. Dr. Cheatham stated this quite eloquently in the following passage:

The philosophical differences between strategic and tactical warfare are worthy to note here briefly. While strategic nuclear warfare is, in a real sense, more terrible to contemplate, the strategic forces and weapons that define it are chosen from alternatives that are relatively few in number with the war games defined by a similarly small finite number of moves and countermoves. To do the same analysis within the regime of tactical warfare is much more difficult. One of the reasons is the very large variety of inputs and alternatives. Also, while strategic alternatives are mostly scientific and logical in nature, we find tactical warfare alternatives are a blend of both science and art, where changing and imaginative

tactics are a significant variant. Certainly, for example, we find that tactical air power and its component parts of close air support and intratheater logistic support are all an intimate blend of men and machines. You cannot estimate in more than a rough quantitative fashion the cost-effectiveness of guts, heart, moral, flying skill, intuition, sixth sense, imagination, and the dedication of a fighting man to a fighting machine in a fighting environment when in defense of his country and freedom * * *.

OF MEN AND PICKETS

While all over the United States, in great public display, persons objecting to the conduct of our war in Vietnam were carrying signs, marching, and appearing on television, newsreels, and speaking on the radio, the subcommittee was listening behind closed doors in executive session to a Marine captain discussing close air support in Vietnam.

The discussion had to do with certain delays which were encountered while a request for air support was approved at battalion and higher levels. Under Marine Corps doctrine radio channels are open, and when a request for air support is made by a platoon or a company, silence in the higher echelons of command denotes consent, and unless the silence is broken, the air support is given.

In Vietnam the system has been changed to require the affirmative and vocal approval of each higher echelon of command, in order to make sure that no air attack is delivered where an air attack might endanger civilian lives. This change in the system obviously causes delay. The delay may cost American lives. The Marines have changed their system to a slower system which may cost Marine lives in an effort to save civilian lives. Captain David A. Ramsey, Commanding Officer, Company I, 3d Battalion, 3d Marines, was asked about this:

Mr. NEDZI. With respect to this time element of going through the various echelons and procedures which you outlined, where each command has to authorize a strike * * * do you have an opinion as to whether it would be better to change this to the system that you have trained in?

Captain RAMSEY. I have an opinion on that, yes, sir. I think that the system as it is working right this minute is the only way it can work, because otherwise we are going to run into some indiscriminate killing. And this is not desirable. Granted we don't want to lose Marines on these operations, but then we just can't go around wiping out everybody in front of us like we were able to do at times in Korea. We just can't do this. We are going to have to accept some casualties, as grim as it may be; but this is our job. I think that we have got to get the support of these Vietnamese people on our side. We've got to get them working with us, giving us information.

We are not going to do it by wiping them out.

When we find American military personnel defending a system which may cost American lives rather than unnecessarily endangering civilian lives, this subcommittee feels that this is indeed service beyond the call of duty, and that this faith, judgment, and sacrifice should be spread before the American people, at least to the same extent that the views of those who criticize everything which we have done in Vietnam have been published.

CONCLUSION

The Vietnamese forces and our own forces on the ground in Vietnam are engaged in a deadly and desperate struggle. At the present time the tide in that struggle appears to be turning our way. We believe that a major contribution to the turning of the tide has been made by our pilots and our aircraft. We are aware that our Air Force has the

responsibility of providing the nuclear deterrent which has been the principal ingredient of our defense posture over the last decade. This assignment they have accomplished with their B-52's, their B-58's, and their Atlas, Titan, and Minuteman missiles. The Air Force is also responsible for maintaining air superiority in the tactical area. Today they have the F-100's, the F-105's, the F-4's, and they are developing the F-111 for the air superiority role.

The Air Force has the mission of defending this Nation from attack by enemy aircraft. For this purpose the Air Force has developed the F-102 and the F-104.

The Air Force has fought for its YF-12, for its improved manned interceptor, for its B-70 bomber, for its advanced manned strategic aircraft. It has spent billions of dollars on these projects.

However, the Air Force also has the mission of providing close air support for our Army on the ground. It has never developed one plane for this particular purpose. It is not developing one today. In fact, it insists upon multipurpose aircraft. This is the reason why the Air Force does not today have a true close air support aircraft. While we honor the Air Force for its accomplishments in the strategic field, in the field of air superiority, in its interceptor capabilities, and in its improved tactical airlift capabilities, we feel that in its magnificent accomplishments in the wild blue yonder it has tended to ignore the foot soldiers in the dirty brown under. They need and are entitled to better support than they have received.

The Army has been hesitant to demand better air support than it has been getting. Because of the desire on the part of both services to avoid irritating service rivalries and the roles and missions issue, essential questions have gone unanswered, and essential problems have been swept under the rug.

In approaching the problem of close air support, the Department of Defense has relied too heavily on computer techniques in which there are too many variables to be cranked into a computer. They have overstudied and underdecided. The resultant delays are reducing the efficiencies which the cost effectiveness techniques were designed to improve.

Yet during this period of delays and indecisions a workable, effective, tested close air-support system has been readily available.

The Navy-Marine Corps doctrine, organization, and the equipment employed in close tactical air support of ground forces are obviously superior to that of the other armed services. They meet the requirements for limited war operations, such as the current conflict in South Vietnam, and are readily adaptable to an escalating conflict.

Navy-Marine Corps doctrine requires direct air-ground communications at all times between the ground unit being supported and the aircraft performing the mission. The air control organization of the Marine Corps is equipped to insure this capability.

Each infantry battalion of the Marine Corps has assigned a forward air control party with the appropriate air-ground communications equipment to conduct close air support for that unit.

Each of these forward air control parties has two designated aviators who are trained in the tactics and techniques for delivery of air support to ground units. The forward air-control parties are being utilized by all Marine Corps units deployed to South Vietnam and have proved their worth in this type of conflict.

The Navy and the Marine Corps have devoted primary emphasis to the conduct of close air support and have developed aircraft and related equipment specifically designed for this purpose. These aircraft and equipment provide the capability of providing close air support on a 24-hour basis under all weather conditions.

The hoped for introduction of the COIN/LARA aircraft will further add to the Navy-Marine Corps capability to conduct close air support for ground troops.

In substance, the Navy and Marine Corps have devoted primary emphasis to the development of close tactical air-support operations for ground units and are properly organized, trained, and equipped to carry out this important function.

The knowledge, the technique, the capability for effective close air support exists. It could well be emulated by the Army-Air Force team.

The subcommittee is well aware of the fact that it is easy to criticize shortcomings, for some of them are quite apparent. At the same time, the subcommittee does not want this report to be construed as a unilateral, or perhaps even a parochial, attack upon one service.

The Air Force has many responsibilities, and in most instances it has met those responsibilities in an outstanding manner. No one can criticize the manner in which the Air Force is carrying out the vital mission of SAC; or the indispensable role of MAC (Military Airlift Command—formerly MATS); or the role of the North American Air Defense Command; or, of course, the invaluable services of the Tactical Air Command.

When funds are limited, first things must come first. Unfortunately, close air support did not have the urgency of airlift, or interceptor roles, or strategic bombing in Air Force planning.

Time has been wasted, but there is still time to correct our deficiencies in Army-Air Force close air support operations. We hope this report will serve as a useful prod, and not as a criticism that must be defended or explained.

OTIS G. PIKE, *Chairman.*

LUCIEN N. NEDZI.

RICHARD ICHORD.

FRANK E. EVANS.

DONALD J. IRWIN.

G. ELLIOT HAGAN.

CHARLES E. CHAMBERLAIN.

BOB WILSON (California).

CHARLES S. GUBSER.

I have read the foregoing report and find myself in full accord with the views and recommendations of the subcommittee.

L. MENDEL RIVERS, *Chairman.*



STA

[No. 45]

FISCAL YEAR 1966 SUPPLEMENTAL
AUTHORIZATION FOR VIETNAM
(H.R. 12334 and H.R. 12335)

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS
SECOND SESSION

FEBRUARY 3, 4, 7, 8, 9, 15, 16, AND 17



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2D SESSION, 89TH CONGRESS

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**HEARINGS BEFORE THE FULL COMMITTEE ON FISCAL YEAR 1966
SUPPLEMENTAL AUTHORIZATION FOR VIETNAM (H.R. 12334
AND H.R. 12335)**

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., February 3, 1966.

The committee met at 10:15 a.m., Hon. L. Mendel Rivers (chairman) presiding.

The CHAIRMAN. Let the committee come to order.

Good morning, Mr. Secretary.

Secretary McNAMARA. Good morning, Mr. Chairman.

The CHAIRMAN. Members of the committee, the hearing which we are beginning today is to consider H.R. 12334, a bill to authorize appropriations during fiscal year 1966 for the procurement of aircraft, missiles, and tracked combat vehicles and for research and development.

We will also consider H.R. 12335, a bill to authorize certain military construction. Both of these bills are in support of military activities in southeast Asia.

(For copies of H.R. 12334 and H.R. 12335, see appendix.)

First I would like to deal briefly with the procurement and research and development bill which contains \$3,417,700,000 for procurement, and \$151,650,000 for research and development. You will note that it is in essentially the same form as the regular fiscal year weapons procurement and R. & D. bills. There is, however, one difference which I would like to draw the committee's particular attention to, and that is section 301 under title III which appears on page 3 of the bill.

Under this language in title III any aircraft, missile, or tracked combat vehicle authorized by this bill could be made available to the Vietnamese or any other free world force in Vietnam.

You remember parenthetically we have a barrage of Korean forces in Vietnam. Let's think of them.

It also grants authority to make available to non-U.S. forces in Vietnam items from our current inventory and from production which has been ordered but not yet delivered.

The language in title II is equally applicable to appropriations other than those for aircraft, missiles, naval vessels, and tracked combat vehicles. For example, we would by this language be granting similar authority to use operations and maintenance appropriations for such things as transportation and other housekeeping costs of other free world forces in Vietnam, and other costs directly related to their participation in the conflict in Vietnam.

Although as I have said, any aircraft, missiles, and so forth, funds for which are authorized by this bill, could be given to non-U.S. forces in Vietnam there is nothing in this bill presently identifiable as proposed for allocation to these other forces.

Notwithstanding the fact that this same procedure was followed in the Korean war, I think that we should go into this matter with Mr. McNamara in order that we may be made aware in detail as to the extent of the authority we are being requested to grant.

I will draw your particular attention to page 20 of the Secretary's statement and the following pages which set out the kinds of aircraft, missiles, and tracked combat vehicles which are included in this bill.

We will, of course, go into these in more detail with each of the military departments as they appear and at that time each member will have before him the backup book for the particular department.

I want to say this, I want you to remember, about Vietnam, this is not a posture hearing. Any posture questions you may have I want you to reserve in the regular order which will follow this. Confine every question you have to the matter before us.

Mr. Secretary, you have a prepared statement?

Secretary McNAMARA. Yes, I do, Mr. Chairman.

The CHAIRMAN. I would like you to read it. And whatever questions we have will come after that.

Do you plan to be out of the country?

Secretary McNAMARA. I am not certain. General Wheeler and I are considering possible attendance at a conference being held in Honolulu at the present time, either this weekend, or at some early date next week, and we haven't yet made plans. We would very much like to finish this hearing if we possibly could by tomorrow evening. We are quite prepared to spend any amount of time you or the committee wishes to take today or tomorrow.

The CHAIRMAN. You and the General will finish whatever you have and whatever questions we have by tomorrow afternoon. We will meet this morning and adjourn for lunch. I don't think there is anything that will require our attendance on the floor. We will plan to reconvene at 2 o'clock, go to 4 o'clock, and then start tomorrow at 10 o'clock and finish tomorrow.

You may proceed, Mr. Secretary, without interruption.

STATEMENT OF HON. ROBERT S. McNAMARA, SECRETARY OF DEFENSE

Secretary McNAMARA. Thank you, Mr. Chairman.

I welcome this opportunity to discuss with you our longer range plans for the strategic bomber forces. You understand, of course, that the strategic bombers represent only a portion of our overall strategic offensive forces, and that the strategic offensive forces, themselves, are but one of two components of our general nuclear war posture; the other being the strategic defensive forces. I have found from my own work in this area that both of these components must be considered within a single analytical framework if the relative merits of available alternatives are to be properly evaluated; and last year that was the way I presented the strategic offensive-defensive programs, both to the President and the congressional committees.

Accordingly, I believe it would be most useful for the purposes of your inquiry, today, if I were to review with you at least the nature of the general nuclear war problem as we see it now, the capabilities of the programed offensive and defensive forces against the expected threat, and our specific proposals for the strategic offensive forces in the fiscal year 1967-71 period.

A. THE GENERAL NUCLEAR WAR PROBLEM

Last year I pointed out that the general nuclear war forces should have two basic capabilities:

1. To deter deliberate nuclear attack upon the United States and its allies by maintaining, continuously, a highly reliable ability to inflict an unacceptable degree of damage upon any single aggressor, or combination of aggressors, at any time during the course of a strategic nuclear exchange, even after absorbing a surprise first strike.

2. In the event such a war nevertheless occurred, to limit damage to the population and industrial capacity.

The first of these capabilities we call assured destruction and the second damage limitation.

Viewed in this light, the assured destruction capability would require only a portion of the ICBM's, the submarine-launched ballistic missiles (SLBM's) and the manned bombers. The damage limiting capability would be provided by the remainder of the strategic offensive forces (ICBM's, SLBM's and manned bombers), as well as area defense forces (manned interceptors, longer range antiballistic-missile missiles, and antisubmarine warfare forces), terminal defense forces (antibomber surface-to-air missiles and shorter range antiballistic-missile missiles), and passive defenses (fallout shelters, warning, etc.) The strategic offensive forces can contribute to the damage limiting objective by attacking enemy delivery vehicles on their bases or launch sites, provided that our forces can reach them before the vehicles are launched at our cities. Area defense forces can destroy enemy vehicles en route to their targets before they reach the target areas. Terminal defenses can destroy enemy weapons or delivery vehicles within the target areas before they detonate. Passive defense measures can reduce the vulnerability of our population to the weapons that do detonate.

The vital first objective, which must be met in full by our strategic nuclear forces, is the capability for assured destruction. Such a capability will, with a high degree of confidence, insure that we can deter under all foreseeable conditions a calculated, deliberate nuclear attack upon the United States or its allies. This capability must be provided regardless of the costs and the difficulties involved.

Once enough forces have been procured to provide high confidence of an assured destruction capability, we can then consider the kinds and amounts of forces which might be added for reducing damage to our population and industry in the event deterrence fails. Such damage limiting programs could range across the entire spectrum, from one designed against a threat of a minor nuclear power—for example, the Chinese Communists in the 1970's—to one designed against the threat of a carefully synchronized surprise first strike by the Soviet Union on our urban industrial areas.

With respect to the damage limiting problem posed by the Soviet nuclear threat, I believe it would be useful to restate briefly certain basic considerations which have guided our programs over the last several years.

First, against the forces we expect the Soviets to have during the next decade, it will be virtually impossible for us to be able to insure anything approaching complete protection for our population, no matter how large the general nuclear war forces we were to provide, in-

cluding even the hypothetical possibility of striking first. Of course, the number of fatalities would depend on the size and character of the attack as well as on our own forces. The Soviets have the technical and economic capacity to prevent us from achieving a posture which could keep our fatalities below some tens of millions; they can increase their first strike capabilities at an extra cost to them substantially less than the extra cost to us of any additional damage limiting measures we might take.

Second, since each of the three types of Soviet strategic offensive systems (land-based missiles, submarine-launched missiles and manned bombers) can, by itself, inflict severe damage on the United States, even a very good defense against only one type of system has only limited value.

Third, for any given level of Soviet offensive capability, successive additions to each of our various damage limiting systems have diminishing marginal value. The same principle holds for the damage limiting force as a whole; as additional forces are added, the incremental gain in effectiveness diminishes.

At the other end of the spectrum, it now appears to be technically feasible to design a defense system which would have a reasonably high probability of precluding major damage to the United States from an *n*th country nuclear threat, e.g., Communist China in the 1970's. Such a defense system would also be effective against an accidental missile launching.

It was with these considerations in mind that we have carefully evaluated the major alternatives available to us in meeting the two strategic objectives of our general nuclear war forces—assured destruction and damage limitation—in the light of the latest projections of the threats. In addition, we have given special attention this year to an analysis of Soviet threats considerably greater than those projected, so as to guard against the possibility that their technological progress may be more rapid than we currently believe to be likely.

Accordingly, my discussion today will deal with—

The capabilities of our general nuclear war forces against the expected threat.

The adequacy of our assured destruction forces against a much higher than expected Soviet threat.

Specific recommendations on the strategic offensive forces for the fiscal year 1967-71 period.

B. CAPABILITIES OF THE PROGRAMED FORCES AGAINST THE EXPECTED THREAT

In order to assess the capabilities of our general nuclear war forces over the next several years, we must take into account the size and character of the forces the Soviets are likely to have during the same period. While we have reasonably high confidence in our estimates for the near future, our estimates for the latter part of this decade and the early part of the next are subject to great uncertainties. As I pointed out in past appearances before this committee, such projections are, at best, only informed estimates, particularly since they deal with a period beyond the production and deployment leadtimes of the weapon systems involved.

1. The potential aggressors' strategic offensive-defensive forces

By and large, the current estimates of potential aggressors' strategic offensive-defensive forces projected through mid-1970 are of the same general order of magnitude as those which I discussed here last year.

With these long-range projections of the potential aggressors' forces as background, I would now like to discuss the adequacy of the strategic offensive forces we propose to build and maintain through fiscal year 1971.

2. Adequacy of the strategic offensive forces for assured destruction

Although no one can state with any degree of certainty how a general nuclear war between the United States and the Soviet Union might evolve, for purposes of evaluating the assured destruction capabilities of our forces, we must assume the worst possible case—that the Soviets strike first in a well-coordinated surprise attack. (Since a significant Chinese Communist nuclear threat to the continental United States is not expected to develop any earlier than the 1975–80 period, that threat can be omitted from this particular analysis.) Even if the Soviets in the 1970 period were to assign their entire available missile force to attacks on our strategic forces (reserving only refire missiles and bomber-delivered weapons for urban targets), our analysis shows that a very large proportion of our alert forces would still survive. And, of these surviving forces, a very large proportion could reliably deliver their payloads to their targets.

The effective delivery of even one-fifth of the surviving weapons on Soviet cities would destroy about one-third of the total population and half of the industrial capacity of the Soviet Union. By doubling the number of delivered weapons, Soviet fatalities and industrial capacity destroyed would be increased by considerably less than one-third. Beyond this point, further increments of weapons delivered would not appreciably change the results, because we would have to bring under attack smaller and smaller cities, each requiring one delivered weapon.

It is clear, therefore, that our strategic offensive forces are far more than adequate to inflict unacceptable damage on the Soviet Union, even after absorbing a well-coordinated Soviet first strike against those forces. Indeed, it appears that even a relatively small portion of these forces would furnish us with a completely adequate deterrent to a deliberate Soviet nuclear attack on the United States or its allies.

A considerably smaller number of weapons detonated over 50 Chinese urban centers would destroy half of the urban population (more than 50 million people) and destroy more than one-half of their industry. Such an attack would also destroy most of the key governmental, technical, and managerial personnel and a large proportion of the skilled workers.

Thus, without any use of the bomber forces, the strategic missile forces recommended for the fiscal year 1967–71 period would provide substantially more force than is required for an assured destruction capability against both the Soviet Union and Communist China simultaneously.

3. The role of the manned bomber force

Given current expectations of vulnerability to enemy attack (before and after launch), and simplicity and controllability of operation, missiles are preferred as the primary weapon for the assured destruction mission. Their ability to ride out even a heavy nuclear surprise attack and still remain available for retaliation at times of our own choosing weighs heavily in this preference. (We are quite confident that the Soviets do not now have, and are most unlikely to have during the next 5 years, the ability to inflict high levels of prelaunch attri-

tion on our land-based missiles, or any attrition on our submarine-based missiles at sea.)

However, in order to determine how best to hedge against the possibility that our missile forces may turn out to be less reliable and may suffer greater prelaunch attrition than currently estimated, we have analyzed alternative ways in which additional forces might be provided. To simplify the presentation, we show a hypothetical case in which our missile forces would be barely adequate for the assured destruction task, given the expected missile effectiveness and allowing no missiles for other tasks. (In fact, our approved missile forces are far larger than required for the assured destruction task and, therefore, already have built into them a large measure of insurance.) The table on this page shows the cost of insuring against various levels of unexpected missile degradation, by buying either additional missiles or bombers to attack the targets left uncovered as a result of the "assumed" lowered missile effectiveness. Against the current Soviet antibomber defenses, we have measured the cost to hedge with bombers in terms of B-52's armed with gravity bombs since the FB-111/SRAM would be a more expensive alternative. Conversely, against an improved Soviet antibomber defense, we have used the FB-111/SRAM since it would provide a less expensive hedge than the B-52 armed with either gravity bombs or SRAM.

Cost to hedge against lower-than-expected missile effectiveness

[10-year systems costs in billions of dollars] ¹

Assumed degradation to missile effectiveness (realized/planned)	Cost to hedge with—		
	Additional missiles	B-52/gravity bombs (against current soviet antibomber defenses)	FB-111/SRAM (against im- proved soviet antibomber defenses ²)
1.0.....			
0.8.....			
0.6.....	\$0.8	\$1.3	\$5.4
0.5.....	2.0	2.6	7.7
0.4.....	3.0	3.3	8.7
0.3.....	4.5	4.0	9.6
0.2.....	7.0	4.7	10.6
	12.0	5.3	11.5

¹ 10-year systems costs include for missiles—operating costs plus procurement of missiles for replacement and testing; for bombers—operating costs of bombers/tankers, modification costs plus procurement of the FB-111.

² Assuming the Soviets were to deploy a force of new, improved manned interceptors in the western part of the Soviet Union.

Only when missile effectiveness falls to less than about 50 percent of what we actually expect are bombers less costly than missiles for insurance purposes. Against current Soviet defenses, the presently available B-52G-H force (255 aircraft) is adequate to hedge against complete failure of the missile force, insofar as our assured destruction objective is concerned. Against possible improved Soviet defenses, we must be willing to believe that our missile effectiveness could turn out to be lower than 30 percent of what we expect before we would wish to insure with FB-111/SRAM aircraft rather than with missiles.

Similar arguments could be developed with respect to greater-than-expected Soviet ballistic missile defense effectiveness. I will discuss this and other greater-than-expected threats later in this statement.

In summary, for the assured destruction mission, manned bombers must be considered in a supplementary role. In that role they can force the enemy to provide defense against aircraft in addition to defense against missiles. This is particularly costly in the case of terminal defenses. The defender must make his allocation of forces in ignorance of the attacker's strategy, and must provide in advance for defenses against both types of attack at each of the targets. The attacker, however, can postpone his decision until the time of the attack, then strike some targets with missiles alone and others with bombers alone, thereby forcing the defender, in effect, to "waste" a large part of his resources. In this role, however, large bomber forces are not needed. A few hundred aircraft can fulfill this function. Accordingly, as will be discussed later, we propose to maintain indefinitely an effective manned bomber capability in our strategic offensive forces.

4. Adequacy of the strategic offensive-defensive forces for damage limitation

The ultimate deterrent to a deliberate nuclear attack on the United States or its allies is our clear and unmistakable ability to destroy the attacker as a viable society. But if deterrence fails, either by accident or miscalculation, it is essential that forces be available to limit the damage of such an attack to ourselves or our allies. Such forces include not only anti-aircraft defenses, antiballistic-missile defenses, antisubmarine defenses, and civil defense, but also offensive forces, i.e., strategic missiles and manned bombers used in a damage limiting role.

(a) *Damage limitation against the Soviet nuclear threat.*—With respect to the Soviet Union, the potential utility of all damage limiting efforts, including the use of our strategic offensive forces in that role, is critically dependent on a number of uncertainties:

1. Future developments in the Soviets general nuclear war forces in the absence of further major damage limiting efforts on our part.
2. Their response to our efforts at damage limiting.
3. If deterrence fails, the precise timing of a nuclear exchange as well as the Soviet objective in such an exchange.

In order to illustrate some of the major issues involved in this problem, we have tested four damage limiting programs against two possible future Soviet threats. In practice, of course, uncertainty about the direction in which the Soviet threat was developing would lead us to maintain a flexible approach, matching the scope of our force deployments to our own technical progress and to our evolving knowledge of the Soviet threat. Nevertheless, these cases help to develop an appreciation of the possible future costs and benefits of such damage limiting programs.

Threat I is basically an extrapolation of current Soviet forces reflecting some future growth in both offensive and defensive forces. Threat II is a major Soviet response to our deployment of a ballistic missile defense. It includes a large number of big, land-based missiles equipped with penetration aids designed to overwhelm our ABM defenses and a qualitatively improved and somewhat larger manned bomber force, and also assumes the deployment of a very sizable, sophisticated ABM system. This threat, if it were actually to develop, would require major additions to U.S. offensive forces in order to maintain our assured destruction capability.

The major components of the four U.S. 1975 damage limiting postures considered in this analysis include the NIKI-X antiballistic missile system (SPRINT and the new extended-range interceptor missiles), the SAM-D bomber defense system, the F-12 interceptor, offensive missiles used for damage limitation, and civil defense.

The SPRINT missile, which I described to you last year, is now under development and would be used for terminal defense of population targets. The new extended-range interceptor missile, the development of which was initiated last year, would be used for area defense.

The NIKE-X system would also include a number of different types of radars: multifunctional array radars (MAR), missile site radars (MSR) and perhaps VHF radars.

The SAM-D is a new ground-to-air antiaircraft missile system which is now in a very early stage of development.

The F-12 is the interceptor version of the Mach 3 YF-12A aircraft, three of which are now in a flight test phase.

Two of the four U.S. damage limiting programs, postures A and B, are tailored against threat I; and the other two, C and D, against threat II. Postures B and D include more antiballistic missile defense forces and SAM-D batteries than postures A and C. Postures C and D include more F-12 interceptors than postures A and B.

These postures are highly tentative, but they illustrate the overall costs and effectiveness of a range of possible deployments. As our knowledge in this area of rapidly changing technology increases, we will refine the composition of these deployments and our calculations of cost and effectiveness.

The interaction of the various Soviet threats and the four alternative damage limiting programs are shown in the table below.

Costs of U.S. damage limiting postures and Soviet damage potential
[In billions of dollars]

	Program costs, fiscal year 1966-75			Soviet damage potential in terms of millions of U.S. fatalities ¹	
	Cost attributed to assured destruction ²	Damage limiting increment	Total U.S. posture	Soviet 1st strike	U.S. 1st strike
1970: U.S.S.R. expected threat U.S. approved program.....				130 to 135	90 to 95
1975:					
U.S.S.R. threat I:					
U.S. AD* posture plus limited civil defense program	22.4	1.5	23.9	130 to 135	90 to 105
U.S. AD posture plus full fallout shelter.....	22.4	3.4	25.8	110 to 115	80 to 85
U.S. DL* posture A.....	22.4	22.5	44.9	80 to 95	25 to 40
U.S. DL posture B.....	22.4	30.1	52.5	50 to 80	20 to 30
U.S.S.R. threat II:					
U.S. DL posture C.....	28.5	24.8	53.3	105 to 110	35 to 55
U.S. DL posture D.....	28.5	32.3	60.8	75 to 100	25 to 40

*AD is assured destruction; DL is damage limiting.

¹ Rounded to the nearest 5 million.

² The assured destruction posture designed against threat I is more than just a minimal capability; it is designed to provide insurance against unexpected changes in the threat. In postures C and D a larger strategic missile force is provided for assured destruction to counter the increased Soviet offensive threat and the much more extensive ABM defense. (Threat II requires about 3 times as much surviving, deliverable payload than threat I, just to maintain our assured destruction capability.)

The program costs shown on the table represent the value of the resources required for each of the alternative postures. The costs attributed to assured destruction represent the resources required to insure that we can, in each case, deliver and detonate at least the minimum essential number of warheads over Soviet cities, even after a surprise Soviet attack. The costs for damage limitation represent the value of the additional resources required to achieve the various postures shown on the table. The last two columns of the table show the U.S. fatalities which would result under two alternative forms of nuclear war outbreak. In the Soviet first strike case, we assumed that the Soviets initiate nuclear war with a simultaneous attack against our cities and military targets, and with the weight of their attack directed at our cities. In the other case, we assume that the events leading up to the nuclear exchange develop in such a way that the United States is able to strike at the Soviet offensive forces before they can be launched at our urban targets.

The ranges of fatalities estimated in the table reflect some of the possible variations in Soviet targeting doctrine, in technological sophistication, in errors in attack planning, and in the degree of disruption to Soviet attack coordination. The higher end of the ranges of fatalities shown for each case represents the full damage potential (a well-planned, well-coordinated attack to maximize fatalities) under the assumed conditions. The lower end of the ranges of estimates represents possible degradations in execution and targeting.

The first line on the table shows the Soviet damage potential against the currently approved U.S. program in 1970. It illustrates the projected performance of the currently approved bomber defenses, the civil defense program, and the strategic offensive forces. Without these programs, the damage potential could be 160 million or more U.S. fatalities in a mixed Soviet attack on military and civilian targets. This total would not increase very much even if the Soviets directed all of their forces at our cities.

As shown on the second line of the table, the situation is not substantially changed by the assumed Soviet buildup (threat I) between 1970 and 1975. A full fallout shelter program, at a cost to the Government of about \$3.4 billion, would reduce fatalities by about 15 to 20 million in both cases. Damage limiting posture A (cost, \$22.5 billion) might reduce fatalities to somewhere between 80 and 95 million and posture B (cost, \$30.1 billion) to between 50 and 80 million in an early urban attack. But the benefits of these damage limiting programs could be substantially offset, especially in the case of a Soviet first strike, if the Soviets were to increase their offensive forces to the levels assumed in threat II.

Even larger Soviet responses than that of threat II cannot be ruled out completely by what we know of Soviet technology and resource constraints. Whether or how the Soviets actually would respond depends on how strongly they desired a reliable threat against the United States, and on the alternative military and nonmilitary uses they have for the resources involved. In other words, if we were to try to assure survival of a very high percent of our population, and if the Soviets were to choose to frustrate this attempt because they viewed it as a threat to their assured destruction capability, the extra cost to them would appear to be substantially less than the extra cost to us. This

argument is not conclusive against our undertaking a major new damage limiting program. The resources available to the Soviets are more limited than our own and they may not actually react to our initiatives as we have assumed. But it does underscore the fact that beyond a certain level of defense, the cost advantage lies increasingly with the offense.

The costs of the various damage limiting programs would, of course, be spread over a period of years. Even so, they would reach \$5 to \$6 billion per year in the early 1970's. To maintain or improve the postures shown (against an evolving Soviet threat) might involve continuing annual expenditures of \$4 to \$5 billion.

On the basis of this and other analyses of the damage limiting program in relation to the Soviet nuclear threat, we have concluded that—

1. Against likely Soviet postures for the 1970's, appropriate mixes of damage limiting measures could effect substantial reductions in the maximum damage the Soviets could inflict, but only at substantial additional cost to the United States over and above that required for assured destruction. Even so, against a massive and sophisticated Soviet surprise attack on civil targets, there would be little hope of reducing fatalities below 50 or more million.

2. An efficient damage limiting effort against the kinds of postures which the Soviets could achieve in the 1970's would require a mix of measures, including a full civil defense fallout shelter program, ballistic missile defenses, antisubmarine (SLBM) defenses, and improved bomber defenses. Against a very rapid buildup of Soviet missile forces based in hard silos, additional U.S. missile payload might have to be added.

3. Feasible improvements in missile accuracy and reentry vehicles could greatly increase the efficiency of our offensive forces against Soviet hard targets. However, the effectiveness of offensive forces in the damage limiting role is sensitive to the timing of a nuclear exchange.

4. Assuming that the Soviet bomber threat remained at least as great as we currently estimate, a decision to build a significant U.S. damage limiting capability would require the deployment of a force of improved interceptor aircraft. The choice of a specific aircraft and the desired force size would depend on the composition of the threat, the level of damage limiting effectiveness aimed at, and the timing of the decision.

5. An ABM system employing long-range exoatmospheric interceptors in addition to lower altitude interceptors could complicate even a sophisticated attacker's ballistic missile penetration problem. It could also improve overall system performance compared to an equal cost system employing lower altitude interceptors only. However, this conclusion is based on a preliminary analysis and there are still many unresolved questions about the design and performance of a system employing both exoatmospheric and lower altitude interceptors.

6. The entire problem of the extent and kind of efforts we should make to limit damage is dominated by the great uncertainties about Soviet responses to those efforts. How far we should go in

hedging against these uncertainties is one of the most difficult judgments which have to be made. Analytical techniques can focus the issue but no mechanical rule can substitute for such judgments. Accordingly, we should not now commit ourselves to a particular level of damage limitation against the Soviet threat first, because our deterrent makes general nuclear war unlikely; and second, because attempting to assure with high confidence against all reasonably likely levels and types of attack is very costly, and even then the results are uncertain. Our choices should be responsive to projections based upon the observed development of the Soviet threat and our evolving knowledge of the technical capabilities of our own forces.

Although a deliberate nuclear attack upon the United States may seem a highly unlikely contingency in view of our unmistakable assured destruction capability, it must receive our urgent attention because of the enormous consequences it would have. In this regard, I should make two points clear. First, in order to preclude any possibility of miscalculation by others, I want to reiterate that although the United States would itself suffer severely in the event of a general nuclear war, we are fully committed to the defense of our allies. Second, we do not view damage limitation as a question of concern only to the United States. Our offensive forces cover strategic enemy capabilities to inflict damage on our allies in Europe just as they cover enemy threats to the continental United States.

(b) *Damage limitation against an n th country nuclear threat.*—During the past year, the potential of an n th country nuclear threat to the United States has become more real and the feasibility of a moderately priced defense against it more promising. The Chinese Communists have detonated two nuclear devices and could possibly develop and deploy a small force of ICBM's by the mid to latter part of the 1970's. Other nations are economically and technologically capable of producing nuclear weapons within the next 10 years.

Obviously the threat of greatest concern to the United States is that posed by Communist China. The development and deployment of even a small force of ICBM's might seem attractive to them as a token, but still highly visible, threat to the United States, designed to undermine our military prestige and the credibility of any guarantee which we might offer to friendly countries. The prospect of an effective U.S. defense against such a force might not only be able to negate that threat but might possibly weaken the incentives to produce and deploy such weapons altogether.

In order to illustrate the possibilities of defense against an n th country nuclear threat, we have analyzed two possible U.S. damage limiting postures, E and F, in relation to such a threat in the mid-1970's. Posture E provides SPRINT terminal ABM defense for a number of cities, but no area defense. Posture F also includes long-range interceptor missiles, providing an area defense of the entire country. Both postures might also require some antibomber, ASW, and civil defense.

The effectiveness (and cost) of these postures could be increased further by strengthening them in any of a number of ways. Against attacks employing no penetration aids, increasing the number of long-range interceptor missiles might be preferred. Against more sophisticated or larger attacks, the number of radars at each city might be in-

creased, the capabilities of the radars might be improved, or more cities might be provided terminal defenses.

A minimum antibomber defense could be provided by deploying our current interceptor aircraft around the periphery of the country. Such a force, which would be required for the peacetime air surveillance mission in any event, would provide a relatively effective defense against small bomber attacks. To achieve higher effectiveness, this minimum area air defense could be supplemented first, by an improved surveillance capability to insure against enemy aircraft approaching U.S. airspace undetected; and second, by more advanced interceptors capable of attacking enemy aircraft with a higher kill probability and farther from our borders.

Our analysis suggests that something less than a full fallout shelter program may be appropriate in a light damage limiting posture designed against small unsophisticated attacks. Fallout shelters are designed primarily to protect against collateral fallout from counter-military attacks, weapons aimed at other urban-industrial areas, and weapons deliberately exploded upwind of population targets in order to avoid terminal defenses. The "area" defense described above might be very effective in denying the last of these tactics, especially against small attacks. The other two sources of fallout are also relatively much less important in light attacks.

Much more analysis of light defense postures is required before we are in a position to choose appropriate combinations of the various components. To illustrate the potentials of a "light" defense, however, we have examined the cost and performance of postures E and F against small ICBM attacks of the sort that the Chinese Communists might be able to mount in the latter part of the 1970's. The results of this analysis, which are still highly tentative, are summarized below:

U.S. posture	5-year systems costs (billions)	Millions of U.S. fatalities
Approved program (extended).....	-----	6 to 12.
Posture E.....	\$8.0	3 to 6.
Posture F.....	10.6	0 to 2.

The costs shown are for the ABM components of the program only; they include investment, operating and future R. & D. The lower bound of zero fatalities for posture F represents the defense effectiveness against a very unsophisticated attack, or even an attack on major U.S. cities with a somewhat more sophisticated payload. The upper bound for posture F represents an attack (with more sophisticated payloads) designed to maximize the number of fatalities, even if it means avoiding major U.S. cities with terminal defenses. The table above does not deal explicitly with the contribution of our offensive forces to damage limitation against *n* countries. This contribution, however, would be substantial, both in terms of the retaliatory threat they would pose and in terms of their effectiveness in preemptive countermilitary strikes.

The table brings out two important points: (1) Posture F, which includes exoatmospheric missiles, would be far superior on a cost-effectiveness basis to posture E which does not; and (2) the successful development of the exoatmospheric system would, for the first time

give hope of achieving a high confidence defense against a light ICBM attack, not just for a few selected cities but for the entire nation.

Although the problem of designing light damage limiting postures is still under study, I believe that the following tentative conclusions can be drawn at this time:

1. A light antiballistic missile system using exoatmospheric interceptors and terminal defenses at a small number of cities offers promise of a highly effective defense against small ballistic missile attacks of the sort the Chinese Communists might be capable of launching within the next decade. The initial investment and 5-year operating cost (including R. & D.) would be about \$8 to \$10½ billion, depending on the number of cities defended and the density of the area coverage.

2. It appears likely that such a defense would remain highly effective against the Chinese Communist threat for some time.

3. Once fully deployed, this defense system could be augmented to increase its effectiveness against larger or more sophisticated threats—by adding more long-range interceptor missiles, by improving the radars, or by increasing the number of cities with terminal defenses.

4. On the basis of our present knowledge of Chinese Communist nuclear progress, no deployment decision need be made now. However, the development of the essential components should be pressed forward vigorously.

C. ADEQUACY OF OUR ASSURED DESTRUCTION FORCES AGAINST A HIGHER THAN EXPECTED SOVIET THREAT IN THE 1970'S

Earlier in this section of the statement, I noted that we had given special attention this year to an analysis of Soviet threats over and above those projected in the latest intelligence estimates. We have done so because an assured destruction capability is the vital first objective which must be met in full by our strategic nuclear forces under all foreseeable circumstances and regardless of the costs or difficulties involved. To hedge against the possibility of such a greater-than-expected threat, we now propose to accelerate the development of the POSEIDON missile (which was initiated last year) and move forward on the development of new penetration aids. The timing of a decision to produce and deploy the POSEIDON and the new penetration aids would depend upon how this threat actually evolved.

In the light of the foregoing analysis, it seems to me that there are seven major issues involved in our fiscal years 1967-71 programs for the general nuclear war forces. The first five are related primarily to the threat projected in the latest intelligence estimates. The last two are associated with the more remote possibility of a much more severe threat. These issues are:

1. Should a manned bomber force be maintained in the 1970's; if so, what aircraft should be selected for the force?

2. To what extent should qualitative improvements (in range, payload, etc.) be made in the MINUTEMAN force?

3. Should an anti-ballistic-missile system be deployed; if so, when and what type?

4. Should we produce and deploy a new manned interceptor?

5. What should be the future size and scope of the civil defense program?

6. Should development of new penetration aid packages for the POLARIS and MINUTEMAN missile forces be accelerated?

7. Should development of the POSEIDON missile be accelerated?

Since this committee is concerned specifically with the strategic bomber program, I will discuss only those issues and proposals pertaining to the strategic offensive forces.

D. STRATEGIC OFFENSIVE FORCES

The force structure proposed for the fiscal years 1967-71 period is shown on the classified table provided to the committee.

1. The maintenance of an effective manned bomber force in the 1970's

By the end of the current fiscal year the strategic bomber force will consist of 600 operational B-52's and 80 B-58's. (As I informed the committee last year, two squadrons of B-52B's will be phased out this spring.) Some 345 of the operational B-52's will be the older C through F models. Last year we stated that these aircraft could be kept operational through 1972 by a program of life extension modifications and capability improvements, at a cost of about \$1.3 billion. To keep them operational through fiscal year 1975 would cost another \$600 million for modifications. The 255 operational B-52G-H's can be maintained in a satisfactory operational status at least through fiscal year 1975, and the modifications necessary to insure this have already been included in the proposed fiscal year 1967-71 program.

As indicated in the foregoing analysis, a force of 255 operational B-52G-H's would be sufficient to compel the Soviets to maintain their present antibomber defenses. However, if they were to significantly improve those defenses, a mixed force including some more advanced bombers might be desirable. Shown on the classified table provided to the committee are the characteristics of the FB-111A compared with the B-52C-E, the B-52F, the B-52H, and the B-58. As indicated in that table, the range of the FB-111A, on a typical nuclear strike mission, exceeds that of the B-52C-F's and the B-58's. I believe it is clear from this comparison, alone, that the FB-111 is not an interim aircraft but is, indeed, a truly effective strategic bomber.

Considering the role of the manned bomber in the strategic offensive mission, as we see the threat today and over the next 5 years, large expenditures on the development and production of a new advanced strategic aircraft (AMSA) do not appear to be warranted at this time. A much more sensible course would be to procure a force of 210 (UE) FB-111A's, configured as closely as possible to the fighter version so that it would, indeed, be a dual-purpose aircraft—strategic and tactical—and this is what we propose to do at a total investment cost of about \$1.9 billion. Some \$26 million of fiscal year 1966 funds are being utilized to initiate the necessary development work this year and \$202 million has been included in the fiscal year 1967 budget to continue development and procure the first few aircraft, including initial spares and advance procurement of long leadtime items.

Accordingly, we propose to phase out the B-52C-F's over the next 5 years and the B-58's, in fiscal year 1971, giving us a modernized force

of 465 manned bombers (210 FB-111A's and 255 B-52G-H's) by the end of that fiscal year and at less than the cost which would result from maintenance of the older B-52's and the B-58's in the force.

This decision was reached only after a most careful and lengthy evaluation of all the factors involved. You may recall that when I appeared before this committee a year ago, I said:

There are at least two other alternatives available to us, in addition to the immediate development of the AMSA, which would preserve the manned-bomber option for the period following the retirement of the B-52 force. These are (a) the procurement of a strategic version of the F-111 (i.e., a B-111); and (b) the initiation of advanced development work on long leadtime components which would be needed for the AMSA as well as for other new combat aircraft.

A strategic version of the F-111 could carry the SRAM or bombs, or a combination of both. Its speed over enemy territory would be supersonic at high altitudes and high subsonic at low altitudes. While a B-111 force would have to place greater reliance on tankers than an AMSA force, its range (considerably better than the B-58), its target coverage and its payload carrying capability would be sufficient to bring under attack a very large share of an aggressor's urban/industrial complex. Since the F-111 is already nearing production, and we plan to initiate development of the SRAM in the current fiscal year, a B-111 could be made available in the early 1970's at a much lower cost than the AMSA, even if the decision to commence production is postponed for another 2 or 3 years.

Since that time, the Air Force has conducted detailed studies on the composition of our future bomber forces, including an evaluation of various strategic configurations of the F-111 and an extensive review of service life modifications for the B-52 fleet. In April of last year, General McConnell made an informal proposal to me to replace the B-52C-F series aircraft with a bomber version of the F-111. In June, the Air Force made a formal proposal to procure 210 (U.E.) FB-111's as a replacement for the 345 B-52C-F's. In August, the Joint Chiefs of Staff concurred in the Air Force proposal to deploy the FB-111 and to phase out the B-52C-F aircraft. After a thorough review of all of the facets of the proposal in context with the overall strategic offensive-defensive forces program, I recommended and the President approved, going ahead with development and procurement of this aircraft, beginning in fiscal year 1966, and the phaseout of the B-52C-F on the schedule suggested by the Joint Chiefs.

Although we still cannot see a clear need for a new strategic bomber to replace the B-52G-Hs and FB-111s, we plan, as a hedge against some unforeseen improvement in Soviet antibomber defenses, to continue development work on the components and subsystems which would be required if it should ultimately become desirable to deploy such an aircraft. Last year we proposed a four-part program for an advanced manned strategic aircraft (AMSA) which included work on alternative design approaches, the avionics, the propulsion system, and the short range attack missile, SRAM. For the first three elements of this program we envisioned a 1966 effort costing \$39 million—\$24 million from prior year funds and \$15 million from fiscal year 1966 appropriations. In acting on our request, the Congress added \$7 million specifying that the total of \$22 million provided in fiscal year 1966 was to be available only for AMSA. All of this additional \$7 million has been applied to the program. Advanced development work on the airframe design and propulsion elements can be continued in fiscal year 1967 with funds already on hand. The avionics development will require an additional \$11 million in fiscal year 1967.

2. Air launched missiles

Last year we initiated development of SRAM as an element of the four-part AMSA program. Now, given the decision to proceed with the procurement and deployment of the FB-111/SRAM system, this development program must be reoriented to the FB-111 schedule. The cost to complete the SRAM development program is now estimated at \$170 million, including the related B-52 and FB-111 avionics. Some \$8 million was provided in prior years; about \$40 million will be needed in fiscal year 1967.

Although we do not now plan to deploy SRAM on the B-52G-H's, we propose to undertake the necessary avionics development work to permit such a deployment if it should become desirable later. We would expect to keep the HOUND DOG missiles in the operational inventory through fiscal year 1970 on the same schedule as envisioned a year ago. However, in 1971, with the completion of the phaseout of the B-52C-F's, the HOUND DOG force would be phased down accordingly. We also propose to undertake engineering development and test of a new terminal guidance system for HOUND DOG which gives promise of achieving a better overall system reliability. Total development cost is estimated at \$20.5 million of which \$6.6 million would be obtained by reprogramming presently available funds and \$8.1 million is included in the fiscal year 1967 budget.

In summary, the objective of forcing the Soviets to split their defense resources between two types of threats could be performed adequately by B-52 bomber forces considerably smaller than those we now have; i.e., the B-52G-H's alone. However, a mixed force of B-52G-H's and FB-111/SRAM would force the Soviets to build expensive terminal bomber defenses or be vulnerable to low altitude attack. Even against very advanced terminal defenses, the small size and low weight of SRAM would allow the United States to saturate their defenses with large numbers.

The cost of the manned bomber force we now propose, compared with the cost of continuing the current forces, is shown in the table below.

[Costs in billions of dollars]

	Fiscal year 1967	Fiscal year 1971	Fiscal year 1975
Current force extended forces (number aircraft):			
B-52.....	600	600	600
B-58.....	80	70	64
Costs (cumulative 1967-.....)		\$8.6	\$17
Proposed bomber force forces (number aircraft):			
B-52.....	600	255	255
B-58.....	80	0	0
FB-111.....	0	210	210
Costs (cumulative 1967-.....)		\$8.4	\$14

3. Strategic reconnaissance

The strategic reconnaissance force as shown on the classified table is essentially the same as that projected a year ago. All of these aircraft were procured in prior years.

4. Strategic missile forces

(a) *Qualitative improvements to the MINUTEMAN force.*—There is now general agreement that a force of about 1,000 MINUTEMAN missiles is appropriate in context with the total strategic offen-

sive forces programed and in light of the expected threat. Accordingly, the principal concern at this time is the qualitative improvement of the MINUTEMAN force, including the launch and launch control facilities. Three years ago we initiated a program ultimately to replace the MINUTEMAN I with the MINUTEMAN II, which has much greater accuracy, payload and operational versatility. In addition, its greater retargeting capability reduces the number of missiles that need to be earmarked against a given target system to achieve one reliably delivered warhead against each target. The first 10 MINUTEMAN II's became operational last October and additional missiles will be in place by the end of this fiscal year.

We are now making certain further major improvements in the MINUTEMAN which will so increase its performance as to warrant a new designation—MINUTEMAN III. The initial procurement of this missile will be made in fiscal year 1967.

We still plan to continue the 54 TITAN II missiles in the force throughout the program period.

By the end of the current fiscal year, we expect that 32 POLARIS submarines (512 missiles) will be operational and, by the end of the first quarter of fiscal year 1968, the entire planned force of 41 submarines (656 missiles) will be operational. The force will then consist of 13 SSBN's with A-2 missiles and 28 SSBN's with A-3 missiles. All five of the earlier A-1 boats will have been retrofitted to carry the A-3 missile. We also tentatively plan to modify four of the A-2 submarines during their first overhaul in the fiscal year 1968-69 period to carry the A-3 missiles, in order to avoid the high unit costs which would be involved in restarting the A-2 missile production line (which closed down in June 1964) when present inventories are depleted by testing and training programs.

(b) *Accelerated development of POSEIDON.*—For reasons I have already discussed, it appears prudent at this time to place ourselves in a position to deploy a force of POSEIDON missiles if this should be required. Last year we initiated project definition for this missile, using available 1965 funds, but the pace of the development was not precisely established. Now we propose an accelerated engineering development program for the POSEIDON missile. The total cost of this development is estimated at about \$1.3 billion, of which about \$300 million will be needed in fiscal year 1967. No decisions need be made now on the number of POLARIS submarines to be ultimately retrofitted with POSEIDON.

With respect to other future strategic missile systems, both the Air Force and the Navy have active study programs underway. The Air Force will continue work on several projects which would contribute to the development of an advanced ICBM, if one should be required at some time in the future. In total, some \$10 million is required for fiscal year 1967 for these projects. The Navy will conduct an advanced development study of improved propulsion systems for future sea-based missiles at a fiscal year 1967 cost of \$3 million.

(c) *Accelerated development of penetration aids.*—Five years ago, when I appeared before this committee in support of the first Kennedy amendments to the original fiscal year 1962 defense budget, I said:

While we are recommending a sizable quantitative increase in the strategic missile force we are also concerned with the introduction of qualitative improve-

ments to enhance the combat effectiveness of the missiles. One of the most important such steps is the development of techniques and devices to help our missile warheads penetrate to their targets. The January budget provides for research and development on these penetration aids, but in view of their importance in staying well ahead of possible Soviet defensive developments we are now recommending that the level of effort on such work be more than doubled from \$15 to \$35 million.

Four years ago, in presenting the fiscal year 1963-67 defense program and the fiscal year 1963 defense budget to this committee, I said:

A careful analysis of the problem which a Soviet antimissile defense system would pose to our offensive forces leads to the conclusion that an effective solution would require the development of various penetrations aids for our strategic missiles.

Since that time, we have intensively studied a wide variety of penetration aid techniques and have invested a total of about \$1.2 billion on research and development in this area. We now propose to carry this work forward on an accelerated basis, particularly with regard to the development of new penetration aids, which would be needed to defeat an area ABM defense employing exoatmospheric missiles.

5. Other strategic offensive forces

The other strategic offensive forces are essentially the same as those programed a year ago. With respect to the KC-135's, as the total size of the bomber force declines we intend to retain one tanker for each of the bombers. Most, if not all, of the remainder will be used to improve the air-to-air refueling capabilities of the tactical air forces. However, the specific reallocation of these KC-135's will be made as they become available for reassignment.

With respect to the Post Attack Command and Control System (PACCS), a number of EC-135's have been added to the force planned last year. These aircraft have previously been used principally as refueling tankers with a secondary mission as communications relay aircraft. In 1963, anticipating the time when we might no longer be sure of the survivability of our ground-based missile launch control facilities, we undertook the development of an airborne launch control capability for all of the MINUTEMAN force. The development costs of the necessary equipment through fiscal year 1967 is estimated at \$18.6 million. We now propose to begin procurement of the airborne portion of this equipment in fiscal year 1966 at a cost of approximately \$22 million. The ground portion of the airborne launch control capability is included as an integral element of the MINUTEMAN program.

Mr. Chairman, I have not discussed the details of our proposals for the strategic defensive forces programs, but I will be prepared to do so when I appear before the full committee in support of the fiscal year 1967-71 program and fiscal year 1967 authorization requests. However, I believe it is clear from what has already been said, that the strategic forces proposed—both offensive and defensive—will provide in full the essential assured destruction capability required to achieve our primary objective, the deterrence of deliberate nuclear attack upon the United States or our allies.

Secretary McNAMARA. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Secretary.

Before I ask the one or two questions I have, I want to read about the next bill.

As I mentioned, during these hearings we will also consider H.R. 12335, a bill to authorize certain construction in support of military activities in southeast Asia and for other purposes.

Mr. Secretary, what do we understand to be southeast Asia; are the Philippines included?

Secretary McNAMARA. Yes, if a project there is associated with our operations in South Vietnam. For example, if a hospital expansion there is required to handle U.S. personnel wounded in South Vietnam the funds are included in this bill. But if a project is not associated with operations in South Vietnam, it is not included in this legislation.

The CHAIRMAN. Otherwise, this really takes in Vietnam, [deleted].

Secretary McNAMARA. That is correct, sir. Outside of that it includes projects only insofar as they are required by our actions in Vietnam.

The CHAIRMAN. The total authorization requested in this legislative proposal is for \$1,238,400,000, of which \$509,700,000 is for the Department of the Army, \$254,600,000 is for the Department of the Navy, and \$274,100,000 is for the Department of the Air Force.

Section 2 of the bill would authorize new construction in the amount of \$200 million for use as determined necessary by the Secretary of Defense for emergencies any place in the world.

While the bill itself does not authorize any line items and thus places no mandatory requirement on the services or the Department of Defense to build any of the items for which justifications will be submitted, I am sure the committee recognizes the good faith of the departments in that the projects presented in the justification books actually will be constructed.

The only project now included in the justification sheets which was denied by the Congress last year is for a POL pipeline from Whittier to Anchorage, a distance of 64 miles. This pipeline would carry [deleted] barrels of oil per day. I wish we had that pipeline now.

I understand this item is required to support airlift activities to southeast Asia via Alaska. The cost of this project is \$5,600,000. As you will recall, the House authorized this item last year but it was deleted by the Senate in the final version of the bill.

You will recall our many discussions on this.

This legislative proposal would provide for construction not only in southeast Asia but would also provide facilities directly relating to our activities in southeast Asia in 20 States. The bill permits the Secretary of each of the military services to develop facilities while waiving provisions of the following four sections of law:

1. It would waive the requirement which prohibits the advance of public money in any case unless authorized by the appropriation concerned or other law and in cases of contracts for the delivery of articles, permits payment exceeding the value of the articles delivered previously to such payment.
2. It waives two sections of law prohibiting the Army and the Air Force from the construction of any facility unless a detailed estimate of its cost has been submitted to the Congress and a specific appropriation has been made therefor.
3. It waives that provision of law which requires the Attorney General to provide a written opinion on the validity of the title to the land where such military facilities are to be constructed.

Section 4 of the bill permits the President to waive that provision of law which permits the Comptroller General to audit and examine books, papers, and documents and other records of contractors and subcontractors when the President determines that compliance with this provision would interfere with the performance of contracts made under this act for the development of facilities in foreign countries. This condition, however, becomes operative only when the Secretary of Defense and the Comptroller General have agreed upon alternate methods whereby the contracts can be audited.

I know it is the desire of every member of this committee to cooperate with the President and the Secretary of Defense in providing whatever is needed in the way of facilities to support our efforts in southeast Asia. But, at the same time, I am sure that the members of this committee will want to know where the money will be spent and the exact purposes for which it is to be utilized.

Now, Mr. Secretary, I have one or two questions. I was in Vietnam. I was quite pleased with the progress at Cam Ranh Bay. I think the way this area was developed is a great compliment to you and those who selected it.

I would like to know how you are progressing with this port Qui Nhon? How is it getting along there?

Secretary McNAMARA. I believe it is getting along very well, Mr. Chairman. I was there November 30, briefly, and General Wheeler has been there more recently than I. You might like to hear his appraisal of it when he was there about 3 weeks ago.

The CHAIRMAN. People ask me questions about the capacity of unloading shipping, which are waiting to be unloaded in so many areas.

Secretary McNAMARA. I can give you a very quick statement on the backlog of shipping in South Vietnam.

The CHAIRMAN. I am referring to Cam Ranh Bay—this is so important?

General WHEELER. The facilities there are being improved in accordance with plans, Mr. Chairman. The Delong pier is in place. The ramp area to bring up the LST's is available [Deleted.] They have a sizable amount of covered storage that is already available and in use. They have refrigerator storage as well for the troops. They have a sizable area of open storage. [Deleted.]

I would say that this facility is on time. The plans to improve it still further are firm, and are being carried out. For example, they are going to [deleted] make it more usable. I think that about covers it, sir.

The CHAIRMAN. You have your refrigeration working?

General WHEELER. That is right. They have some of it afloat, some of it ashore.

The CHAIRMAN. This will relieve a lot of the offshore unloading, will it not, Mr. Secretary?

Secretary McNAMARA. Yes, it will. The total port capability in South Vietnam for our purposes will be increased by 75 percent from January to July 1966, partially by the actions at Cam Ranh Bay and partially by other actions throughout the country. So we are fast resolving the bottleneck that was associated with port facilities. Last November, we had 122 ships, either unloading or awaiting unloading in South Vietnam, or being held in ports in the area awaiting movement to South Vietnam. That number has declined dramatically

since that time. It went to 111 in December, 88 on January 5, 81 on January 11, 64 on January 20, and 43 on January 31, just a few days ago, and that compares with what we would consider to be a normal number unloading or awaiting unloading of 59. So we are in better than a normal condition at the present time.

The CHAIRMAN. The weather has improved, too, in the meantime?

Secretary McNAMARA. It has in some areas, yes. In others, it has not been particularly good.

The CHAIRMAN. Mr. Hardy and I were visiting another port, what is the name of that port?

Secretary McNAMARA. Da Nang and Nha Trang.

The CHAIRMAN. They were unloading the ships in these amphibious vehicles. This was quite a problem.

Now, will [deleted] cause those numbers waiting any problem?

Secretary McNAMARA. I won't predict that we won't have an increase in number of ships unloading or awaiting unloading above the level of 43 which we have today. [Deleted.] I am inclined to think that it may rise above that level. But I do not believe that port facilities, Mr. Chairman, will be a limiting factor on our operations as we now foresee them. And I think General Westmoreland took remarkably effective action between November and the end of January to reduce that backlog of shipping from 122 to 43. And I think he would be able to apply the same measures in the future should the backlog begin to rise.

The CHAIRMAN. Can you give me an example of what he used to reduce that?

Secretary McNAMARA. Well, we have taken a number of actions. A French-owned pier, which had not been available for use, was [deleted] made available to us in Saigon.

The CHAIRMAN. [Deleted.]

Secretary McNAMARA. [Deleted.]

We contracted for the operation of 17 tugs and 35 barges. We increased the number of LSTS very substantially, and are going to increase their number still further. We have borrowed some—

The CHAIRMAN. This is offloading?

Secretary McNAMARA. Yes. We will continue to have to offload a substantial portion of the tonnage.

We borrowed LSTS from Taiwan, with Taiwanese crews for this purpose. We entered into a substantial contract with the Alaska Barge & Shipping Co. to provide lighterage. We established a Cincpac agency at the west coast shipping terminal to screen unessential cargo and prevent it from being put in the ships, and, in particular, to assure that the ships, themselves, were loaded more efficiently, so we do not have so many small items to unload, but, rather, can unload them on pallets. Moreover, that agency attempts to insure that something we need first isn't at the bottom of the hold.

The agency also attempts to insure that the flow of supplies is more closely related to the requirements. One of the reasons for the backlog of shipping in South Vietnam was that we were shipping supplies out on a "push" basis; that is, we were deciding in this country on automatic replenishment levels, putting the supplies on the ships without a request and sending them out there. When it arrived, General Westmoreland sometimes found he didn't need them immediately

and he would leave the supplies on the ship until he had an opportunity to unload them at his convenience.

Now, he has a sufficient backlog of supplies in Vietnam that he can operate on a "pull" system. So he, in effect, is now "ordering" a higher percentage of the equipment that is actually shipped than previously. This will help reduce the volume of shipping.

So for all these reasons, the shipping backlog has dropped dramatically in the last 90 days.

The CHAIRMAN. Those are the two main points I wanted to ask you about.

Mr. Bates, do you have any questions?

Mr. BATES. Just a few.

Mr. Secretary, I agree with you in respect to the need for combining the statistical accounts so you wouldn't have separate accounting for all these various things under these particular circumstances.

Now, do I understand, though, so far as southeast Asia is concerned, this pertains not only to this bill, and as Mr. Chamberlain indicated in his statement, to cover inventories, and from productions which had been ordered but not yet delivered? Won't that also involve anything that will be acquired from any past authority?

Secretary McNAMARA. Yes, section 301 makes that quite clear. It uses the term "funds authorized for appropriation under this or any other act are authorized to be used for these specified purposes."

Mr. BATES. So any money presently available which had not yet been committed, becomes committed, they will receive that fund and use it for that purpose?

Secretary McNAMARA. That is correct, Mr. Bates.

The CHAIRMAN. May I ask this question?

This wouldn't necessitate going to the reprogramming actions?

Secretary McNAMARA. No, sir; it would not. This means we have a rifle in our inventory, paid for by fiscal 1964 appropriations, we may give that rifle to a Korean soldier if he is fighting in South Vietnam.

The CHAIRMAN. This means existing inventories?

Secretary McNAMARA. It means existing inventories and any unexpended funds that may subsequently be used to acquire inventories.

The CHAIRMAN. Are you saying you are reducing the request for reprogramming?

Secretary McNAMARA. I don't think it really affects the request for reprogramming in this area. We haven't had many requests for reprogramming in the military assistance area.

The CHAIRMAN. Excuse me, Mr. Bates. Thank you.

Mr. BATES. Mr. Secretary, does the United States—

Secretary McNAMARA. May I add one sentence in reply to what the chairman asked?

It will reduce the reprogramming from other military assistance programs into the South Vietnamese program. It will not reduce the reprogramming in the sections of the budget previously the responsibility of this committee.

Mr. BATES. You have latitude now? You see, we know absolutely nothing about military assistance. I hope the bill comes before this committee.

Secretary McNAMARA. Let me take just a second, then, to try to explain what we are planning to do with regard to military assistance, and the reason why.

During the past 18 months, as the operations of the South Vietnamese military forces expanded substantially, we have been financing those operations within the previously appropriated military assistance funds by transferring funds from the military assistance programs for [deleted] into the South Vietnamese program. This has been one of the major ways in which we could finance the very substantial increase in Vietnamese military operations. It has not been a desirable or efficient way of doing it. It has created difficulties in the other portions of our military assistance program, a program which we believe to be as essential as any other element of our defense effort.

[Deleted.] Therefore, we feel we are now in much the same situation that the Department was in at the time of the Korean war, when under similar circumstances, it transferred the military assistance program for Korea into the basic defense budget. By doing so in this case, we will avoid this shifting of funds from other military assistance programs into the Vietnamese program.

Second, as you perhaps know, we are proposing to the Congress that the legislation for military assistance be handled separately from the legislation from economic aid. And it will then be up to the Congress to assign to its committees the responsibility for hearing the proposed separate bill.

Mr. BATES. The word around here is that we were not going to get that.

Do I understand—I will speak for myself; I think it is absolutely ridiculous for this committee to consider half the pie and be in ignorance of the rest of it.

The CHAIRMAN. I think so, too.

Mr. BATES. This has never made sense to me. The only justification ever used, to the best of my knowledge and belief, is that the economic aid portion of it wouldn't stand on its own feet. Whether that is valid or invalid doesn't make any difference. I think you ought to have the responsibility of handling the military aspect, as well as the military budget.

Mr. ARENDS. In view of what the chairman has said, would it be out of order for the committee to consider this?

The CHAIRMAN. It wouldn't be out of order to do anything.

Let us not depart on that this morning. Let us get moving.

Mr. BATES. Do I understand, then, Mr. Secretary, you have complete authority to transfer whatever portion of the military assistance funds there are from any country at all to whatever other country you want to?

Secretary McNAMARA. Yes, the President has the authority.

Mr. BATES. You have that authority?

Secretary McNAMARA. Yes.

Mr. BATES. Is the United States presently paying all costs for all forces in Vietnam?

Secretary McNAMARA. No; for example, we are not paying the costs for the Australian forces or the New Zealand forces.

Mr. BATES. Do you pay anything?

Secretary McNAMARA. We are not paying any costs for the Australians or the New Zealanders. That is their responsibility. I believe they are procuring some services from us, for which we charge them.

For certain other forces, for the Korean division, for example, which is there at the present time, we pay many of the costs, but not all of the costs, unless you consider our AID-administered program there; that is, economic and supporting assistance, to be an indirect source of funds for the Korean soldier's basic pay. But the direct costs and the direct payments to them cover only a portion of the expenditures necessary to support the Korean force in South Vietnam. We are paying for some of those through the military assistance program at the present time. We are paying, I would say, in a practical sense, for all of the costs of the South Vietnamese military forces.

Mr. BATES. Mr. Secretary, on page 10 of your statement you refer to the defense stock funds, and a request to have a new provision which would relieve the stock funds of the present cash requirements where the cash balance would be equal to the accounts payable at all times. Why don't we put more money in the stock funds, like we have always done when it was needed?

Secretary McNAMARA. Under the present provision of the law we are required to maintain in the stock funds cash balances for in excess of any amount that we will ever need to meet our disbursements, given the current plan for the acquisition of inventories in the funds. This is true because we are required to maintain cash balances equal to the accounts payable. Since the accounts payable are on a revolving basis, they are never all paid off at one time, and, the maintenance of a cash balance equal to the accounts payable is never required. It actually loosens the control of Congress on the appropriation process. We don't think we need that additional cash. It is contrary to all good business practice, and I would recommend that requirement be canceled.

Mr. BATES. Maybe I don't understand it. The naval stock accounting rule, I know something about that. This is a revolving fund. So you take so much out of that, and have to replace it by allocation out of an appropriation to fill up this thing again.

Now, specifically, what would you do under this situation?

Secretary McNAMARA. At the present time if the Navy stock fund's balance sheet has accounts receivable from customers of, let us say, \$100, and inventories worth \$1,000, and accounts payable of \$200, we are required to maintain a cash balance of \$200 to offset the accounts payable of \$200. But because the accounts payable are always revolving, old ones are paid off and new ones are incurred, we always have about the same accounts-payable level at the end of the year as we had at the beginning of the year. Thus, we don't need all of the \$200 cash balance but only enough to cover the day-to-day disbursement needs.

Mr. BATES. The net effect on your inventory is what?

Secretary McNAMARA. Zero in this hypothetical case of mine.

Mr. BATES. It remains the same?

Secretary McNAMARA. That is correct.

Mr. BATES. You are not borrowing out of the fund?

Secretary McNAMARA. No. There is no effect on the inventory, no effect on the purchases, no effect on the distribution.

Mr. BATES. This is from cash to accounts payable?

Secretary McNAMARA. Yes. It really isn't, of course, cash in the true sense. It is a credit on the books of the Treasury, really.

The CHAIRMAN. All it amounts to is you have to justify an appropriation. That is all it amounts to?

Secretary McNAMARA. I do not believe that we need to maintain such large cash balances in the stock funds, and I think it loosens the control over these funds. I have been concerned about the stock funds for years because the cash balances in them, I think, have been excessive. The best proof of that is the fact that we have been able to transfer from the stock funds to the military personnel accounts several hundreds of millions of dollars a year in lieu of new appropriations. If those funds had been appropriated, they would have been appropriated needlessly. Some of the committees of Congress have pointed this out at various times. We have been returning those excess funds as they were generated. They should have been returned faster, I think, years and years ago by relaxing this unnecessary requirement for large cash balances. But this is just another step in that process.

It doesn't make very much difference to our operation of the funds whether you accept the proposal or not, although additional appropriations will be needed if you do not. To accept it, however, I believe, strengthens the control of Congress over the appropriations. I think this is desirable in this instance.

Mr. BATES. But in any event, it is not using up the present inventory for operating purposes?

Secretary McNAMARA. No, sir.

Mr. BATES. It is not another source of funds?

Secretary McNAMARA. No, sir; it is not a matter of liquidating inventories in order to increase the cash balances. It is the other way around we want to reduce the cash balances in order to increase inventories.

Mr. BATES. I don't notice anything in the bill here—perhaps there is something here which I didn't detect—which would give you this authority that you are speaking of.

Secretary McNAMARA. Yes; it is in the proposed legislation.

Mr. BATES. Where is that?

Secretary McNAMARA. It will be in the appropriation bill. That does not have to be in the authorizing legislation. I mentioned it just for your information.

Mr. BATES. This is not legislation on an appropriations bill; is it?

Secretary McNAMARA. I don't believe so. You can check on this. The language to remove this requirement is to be included in the appropriation act.

Mr. BATES. If that situation is so, then it is beyond our jurisdiction in this particular bill.

I was advised we are flying in 750-pound bombs from [deleted]. Is this correct?

Secretary McNAMARA. It is possible. I am not aware of it.

General Wheeler, are you?

General WHEELER. I cannot answer this in that detail. I do know in a report I received the other day, there have been certain items of ammunition in fairly sizable quantities flown into southeast Asia in the last 90 days.

I might add that I have to go to the Joint Staff to find out some more detail about that for you, Mr. Bates. I cannot answer about the 750-pound bomb question at this session.

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

Secretary McNAMARA. I think it is possible on the 750's because we have been using such huge quantities of them in the B-52 operations, which were never anticipated or planned for, that a worldwide redistribution of 750-pound bombs I think has occurred. That may well account for the particular instance you are talking about.

Mr. BATES. Just what is our situation today in Vietnam with respect to ammunition, bombs, and so forth? What kind of shape are we in?

Secretary McNAMARA. I think we are in good shape, Mr. Bates. The best indication I can give you is this, that last month we were scheduled on an annual rate basis—this is on a 12-month basis at last month's rates—we were planning in South Vietnam and in its associated operations, to drop [deleted] and to launch [deleted] 2.75-inch rockets, [deleted] rounds of air-to-ground ammunition [deleted] small arms rounds including .30-caliber machinegun ammo, [deleted] million air-launched 40-millimeter grenades, [deleted] mortar rounds, and [deleted] artillery rounds. These were the planned levels of expenditure for the month of January, the one we just completed, on an annual rate basis.

The supplies to permit that level were in Vietnam. This was also the level desired by the military command in Vietnam.

There are only a few items on which I think you might say supplies are tight, and those are primarily new items. The 40-millimeter air-launched grenade, which was an experimental item up until a few months ago, is now proving highly effective and very popular. Another example is the 2.75-inch rockets with fragmentation warheads, not the HEAT warheads (the anti-armor warheads). This latter case arose because the armed helicopter (the arming of helicopters is a relatively recent innovation) are now being widely used in Vietnam. We decided to procure this new type 2.75-inch rocket only in the past 12 months.

Apart from items of that kind, I would say that, overall, our ammunition supplies are very good indeed.

Mr. BATES. And you will be able to maintain this rate? How many months' inventory do you have that you can call upon?

Secretary McNAMARA. Well, we have varying months' supply for varying items depending, of course in part on the procurement lead time. On the basic 7.62-millimeter ammunition, for example—I will give you the figures as of today as an illustration—we have worldwide stocks of [deleted] rounds, and we planned last month (January) to expend [deleted] rounds in South Vietnam.

Mr. BATES. What is your present situation on the 750-pound bombs?

Secretary McNAMARA. The 750-pound bombs—in January we had [deleted] bombs in inventory, and we planned to consume, [deleted].

Let me point out, that that figure is misleading. It shows a tremendous inventory in relation to expenditures, but there has been no production of that bomb since the middle 1950's, 1955. We are starting production again. So this inventory has to carry us through until production resumes.

Mr. BATES. That didn't bother me. I would rather see that than see it the other way.

Secretary McNAMARA. We think we have enough to maintain the rates we are planning on, but there may be a squeeze because of this fantastic use of bombs by the B-52's.

The CHAIRMAN. What about your production, Mr. Secretary?

Secretary McNAMARA. A rate of [deleted] a month is scheduled to be produced [deleted] a year.

The CHAIRMAN. That production is coming along, is it?

Secretary McNAMARA. Yes, sir; it is. [Deleted.]

Mr. BATES. Not now?

Secretary McNAMARA. That is right.

Mr. BATES. How about the 500-pounders?

Secretary McNAMARA. We appear to be in pretty good shape in that item. We have two types of 500's, I am going to have to add the figures to give them to you in total. We have an inventory of [deleted] against a planned consumption for the month of January of [deleted].

Mr. BATES. That is both of them?

Secretary McNAMARA. Both of them combined, that is right.

Mr. BATES. That is [deleted] a year—at least it was [deleted] a year for the one, the one you gave us?

Secretary McNAMARA. I gave you a total for both of the 500-pound types. We are running up to about [deleted] a year for the 500's and the 750's.

Mr. BATES. That [deleted] of 750's—will that be your rate once you get going?

Secretary McNAMARA. That is right, the production rate. The consumption rate, on present plans, will be lower.

Mr. BATES. The [deleted] you are going to use each year under present planning. That gets to the last question I really wanted to ask, and that is about the planning, and it is a question we tried to go into a little bit last year, Mr. Secretary, when I expressed some concern about ammunition, petroleum, and the number of troops we were going to have. And, of course, this is the question that is in the minds of everybody, just where we are. And these figures you have given us here are only as good as what our plans might be.

I notice you have some room for escalation on these particular figures over an annual basis. You indicate you are going to have around [deleted] in Vietnam, as I recall it, in your statement, exclusive of the 7th Fleet?

Secretary McNAMARA. That is correct.

Mr. BATES. How many people is that?

Secretary McNAMARA. I would say [deleted], in the portion of the 7th Fleet that is operating off of the coast of Vietnam.

Mr. BATES. Now—

Secretary McNAMARA. [Deleted.]

Mr. BATES. Then for the purposes of planning, in what you are representing here now, can we assume the [deleted] total that you referred to will develop what we might expect within the next year, as far as present intentions are concerned?

Secretary McNAMARA. No; I don't think you can assume that. The only authorization for deployment is as I outlined, [deleted] to South Vietnam by the end of February. [Deleted.]

The President stated in July, and he has repeated many times, as have I, that we will provide forces as our commander in Vietnam,

General Westmoreland, requests them. We do not know exactly how many forces he will request. He, himself, doesn't know now. What he will have to request in the future will depend in large part on what the North Vietnamese do.

Mr. BATES. Do I understand you to say, then, whatever he requests he will get?

Secretary McNAMARA. Yes; with the normal review by Cincpac, and the Joint Chiefs of Staff. But, basically, it has been our policy and will continue to be our policy to provide the military commander in Vietnam with the force he believes necessary to achieve our objectives there. What size force that is depends upon the reaction of the enemy.

Mr. BATES. Well, now, if he should ask for [deleted] troops, or [deleted] troops, are we prepared to make this commitment? Is this the kind of decision that will be made?

Secretary McNAMARA. There are two aspects to your question. One is the decision of the Commander in Chief, President Johnson. I do not want to make that decision or preempt it, other than to point out that the President said on July 28, and at other times since then, that he will meet the requests of the commander which the commander believes must be fulfilled in order to meet our political-military objectives.

The second aspect of your question is, if the commander requests certain troops, and the President decides to meet that request, are we prepared to send them? The answer to that is we are so prepared within certain practical limits.

Mr. BATES. You are talking now about logistics, or the actual commitment?

Secretary McNAMARA. I am talking in terms of logistics, personnel, and financing.

The CHAIRMAN. Which requires training, too?

Secretary McNAMARA. Exactly. And we have developed this supplemental, taking account of possible increases in our deployments up to a certain limit. We don't know whether the requests of the commander will rise above that limit. [Deleted.]

Mr. BATES. Well, I can understand that, but the real question, I think, the basic question in my mind, is what are we prepared to do? This is what bothered me a year ago when I was trying to find out just what we are trying to do militarily. We know all about the political aspect, that is fine. But the question that bothered me a year ago is, how far are we willing to go [deleted]. These are the things that bothered me then and bother me now. They bother the American people. We are embarked upon something the dimensions of which none of us comprehend.

Secretary McNAMARA. Mr. Bates, I will try and answer the question, but I will not be able to give you an answer that is very specific in certain respects, and I may not be able to give you one that completely satisfies you. This is because there are just so many uncertainties here that none of us can talk away or talk around.

I must start my answer by emphasizing that we have limited political objectives with respect to the South Vietnam situation. Our military strategy, and the military forces required are directly a function of those limited political objectives. The objectives are not to

destroy or to overthrow the Communist government of China, or the Communist government of North Vietnam. They are limited to the destruction of the insurrection and aggression directed by North Vietnam against the political institutions of South Vietnam. That is a very, very limited political objective.

We wish to minimize the cost of achieving this objective. This guides us in formulating our bombing program against North Vietnam, for example. It guides us in the strategy we follow in South Vietnam [deleted] it is not our objective to destroy the Government of North Vietnam. This fact has a direct effect on the forces we are deploying and may deploy into southeast Asia. Thus, because of this limited political objective, the requirement for forces is very uncertain. We do not know how many U.S. personnel may be needed to defeat the North Vietnamese attempt to destroy the Government of South Vietnam. The main reason we don't know is because we don't know their intentions and the extent to which they will infiltrate additional men and equipment into the South. It is that continuing infiltration and, as a matter of fact, the rising level of that infiltration which is requiring us to expand our troop commitment.

Mr. BATES. This is the unknown quantity as far as they are concerned. But what I am trying to understand is how far we are willing to go to meet whatever threat might confront us to achieve these objectives which we have in mind. This is what I don't understand.

Secretary McNAMARA. Well, again, I cannot look into the future and foresee all the contingencies. Even if I could, I wouldn't wish to give you my opinion, because the specific action this Government would take is, in most instances, the prerogative of the President. Moreover, his action and decisions would depend upon circumstances obtaining at that time throughout the world. But I think he has made it clear what our political objective is. And I think he has made clear that, within limits, we propose to meet the commander's requests for military forces to accomplish that objective.

Mr. BATES. Sir, what was that last one?

Secretary McNAMARA. I said he has made clear our political objective in southeast Asia. And he has made it clear—within the normal limits of decisions affecting the future contingencies which you cannot forecast, for example, future world situations you cannot predict—that we propose to meet the requests of our military commanders for forces to achieve that political objective.

Mr. BATES. So in the absence of a new development elsewhere if something should happen in Vietnam [deleted] and Westmoreland asks for more, this, of course, we will give him?

Secretary McNAMARA. [Deleted.] I don't want to predict what the President will do in that event. [Deleted.]

Mr. BATES. That is the reason we are having the problems, you see. That is the reason why it is so misunderstood. Korea was the first time. Here we get involved in a conflict that first of all we cannot have a hot pursuit, this is the first problem. Then for the first time in my knowledge, in the country's history, we end up with a stalemate. This is a new experience for America. Now, we are involved in this. We are not trying to defeat the whole enemy, and get the entire country, but only a portion of them some places. This is difficult for me or anybody to comprehend. That is why you get into a discussion about enclaves.

I presume you have talked to General Gavin personally, and we read in the papers, figured we are only going to commit a certain amount, and have committed only a certain number of troops, what can you do with them? I assume this is the position, I don't know how to meet it.

The thing that bothers me is how far are we willing to go? A year ago, 23,000 was about the right figure. Now, we are at [deleted]. The people want to know how far are we going to go.

Secretary McNAMARA. I don't think we can tell the people how far we are going to go in terms of particular numbers. I think we can say to them, we have this limited political objective. We have a military program designed to achieve it, we believe we can achieve it with that military program. We can't predict how other major powers in the world will react. Therefore, we cannot tell you with any certainty what responses we would make in the future [deleted].

Mr. BATES. Are we embarked now on a policy of having [deleted] troops there under present circumstances?

Secretary McNAMARA. I don't think one can characterize the policy in those terms. The policy is to provide the military force our commander believes is necessary to achieve the limited political objective outlined by the President. At the moment he has stated that he needs [deleted] men at the end of February and we have authorized that deployment through the end of February.

What he will need beyond that date, I can't predict with certainty. [Deleted.]

Mr. BATES. During the whole progress of this conflict over there, the whole thing is just jumping. Originally we were going to send troops over there to instruct. That was going to be around Saigon. All of a sudden we found this handful going out into the fields, and out into the hamlets, and then some of them get killed.

Then we had 123,000. So we are trying to find out how we embarked on this: This is the question that constantly comes to us. I can't tell about the circumstances. What are we trying to do right now? Are we trying to take over all of South Vietnam, are we trying to kill all of the enemy, or just some of them at some place?

Secretary McNAMARA. We are trying to prove to the Vietcong and the North Vietnamese military associated with them that they can't win in the South. They are experiencing such heavy fatalities that their morale is beginning to be affected. As their morale continues to be adversely affected by our operations, at some point they will have to conclude that they can't win in the South. At that point, we presume they will move to a settlement, either through negotiation or other action.

Mr. BATES. In any event, these items we have before us now, are these predicated on a structure of about [deleted] people over there?

Secretary McNAMARA. No. This supplemental should permit us to send additional forces above the [deleted] if the commander requests them, [deleted].

Mr. BATES. What figure would it take care of?

Secretary McNAMARA. [Deleted.] Our personnel budget and our O. & M. costs are determined by man-months of service, not by an end-strength figure. But I would say the supplemental, depending upon the rate at which he requested they be deployed, would support forces on the order of, perhaps [deleted].

Mr. BATES. Mr. Secretary, you indicated that you didn't want to call up the Reserve. Would you want to explain the reason?

Secretary McNAMARA. The Reserves would be perishable asset, if they were called to active duty under legislation similar to that passed in 1961. You will recall that legislation provide they could be called for a 1-year tour. The chief of one of the services recommended against calling Reserves under those circumstances, because to call them, train them, move them to South Vietnam, and move them back again, would require a substantial portion of that 1-year term, and the number of weeks or months they could be operationally useful in South Vietnam, would be limited. If they weren't sent to South Vietnam, essentially the same problem would result. They would be called, trained, and used in effect in a strategic reserve capacity, and then released at the end of a period of time.

It was felt that we would be better off raising the readiness of certain of the units, three divisions and other units in the Army, for example, so they could be called and deployed more rapidly than would otherwise be the case, should that need arise.

It may become necessary at some time in the future to call Reserves, either the combat units or the support units, but I hope we can avoid that.

Mr. BATES. You would want them for more than a year when you do get them, I assume?

Secretary McNAMARA. Well, it depends on what units, and how many appeared to be needed at that time. I am inclined to think under these circumstances, if legislation were to be passed for that purpose, it should not carry the restriction of a 1-year term of duty.

Mr. BATES. What is the situation today with respect to volunteers in the Reserves?

Secretary McNAMARA. We are accepting them. They are more than adequate in terms of numbers to meet the strengths prescribed by the Congress, 380,000 in the Guard, and 270,000 in the Army Reserve. We are going above that strength in the Guard. We will get up to that strength in the Reserve. We have no problem so far as I am aware in the numbers of men volunteering. We do have a problem——

Mr. BATES. Volunteering for active duty, or active service?

Secretary McNAMARA. Reservists volunteering for active duty?— I don't think we have any substantial number volunteering for active duty that I am aware of.

Mr. BATES. Are we accepting them?

Secretary McNAMARA. I believe so. General Wheeler?

General WHEELER. One of the problems that faces the reservist, as I understand it, is that if he volunteers, he has no job protection and so on, so only a small number have volunteered.

Mr. BATES. You could take care of that?

General WHEELER. We could under a Reserve callup, yes. If you are talking about volunteers to go into the Reserve forces, not into the Active Forces, there have been quite a substantial number.

Mr. BATES. Yes; more than you need, I understand.

Secretary McNAMARA. Well, not more than we need in the Active Forces in the sense that we still have to have a high draft call.

General WHEELER. We still have to have a high draft call.

On the other hand, the Marines, who were going to the draft for a portion of their input, have been able to defer that action in the last month.

Furthermore, we have had a substantial number of individuals in the Active Forces who have volunteered to serve in Vietnam.

Mr. BATES. I didn't get that.

General WHEELER. I said we have had a substantial number of individuals, officers and enlisted men, on active duty, who have volunteered to go to Vietnam to serve.

Mr. BATES. That I understand. I had an inquiry the other day with respect to someone in the Navy. The Navy advised they get more volunteers than they need. If they do that, I assume that is true of the other services?

General WHEELER. The other services have the same experience.

Mr. BATES. Today you don't see any need to call Reserves under the limiting factors that you have?

Secretary McNAMARA. That is correct. The need that might develop in the future might perhaps be for specialized support units of which we may require unusual numbers in South Vietnam. But as of the present time, I hope to avoid calling up the Reserves.

Mr. BATES. You are accepting reservists on active duty?

Secretary McNAMARA. Yes; I believe that is entirely correct.

The CHAIRMAN. Thank you, Mr. Bates.

Do you have any questions?

Mr. HÉBERT. No questions.

The CHAIRMAN. Mr. Arends.

Mr. ARENDS. Just a few short questions, after reading the statement:

I think Mr. Bates covered a good many of the questions I had in mind as to limitations about [deleted]. You have no figures you care to present us?

Secretary McNAMARA. No, sir.

Mr. ARENDS. As far as the military is concerned, you have the long-range plan, as I understand, way down the line; is that correct?

General WHEELER. That is correct, Mr. Arends.

Secretary McNAMARA. [Deleted.]

Mr. ARENDS. You covered the matter of calling up the Reserves which I had marked here.

And on the munitions, could I develop that a little bit?

Secretary McNAMARA. Surely.

Mr. ARENDS. Have we drawn down on existing inventory substantially, ammunition, supplies, et cetera, from other areas of the world?

Secretary McNAMARA. Generally speaking, no.

Mr. ARENDS. Generally speaking?

Secretary McNAMARA. The inventory drawdown for South Vietnam has come basically from central stocks in the United States. There was a drawdown of \$50 million worth of equipment, and supplies from Korea, I think, and there has been a shift of some surplus supplies from Europe.

Mr. ARENDS. There has been a surplus in Europe; then we have dropped down on the Korean?

Secretary McNAMARA. About \$50 million, or something like that. I think it is fair to say the drawdowns of equipment and munitions from non-U.S. based inventories, has been inconsequential.

Mr. ARENDS. The argument that we have dropped down to a dangerous point wouldn't hold?

Secretary McNAMARA. I can say this, without qualification: That there has been no drawdown to a dangerous point in general for munitions, worldwide.

General Wheeler, would you agree with that?

General WHEELER. I certainly would.

The CHAIRMAN. Let me say this, in the defense of the Secretary.

A lot of the others have not met their commitments, and we are above ours. It isn't fair to accuse us of all of the things we are committed.

Secretary McNAMARA. Mr. Chairman, you are entirely correct. As a matter of fact, at some point we are going to have to insist that there be a balancing of the contribution——

The CHAIRMAN. Yes, sir.

Secretary McNAMARA. [Deleted.]

The CHAIRMAN. That is right.

Secretary McNAMARA. [Deleted.]

The CHAIRMAN. That is right.

I was given a very fine answer to my question, and I think they accused our Government of cannibalizing our own forces. That is not exactly accurate?

Secretary McNAMARA. No, I don't believe so, either, sir.

Mr. ARENDS. Mr. Secretary, let me phrase another question somewhat relative to this:

Our so-called friendly allies—are you pushing them or are you prodding them in any respect? This just isn't our effort alone. Perhaps the day comes when they should do better? I get concerned about some of the things that we have done, such as their immediate acquiescence in putting an embargo on Rhodesia, whereas the British slacking off have not complied with our wishes in what they should do in South Vietnam, shipping, et cetera.

Are we pushing these people a little more and more?

Secretary McNAMARA. The answer is "Yes." I don't know any question that I get asked more often by Members of Congress than that one, or with more justification, I think.

But to illustrate why I say "Yes,"—the number of non-Communist-flag ships entering the ports of North Vietnam in the fourth quarter of 1964, was [deleted] and that has been cut by about 60 percent, down to [deleted] in the fourth quarter of 1965. A substantial portion of those [deleted] ships were flying the United Kingdom flag. [Deleted.]

They do not have the power under the law to prohibit the use of British ships in this trade.

[Deleted.]

Mr. ARENDS. This is what I was getting at.

Secretary McNAMARA. Exactly. We have received some from Australia, New Zealand, and Korea. [Deleted.] I hope and believe we will obtain that, as well.

Mr. ARENDS. That is encouraging. I hope you are right.

Mr. Secretary——

The CHAIRMAN. At that point, if you will permit me, Mr. Arends, I want to ask a question.

I pursued this same question, and I understand that there are some British ships that are chartered to some of these other countries, and they don't fly the British flag, but in fact are owned by British nationals.

Mr. Blandford?

Mr. BLANDFORD. Approximately half of the original British registered ships entering Haiphong are under charter to Soviet or Soviet bloc countries. These are the ones the British have no control over, because they have already entered into these charters some time ago.

The CHAIRMAN. This is the question, we found this out.

Secretary McNAMARA. That is correct. This is what I meant when I said, while the British Government wishes to restrict that trade, it can't do so under present law, [deleted.]

I think in that respect——

The CHAIRMAN. That is the way they get around it?

Secretary McNAMARA. Yes.

Mr. ARENDS. Mr. Secretary, on this resumption of bombing, are we pretty much in agreement on that in the State Department and in the military?

Secretary McNAMARA. Let me say this——

Mr. ARENDS. Or is that essentially a decision by the President?

Secretary McNAMARA. That is correct.

Let me say this, our recommendations are not to the State Department on the bombing but where appropriate, to the President.

Mr. ARENDS. Let me ask you the question on the resumption of bombing. Have we changed our pattern of bombing? Maybe this is a question to you, General Wheeler. Are we changing our pattern of bombing, or are we following somewhat the same bombing processes we did before?

This interests me because in here you say, for instance, a great number of storage—that is on page 6—and of course a great number of bombers are used.

To me it must have been ineffective; I mean, getting across our message to the people over there.

Have we changed this? Are we going to be more effective in what we are doing or what is the pattern?

General WHEELER. As of right now, Mr. Arends, we are working on precisely the same pattern as we were previously.

In other words, we are directing our attack against the military-type targets, primarily associated with the lines of communications, and the activities that support those lines of communications—supply dumps, ferries, bridges, and so on.

Mr. ARENDS. Well, General, I just sort of had the feeling that to a degree our bombing had been ineffective over there, and we ought to step it up.

In other words, maybe we will hit more military targets—in the overall, I am not suggesting for a minute we go in there and start lambasting; I am not doing that—it seems to me the pattern in the past has not proven to be as effective as it should be.

You say it is a resumption of the same thing. I wondered how——

General WHEELER. I said the same pattern, Mr. Arends.

I think you know my views on the subject of the air raids.

Perhaps this is the proper time to say this: There is no such thing in North Vietnam as an industrial base that is an appropriate target for destruction by air. [Deleted.]

[Deleted] there is no industrial target system, per se—the destruction of which would have any direct effect on the course of the war.

Mr. ARENDS. That raises one simple question, General. That is, the type of targets, or the bombing we are doing, is it effective?

General WHEELER. Yes, sir, within the limits of the target system that we have targeted the lines of communication primarily, supply depots, and ammunition depots. [Deleted.]

Mr. ARENDS. Well, is it fair to say that the pressure on the north is so intense that they continue to do that, even under that?

General WHEELER. [Deleted.]

In my view, we would never be able to absolutely shut off the flow of men and supplies from North Vietnam to South Vietnam, regardless of the level of bombing that we undertook.

We can reduce the materiel available to them to move, and we can reduce their capabilities to move materiel and men, but we can't absolutely stop it. I think we can decrease their operations in South Vietnam, Mr. Arends. I am not trying to imply that we have reached an optimum program.

Mr. ARENDS. Not as much as maybe the military would like to see, I don't know.

What about the targets you talked about [deleted].

General WHEELER. [Deleted.]

Secretary McNAMARA. We find the B-52 sorties appear to have a great effect on the morale of the Vietcong. Contrary to some of the press comment when these were initiated, we believe they are militarily effective [deleted.]

Mr. ARENDS. Just one more question, Mr. Secretary. Then I take it you are in complete agreement—

Secretary McNAMARA. I am sorry, I couldn't hear you, sir.

Mr. ARENDS. You are in agreement with the procedures now of the resumption of bombing?

Secretary McNAMARA. Yes, I support the bombing program against North Vietnam. I think it is important to recognize what its objectives were, what we have accomplished to date, and the limits on future accomplishments. The objectives were three: (1) to act to improve the morale of the South Vietnamese forces by attacking the north; there is no question but what the bombing will accomplish that; (2) to reduce the flow and/or increase the cost of the infiltration of men and equipment into the south. There is no question but what the capacity of the system has been cut back. [Deleted.]

The best estimates we have are that there are some North Vietnamese personnel diverted from other activities in the areas south of Hanoi to work on roads and bridges, and that some [deleted] thousands [deleted] of Chinese have been brought in to repair rail and other lines of communication north of Hanoi. So the cost has definitely been increased.

The third objective was to decrease the will of the North Vietnamese to continue the effort in the south at a time when we had proved to them they couldn't win in the south; that is, affect their will in such a way as to move them to a satisfactory settlement. We haven't

reached that point yet. I cannot guarantee to you that the bombing will be a major factor when we do reach it, but I think it may be.

Now, we can do more than those three things? I don't think it has been proven that we can, or that attacking any particular additional target in the north would allow us to accomplish more of any one of those objectives.

But the bombing program [deleted] is a measured program of attack against the military targets, particularly the lines of communication.

Mr. ARENDS. In other words, I will then conclude, Mr. Chairman.

In other words, the number of sorties being flown, the number of bombs being flown, you think you have reached the objective you had in mind?

Secretary McNAMARA. I do, sir. I do not mean to say we might not have been more effective in the types of sorties we flew, or the targets we chose, but they have been effective, generally, as I outlined.

The CHAIRMAN. I take it they have had pretty bad weather?

Secretary McNAMARA. I think about [deleted] percent of the sorties before the pause had to be canceled or diverted, and the weather since the initiation of the pause I think was worse than in the weeks immediately prior thereto. This happens to be a very bad time of year as far as weather is concerned over the Red River Delta.

The CHAIRMAN. So these things encroach on your capacity to do a lot of things?

Secretary McNAMARA. We have had to cancel a large number of strikes in the last 2 or 3 days because of weather.

The CHAIRMAN. There is nothing you can do about that?

Secretary McNAMARA. There is not.

The CHAIRMAN. Are there any other questions by any other members? We are going to adjourn at 12, and reconvene at 2.

Mr. Price, did you have any questions?

Mr. PRICE. Just one in the short time left.

Mr. Secretary, would you comment on the importance of this vast deployment of goods and ships, the \$10 million item in there for the Navy in R.D.T. & E.?

Secretary McNAMARA. Yes, sir. We need to increase the speed, both in the transit and in the loading and unloading of certain selected cargo ships for the Navy. And this ship development project is for that purpose.

The CHAIRMAN. This will be a prototype?

Secretary McNAMARA. Yes, sir.

Mr. PRICE. Was this ever requested before?

Secretary McNAMARA. We have requested fast deployment ships before, yes. My recollection is in fiscal year 1964 and fiscal year 1965 they were eliminated from the budget entirely. In fiscal year 1966, they were authorized but in lesser numbers than we requested. This remains one of our serious deficiencies.

Mr. PRICE. That is all I have.

The CHAIRMAN. This committee never deleted any of them?

Secretary McNAMARA. No, sir; I don't recall that it did. But the Congress cut our request, I think, about in half, for these ships in 1966.

The CHAIRMAN. Check whether that is correct.

Secretary McNAMARA. Yes, I will check this for the record.

Mr. BATES. The Senate cut it?

Secretary McNAMARA. It was the Senate, Mr. Chairman. The lack of this type of ship is one of our serious deficiencies and I am very anxious to see it corrected.

The CHAIRMAN. These are very vital, I agree with you.

Secretary McNAMARA. They are, and particularly for this type of operation.

Mr. BLANDFORD. I think we authorized four, and the Senate cut it to two, if I remember correctly.

The CHAIRMAN. Had you finished, Mr. Price?

Mr. PRICE. Yes.

The CHAIRMAN. Mr. Secretary, we will recess until 2 o'clock, and then we will go until 4; I am sure we will finish.

(Whereupon, at 11:55 a.m., a recess was taken until 2 p.m. of the same day.)

AFTERNOON SESSION

The CHAIRMAN. Let the committee come to order.

We finished before lunch, we had gotten down to Mr. Hardy. Do you have any questions, Mr. Hardy?

Mr. HARDY. Yes, I do, Mr. Chairman; I've got a few.

I think the first question I would like to raise is: What is our situation with respect to torpedoes? Are there any torpedoes included in this supplemental budget?

Secretary McNAMARA. I don't believe so. We are not firing torpedoes in combat at the present time, as you know, Mr. Hardy, and I do not know of any situation that would require emergency appropriations for them. I do not believe there are any in here. I may be in error, but I don't think so.

Mr. HARDY. I didn't see any in looking through what documents I had, but that was one of the things, Mr. Secretary, we encountered in our trip overseas. [Deleted.]

I recall particularly the question came up when we were [deleted] the situation they described there to me looked like it was pretty serious [deleted].

Secretary McNAMARA. Mr. Hardy, the torpedo shortage was severe in 1961. We have been, in each year subsequent to that date, providing substantial appropriations for them. [Deleted.] We have research and development projects underway to push the development of technology for torpedoes, but I am not aware we are in an emergency shortage at the present time. I will look into it.

Mr. HARDY. My impression, Mr. Secretary, is there is a pretty good supply of them [deleted].

The [deleted] as I recall it, is supposed to be able to do a fairly good job, but they had practically none in the inventory worldwide.

Secretary McNAMARA. I want to check the budget on this, Mr. Hardy, but my recollection is that we took action in the fiscal year 1966 appropriation to buy this new MK-46 torpedo which we had been working on for some time, and I believe I am correct, although I'm not absolutely sure of this, I asked the Navy to expedite production on that for exactly the reason you point out.

Mr. HARDY. The [deleted].

Secretary McNAMARA. Yes; but I think the point you make is a valid point. Our inventories are adequate for the older types that

are in production, but the new types that are coming in have been coming in slowly and it will be some time before we have adequate inventories of the new types. But I think the financing of them is adequate in the fiscal 1966 budget. I may prove in error on that. I will be happy to look into this matter.

(The information referred to is classified and has been furnished separately to the committee.)

Mr. HARDY. I would appreciate it if you would.

Now, Mr. Secretary, this morning you discussed the rate of utilization of bombs and rockets. I do not recall specifically whether there was any direct discussion of the 2.75-inch rocket. I had the impression our net assets on those was [deleted], is that a correct impression?

Secretary McNAMARA. Well, your impression that there may be a shortage of them is correct. The inventory position at the present time is large, but the rate of usage is so high that before the production will build up to the levels we have ordered, these inventories will be drawn down very substantially. I will give you the figures on it as an illustration here.

Mr. HARDY. I believe the first three quarters of fiscal year 1967 the consumption rate will be several times the net production—

Secretary McNAMARA. You don't mean 1967; you mean 1966.

Mr. HARDY. Fiscal year 1967.

Secretary McNAMARA. The production and consumption rates balance. The average monthly production for the first three quarters of 1967 is [deleted] rockets, and the average consumption is [deleted]. It is in 1966, fiscal 1966, that the production is just building up. First production of new rockets began last month. With respect to critical supply problems the new fragmentation-head rocket is in short supply. The older rockets which we have had for some time are in a much less critical supply position. It is the new fragmentation-head rocket for the armed helicopters that will be in short supply through the first part of fiscal year 1967.

Mr. HARDY. I do not know if this is fragmentation or not, but the sheet I am looking at indicates at the beginning of fiscal year 1967, which will be July 1, we will start out with [deleted] of them, with a consumption rate of [deleted]. Thereafter, our production rate is considerably below the consumption rate until you get into the four quarters of fiscal 1967.

Secretary McNAMARA. Well, I have the average monthly rates for 1967, fiscal 1967, and it shows different figures. I have the June consumption, June 1966. You used a figure of [deleted]. This is [deleted] on my table. So I think the consumption is approximately correct.

I will be happy to supply this for the record based on our schedule. The problem here, Mr. Hardy, is one I think you are completely familiar with. This rocket is a new rocket which was first introduced into regular operational use from helicopters only a matter of months ago. The armed helicopter was an experimental weapon that was sent out to Vietnam to be tested. The first company was organized, I think, in 1962. We were still experimenting with it in 1963 and 1964, and it was not until 1965 when the value of the armed helicopter in Vietnam became evident that this weapon was authorized for what you can call really large-scale production.

Mr. HARDY. Well, I was trying to look over the first three quarters of fiscal 1967, that they show on this sheet I had. I was wondering if there was not something we should do.

Secretary McNAMARA. There is. The answer is, if the first three quarters are a problem, there is something we can do. I will reexamine this schedule and make sure my figures are correct. If they are, I do not believe we need do anything. If yours are correct, I am sure we should do something and can do it within the time available.

Mr. HARDY. As I look at this thing just shown me, I believe in this supplemental [deleted] of these particular rockets are included in your supplemental.

Secretary McNAMARA. No; it is many times that.

Mr. HARDY. That actually is just a little bit more than 1 month's supply, if I read this other chart right. Anyway, I wish you would look into that and let me know just what the situation is.

Secretary McNAMARA. We will be happy to, and we will put in the record the production schedule and our consumption and inventories up through the first three quarters of 1967.

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

Mr. HARDY. Thank you, Mr. Secretary.

Now, in one of the tables in your statement this morning you had indicated aircraft losses in southeast Asia for 1964 and 1965 totaled 315 fixed-wing—

Secretary McNAMARA. May I interrupt you just 1 second, Mr. Hardy, to address this question of the monthly production of rockets? The monthly production of rockets becomes [deleted] a month in February of 1967; to the extent that has to be funded in this supplement it is funded.

Mr. HARDY. In February of 1967?

Secretary McNAMARA. Yes [deleted] a month.

Mr. HARDY. That does not agree with the table I've got, because this shows production—

Secretary McNAMARA. Production will be [deleted] a month in February 1967.

Mr. HARDY. This sheet I've got shows [deleted] in the four quarters of fiscal 1967, which would make it June, I suppose, at least—

Secretary McNAMARA. Let me put the figures in the record for you. If it shows that we are in difficulty 9 months through the 1967 fiscal year, you are quite right, there is something we can do about it today.

Mr. HARDY. This table indicates that to me if I read it correctly.

Secretary McNAMARA. I would be very happy to look into that.

Mr. HARDY. Now with respect to aircraft, as I interpret one of these appendixes hooked to your paper—the table—we have a total of 315 fixed-wing aircraft and 100 helicopters lost during fiscal 1964 and 1965.

Is that all the aircraft that we have lost over there in southeast Asia?

Secretary McNAMARA. These are tactical attack aircraft. The total losses I can give you in southeast Asia for January 1, 1962, through December 31, 1965, all services, all aircraft, hostile and operational losses. The total for that 4-year period for tactical aircraft for all services was 382.

Mr. HARDY. 382?

Secretary McNAMARA. The other types of aircraft losses—what I call nontactical aircraft losses—totaled 133. Therefore, the total of all aircraft losses was 515 for all services.

Mr. HARDY. Does that include helicopters, do they fall into the tactical category?

Secretary McNAMARA. No; this does not include helicopters. This is fixed-wing aircraft. I can give you the helicopters if you wish.

Mr. HARDY. Thank you.

Secretary McNAMARA. The total helicopter losses for the same period are 162 plus—I can't break it exactly the same way—this will be an approximation because I've got to take out 2 months. It is say about 320, Marine Corps and Army combined.

Mr. HARDY. That is all I need. Do you have that total? Is it 320?

Secretary McNAMARA. Wait a minute. I have it here. I can give it to you exactly. Helicopter losses for that 4-year period, Army and Marine Corps, 279, exactly.

Mr. HARDY. 279. That is for fiscal 1964 and 1965?

Secretary McNAMARA. The calendar years 1962, 1963, 1964, and 1965.

Mr. HARDY. Calendar years?

Secretary McNAMARA. Yes.

Mr. HARDY. Thank you.

Now, in connection with these losses this is for a particular type of aircraft?

Secretary McNAMARA. Yes.

Mr. HARDY. Last year, as I recall it, there was included in your savings, because of inventory reductions, \$32 million for a cutback in the procurement of F-4's for the Navy. We are stepping them up now. Does that indicate the saving that we had last year is being wiped out by this account, too?

Secretary McNAMARA. Mr. Hardy, I would like to look at the specific figure you are speaking of, the \$32 million, I don't recall that figure.

Mr. HARDY. 32.6, I think it was.

Secretary McNAMARA. I do not know whether it was for the same series of aircraft. We are trying to get the later series of F-4's into the force, and eliminate the earlier series.

Mr. HARDY. Of 4-B's, I have forgotten what these are in procurement now, but I believe it is the same aircraft. Anyway—

Secretary McNAMARA. Let me look at the savings and check on whether they are the same.

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

Mr. HARDY. There is another aspect of this I wondered about. Last year we had a reprogramming of funds for the TA-4E in order to save some money by continuing our procurement. I was wondering whether if as a matter of fact we did curtail our procurement of A-4-B's last year, and now after stepping it up, whether we have to pay more for them or less for them.

Secretary McNAMARA. I am sure we are paying less now, Mr. Hardy, because we are buying in such larger quantities. The rate of production on F-4's goes up from something on the order of [deleted] a month to [deleted] if I recall the figure correctly.

Mr. HARDY. Well it would be interesting I think if we could get a comparative cost figure.

Secretary McNAMARA. Surely, I would be happy to do so. The rate of production goes up from [deleted] a month, and I am certain the larger quantities cost less per aircraft.

(The information requested is classified and has been furnished the committee separately.)

Mr. HARDY. Now, Mr. Secretary, another item that was included in your cost reduction, inventory saving, was 7.62 millimeter ammunition. I think that listing showed a \$30 million saving. I believe you got quite a sizable procurement of those this year. That same question would apply to this that applied to the F-4's I was just describing.

Secretary McNAMARA. We do not have a different series in the 7.62, as we do in the F-4. Most of the Navy F-4 procurement in the supplemental is the F-4J (62 aircraft). There are also four F-4B's in there.

We are stepping up the rate of production of 7.62 ammunition. It would certainly be correct to say that any saving last year in that instance is offset by a procurement now—with this qualification, I do not think it is ever wise to buy anything ahead of the time you need it. Cutting back proposals to buy at times when the circumstances do not justify the procurement quantitative seems to me to be good management practice. So I do not think even with hindsight it was a mistake to cut it back last year. You can argue whether it was a saving, but I don't believe it was at all a mistake to cut it back.

Mr. HARDY. I do not know whether it would be or not. I was just trying to get the factual situation as closely as I could.

Secretary McNAMARA. Our inventories of 7.62 ammunition are very high indeed [deleted] rounds.

Mr. HARDY. And you've got in the supplemental, I believe, some \$50 million?

Secretary McNAMARA. That is correct.

Mr. HARDY. Now, Mr. Secretary, I've got one other area that I wanted to explore with you. In sections 2, 3, and 4 of the bill, this is H.R. 12335, section 2 Mr. Rivers referred to a little earlier, and you referred to it in your statement, as being funds appropriated to the defense agencies, to be apportioned as needed. I believe that is the way—

Secretary McNAMARA. In the construction bill, yes.

Mr. HARDY. Yes, this is in the construction bill, in 12335.

Secretary McNAMARA. Yes.

Mr. HARDY. The way this language reads, the Secretary of Defense may establish or develop installations and facilities which he determines to be vital to the security of the United States, and so forth.

Will you tell us what the mechanics are for making that authorization?

Secretary McNAMARA. Yes. At the present time we have an outline of a construction program, which General Westmoreland thinks is required, broken down into airfields, ports, et cetera, by service. But this can only be the roughest kind of estimate at this time. He has not had enough time to determine even how many airfields he needs, much less which service should finance them, and where they should be located. So we asked that \$200 million not be initially

allocated by service so that as this program develops and firms up and we need to switch between them I can allocate those funds to the service that will then be charged with the responsibility of carrying out the particular project.

Mr. HARDY. Yes, but what would be your mechanics for making that determination?

Secretary McNAMARA. Well, let us say, the request comes in from Westmoreland for an additional airfield, and an elimination of some depots. The airfield might be for the Air Force; the eliminated depots might be Army.

Mr. HARDY. How would you make your decision? Suppose, let's take a hypothetical case, suppose he wants an airfield and suppose it is an elimination of an Army depot? As a matter of fact, you have \$200 million here which would not have been allocated anyway. So if he asks for funds out of this, you won't have to take it away from something else?

Secretary McNAMARA. No, the total program he estimates will be needed, would cost \$1.2 billion. On the basis of the present tentative assignments of service cognizance the projects in this program add up to \$1.2 billion. But we know those assignments aren't firm and final. We recognize there are going to have to be switches between types of facilities, e.g., airfields versus depots, and between services, e.g., Army versus Air Force. We need some form of flexibility in the management of the program as it evolves. And this \$200 million is to facilitate that management.

Mr. HARDY. Yes, but you still do not get to the heart of what I am trying to understand. You've got three sections in this bill that I am concerned with right now, and I would like to understand how they are going to actually work. You have section 2, section 3 and section 4. Now sections 2 and 3—section 2 refers directly to the Secretary of Defense. Section 3 says the Secretary of each military department may proceed to establish, and so forth, and that is without regard to line items which is the usual procedure they follow before the committee.

I was trying to take these a piece at a time and understand how this thing would actually be determined, how the decision would be made. That is why I was starting with section 2. This is your responsibility.

Secretary McNAMARA. That is right.

Mr. HARDY. I wondered how you would make that decision.

Secretary McNAMARA. At the present time the proposed construction program in the fiscal year 1966 supplemental, detailed by type of construction and service, adds to \$1.238 billion.

Mr. HARDY. I see that, Mr. Secretary.

Secretary McNAMARA. This is how we developed the estimate for the authorization request, by adding up these tentative project decisions, but we know the detail of the analysis underlying that program is not adequate for us to be certain that the specific types of project or service assignments of responsibility are firm.

Mr. HARDY. Are you going to present that to us in detail?

Secretary McNAMARA. I will be happy to provide you what detail there is, but that detail will not be the same as the final decisions which have yet to be made. General Westmoreland would be the first to say

that. We had to have some basis for developing a construction authorization request. Now this is the basis. You can provide the construction authorization, of course, any way you choose, just so long as we are given enough flexibility to execute the program efficiently. But we cannot, today, give you a line item breakdown for this construction.

Mr. HARDY. I think I can understand that. But what I am concerned with at the moment is, you have to have something now that adds up to the amount that you are asking for.

Secretary McNAMARA. Right.

Mr. HARDY. Mr. Chairman, the first thing I would like to do is to ask for that, so we can at least see the background in determining what is figured.

Secretary McNAMARA. I have it right here; I will be happy to put it in the record.

Mr. HARDY. I appreciate that. Let us proceed one step further with respect to this \$200 million in section 2.

You say there might be a request that would come in saying we need an airfield instead of something else. But that would not affect your \$200 million?

Secretary McNAMARA. Oh, yes, it would. At the moment the projects I have here from General Westmoreland and the other commanders add up to more than would be allocated in section 1 to the Navy, Air Force, and Army. The \$510 million, the \$255 million and the \$274 million add up to \$1,038 million. What I have listed from Westmoreland and the other commanders adds up to 200 more than that. So if their requests develop as they think they may now, the Army, Navy, and Air Force are not going to be allocated enough under this bill to pay for them.

Mr. HARDY. Well, I would like to see if I could get this thing step by step and understand just how this would happen. Westmoreland sends in a request to you for utilization of some part of this \$200 million?

Secretary McNAMARA. No, sir, he does not. He first uses as much as the Department of the Army has, \$509 million. And after the Army has used all that money, Westmoreland comes in and says, "I have to have another hospital. It has to be an Army hospital. The Army has no more money." At that point, we transfer the necessary funds from the \$200 million. The Navy at that point, may still have some unused funds, but we couldn't transfer them from the Navy to the Army.

Mr. HARDY. Let me start back a moment. Let me explore section 3.

How will the decision be made with respect to what actually will be built under section 3?

Secretary McNAMARA. Well, we have one construction boss in South Vietnam at the present time who reports to General Westmoreland. That construction boss is responsible for laying out a construction program for all three military departments. He will lay that out; Westmoreland will pass on it, and then pass it in to the Chiefs. They will review it and pass it to the services. Now the services may or may not have enough funds in section 1 allocations to pay for it. The probability is some will and some won't. My guess is the Navy will probably have enough, and almost surely the Army and the Air Force will not. And therefore, at that point I will have to allocate to those services out of the \$200 million.

Mr. HARDY. Well before we get to the \$200 million, I am trying to see how this other is going to work, because, frankly, that comes first. Your 509 million comes first.

As I understand it the figures you are putting up in the record will add up to more than the \$509 million?

Secretary McNAMARA. That is correct.

Mr. HARDY. And there is not any obligation under the provisions that are written into this bill to even follow that. And for all that any of us know now, at the time the request comes in for approval of the construction, it might be for something entirely different than anything listed on this sheet?

Secretary McNAMARA. That is correct.

Mr. HARDY. So I am trying to understand if I can what will be the mechanics of making that determination. As I understand it General Westmoreland submits a proposal for construction. That goes to the Joint Chiefs?

Secretary McNAMARA. That is right.

Mr. HARDY. Now, then, the Joint Chiefs presumably scrutinize this proposal and then they submit it with their recommendations to you, is that right?

Secretary McNAMARA. Yes.

Mr. HARDY. Then you will make your decision based on the recommendation from Westmoreland as approved or concurred in by the Joint Chiefs?

Secretary McNAMARA. That is correct.

Mr. HARDY. Now, it seems to me, Mr. Chairman, that since this is the way this is going to be handled, and since we are waiving our line item—normal line item approval of these things—that at the time, or following the decision with respect to what is going to be built by these funds, there should be submitted to the committee something to indicate what has been done and what the Secretary proposes and agrees with.

The CHAIRMAN. Will you do that?

Secretary McNAMARA. I think it is quite reasonable; I will be glad to do it.

The CHAIRMAN. What is wrong with that?

Secretary McNAMARA. Nothing is wrong with it. I ask it be done after the fact.

Mr. HARDY. I think it should be a simultaneous thing. I don't want to hold up the construction project, but I think at the time the approval is given it would be the appropriate or proper time to advise the committee.

Secretary McNAMARA. Yes. Actually, there is the possibility some of this will just be allocated to Westmoreland for his decision, an allocation in the field. And in that case, I would receive from him the kind of information you are asking for. I would be happy to pass it to the committee as soon as I got it.

Mr. HARDY. The thing I am concerned with, Mr. Secretary, is under normal circumstances the committee analyzes the justification for each of these items.

Secretary McNAMARA. Surely.

Mr. HARDY. Under this situation here we are waiving that.

Secretary McNAMARA. That is correct.

Mr. HARDY. Certainly the committee ought to have before it the rationale which justifies it, even if it is after the fact?

Secretary McNAMARA. I think it is entirely reasonable. I would be delighted to do it.

Mr. HARDY. Section 4 goes to the authority given to the President. But it relates also to a waiver of normal committee procedures—conventional procedures.

So presumably it must have this effect—this will be done only on the basis of a submission from you, is that right?

Secretary McNAMARA. Yes, that is correct.

Mr. HARDY. That being the case, Mr. Chairman, it seems to me that we ought to ask the Secretary to submit to the committee the proposal and his rationale for it which he sends to the President.

Secretary McNAMARA. I will be happy to do that.

Mr. HARDY. Thank you very much.

The CHAIRMAN. What Mr. Hardy is talking about, we have that under our jurisdiction.

Secretary McNAMARA. There is no problem, Mr. Chairman.

Mr. HARDY. Thank you very much, Mr. Chairman, and thank you, Mr. Secretary.

Secretary McNAMARA. Thank you.

The CHAIRMAN. Mr. Hébert has something to say for the record.

Mr. HÉBERT. Thank you very much, Mr. Chairman, and members of the committee. I apologize bringing this matter up at the moment, but it is of such great importance. I want the full membership of the committee to know about it.

On last Tuesday Secretary McNamara appeared before subcommittee No. 2 in connection with the investigation ordered by the committee into the decision to phase out the B-52 bombers. He presented a very thorough, comprehensive statement to the committee, and simultaneously with that statement he had a sanitized version of it which is customary and the usual procedure, which was released to the press immediately upon his departure from the committee.

The next day Dr. Brown appeared, the Secretary of the Air Force, accompanied by General McConnell, Chief of Staff of the Air Force, who had classified statements to give the committee which were received, and I was called before the meeting and asked would it be permissible to release the sanitized version of their testimony at 10 o'clock, which was the time they were to appear before the committee. I gladly gave permission to release that testimony at that time. Subsequent to that we had before us General Schriver, General Ryan, and General Ferguson, testifying in connection with this matter. And we had an all-day session with Secretary Foster, who replaced Dr. Brown in the Department of Defense. On yesterday we had Gen. Curtis LeMay as the witness. Gen. Curtis LeMay, as everybody knows—it is no secret—has taken quite the opposite position to the position taken by the Secretary in connection with the advanced manned bomber, and the necessity of bomber replacement.

Of course, General LeMay was the first individual before the full committee to present the other side of the coin. Obviously, he had no prepared statement. He came in cold, and really answered questions. However, during the examination we developed his side of the question, and he brought forth very forcefully his position.

I requested, since he was the first witness on that side, to bring out the other side of the argument, that I thought the public should be entitled to know the other side, keeping in mind his description. The following description I am giving you. At no time has the chairman or any member of my subcommittee discussed in any manner, shape, or form, any testimony taken before this committee. We refrained from doing so. We do not want to make judgment until all the evidence is in and all the facts are before us as to what report we will make.

Now, in compliance with keeping the public informed was the reasonable request, and I asked that General LeMay's testimony be sanitized immediately by the Department in order that I could release it and give the public the benefit of the thinking of the other side of the question, and not allow just one side to remain in the public mind. For example, Secretary McNamara's comprehensive statement was carried in six columns the next day in the New York Times, dominated by him and me shaking hands and laughing and joking with each other. This was a very fine presentation to the public and showed we understood each other.

Now, I think that Mr. Slatinshek, counsel for the committee, should proceed from here to inform the committee of what has occurred since I made a request to sanitize this testimony in order that the public be given the other side of the story, that is other than Secretary McNamara had. Will you please tell now what happened?

MR. SLATINSHEK. In accordance with Mr. Hébert's request I contacted an officer from General Roderick's office, a Major Harper, and requested that he arrange to have someone from the Security Office of the Department come over here and clear the transcript for possible release. I asked him to inquire as to the feasibility of this. He did proceed and was unable to get a firm reply. In view of Mr. Hébert's desire that this transcript be made available, I suggested that as an alternative, Major Harper take this transcript through Security on his own and stick with it until it had been cleared by Security and returned to the committee. This question of course could not be resolved by Major Harper who took it in turn to the Department. I understand Mr. Vance has denied this alternative possibility. General Roderick conveyed this information to me and advised that the Department would only clear all the transcripts simultaneously. He indicated that Secretary Vance believed that this was consistent with the desire of the committee, and consequently felt no justification for clearing one of these transcripts separately. That is the story.

MR. HÉBERT. Now, Mr. Secretary, may I ask you for your comment?

SECRETARY McNAMARA. I am not familiar with it. I do not recall hearing about it. When did you make your request?

MR. HÉBERT. I made the request yesterday, Mr. Secretary.

SECRETARY McNAMARA. I am not familiar with it. I do know about this. We are facing great difficulty because for the first time in the 5 years in my experience in the Department, we are not being permitted to have transcripts of the hearings, and I suspect that is what is involved here. As I understand your proposal, you are proposing to send us a portion of the transcript and ask us to clear that from a security standpoint of view without seeing the others parts of the transcript, and to clear it for release before the whole transcript is released.

Mr. HÉBERT. No, all I am asking, Mr. Secretary, is to follow the procedure that we have followed, which you, yourself, have followed. You have come before the committee with a classified document, and have sanitized that for immediate release upon your departure from the committee. In the case of Dr. Brown, and General McConnell, the permission was given to them to release the sanitized version as they started to testify. Now, the matter of your transcript not being made available to you has absolutely nothing to do with the question. The only thing we are asking, and what I am trying to find out is, that here is testimony the same as yours—classified testimony—we cannot sanitize. We do not take upon ourselves the declassification of any document. We are trying to cooperate to that extent. So it is not releasing a part of the transcript here and a part of the transcript there; it is only releasing the testimony of one individual who testified to opposite views that you hold. I think the American public is entitled to that, don't you agree?

Secretary McNAMARA. I have absolutely no doubt but what the American public has the right to the views of any individual who can testify with some authority on this matter. But I seriously question whether the procedures that are being followed in this case are desirable procedures. I know of no case since I have been associated with the Defense Department where individuals from the Department have testified before a congressional committee and have been refused copies of the transcript of their testimony. I know of no case where we have been asked to clear for security purposes a portion of a transcript, questions and answers, for release before the total transcript is released. I presume that that is what is causing the question. Now I have been testifying here this morning, and I haven't been at the Department, and I wasn't there except for a few minutes at lunchtime. I spent the noon hour at the White House. But I will be happy to look into this when I get back.

Mr. HÉBERT. Naturally we understand what is causing that, but I am trying to separate that from the other.

Secretary McNAMARA. I find it difficult to separate.

Mr. HÉBERT. I do not think it is difficult to separate, because right now by your very action you have released your testimony.

Secretary McNAMARA. We have not released any of the testimony. We have not released any of the testimony. We presented it to the committee for their release—

Mr. HÉBERT. You released that other testimony, so you are being inconsistent. You did release part of the testimony.

Secretary McNAMARA. We released prepared statements through the committee. This is customary procedure. This has been going on for the 5 years I have been associated with the Department, but I have never seen a case where a committee refused the witness copies of his own transcript on questions and answers, and then asked that one witness's statements and questions and answers be cleared and released separately. And I am sure that is what underlies the problem that has developed here. When I get back to the Department, I will be happy to look into it.

Mr. HÉBERT. As I say, I do not care to discuss the other matter, because I do not care to engage in debate on that. We have our reasons the same as you have your reasons. We have the same reasons

which caused you in other years to appear in executive sessions of this committee, offering classified testimony, return to the Pentagon, have it sanitized, and then released that part without the committee releasing it.

You have done that yourself. I don't care to get all tangled up.

Secretary McNAMARA. Mr. Hébert, I do not know of any such case. It may have been done.

Mr. HÉBERT. That is the reason why I state this.

Secretary McNAMARA. Let me say if that was done I think it is incorrect. I just don't believe that this kind of material should be released other than through the committee, that is point No. 1. And point No. 2, I do not believe that parts of it should be released separate from the other parts that deal with the same subject.

Finally, I do not believe a member of the executive branch appearing before a congressional committee should be denied a transcript of his own testimony.

Mr. HÉBERT. As I said, Mr. Secretary—will you sanitize this or not?

Secretary McNAMARA. I can't answer the question until I go back to the Department and discuss it with whomever has been working with it. I do not know any more than you have told me.

Mr. HÉBERT. Will you let us have a decision this afternoon?

Secretary McNAMARA. I will let you have a decision as promptly as I can; I don't know whether it will be this afternoon.

The CHAIRMAN. This transcript belongs to this committee. We asked the Department to sanitize it. Thus far the Department has denied this. We don't belong to the transcript; they belong to us. You testified, and it was perfectly satisfactory to go and release what you wanted to do, under normal procedures. Now there is some sort of recrimination, something that I am doing as chairman of this committee, and at this point I have no notion of changing. I did at one time think I might agree to change my position, but if this is the way you want it, I have to advise you, this is the way you will get it. We will cross the other bridge at the proper time, but I think this is very small on the part of Mr. Vance, as to this point.

Let's get to the next question.

Secretary McNAMARA. Mr. Chairman, I don't wish this charged to Mr. Vance. I don't know whether he did or didn't do it. I don't know what has been done. I think you deviated from normal procedures. You must expect under those circumstances that it requires special thought and treatment in the Department.

The CHAIRMAN. I'm going to try to cooperate with you. We will do whatever we want in the future on something else, but let's get the next question.

Any questions on this side?

Mr. BRAY, do you have questions?

Mr. BRAY. I don't have any questions at this time.

Mr. GUBSER. Mr. Secretary, there was discussed the possibility of calling out Reserves. Does that apply also to National Guard units?

Secretary McNAMARA. Yes; when I used the term "Reserve," I was using the small "r".

Mr. GUBSER. Thank you.

The CHAIRMAN. Mr. Bray.

Mr. BRAY. On page 4 of your statement, paragraph 3, you state—

The number of additional spaces required for this purpose is now estimated at 30,000, 18,500 in the Army National Guard and 11,500 in the Army Reserve.

Is that in addition to the 90,000 that are already enlisted, some of them for as high as 17 months, that have never been able to get their 6-month training? Is this in addition to that?

Secretary McNAMARA. These are personnel spaces, not necessarily spaces to be filled by new enlistees in the Reserve enlistments program.

Mr. BRAY. The reason I mentioned that, because this is not the Reserve hearing, yet you did mention this in your statement, and I think entirely properly so. But there are now, and I recall I expect a score of times, a response to calls that I received, some from Indiana, and some from other States, as to their inability to get the 6 months. As you recall, it is the law that the Reserve and National Guard—that is, all of the Reserves—if they haven't had previous military training, are to have this 6 months. I think in some cases it is down to 4, and in some places up to 9, but generally it is called the 6-month program. Are you aware of that program?

Secretary McNAMARA. Yes, I am.

Mr. BRAY. As I recall, every time that you testified on the Reserves, you mentioned the importance of this part of the program, and I have no objection to that. But it does worry me a little that now the last time I checked—I didn't find out how many—but the best I could find out there are 90,000—not 30,000—that have already enlisted, some as high as 17 months, to my personal knowledge, and have never yet been able to receive the training. I have made inquiries as to why, and I was told that there were not the facilities, the facilities to train the personnel.

I frankly think that is a rather serious condition, as you already have three times the number of spaces, already waiting, for training. Maybe they cut off enlistments which was necessary because they couldn't get those trained. I know recently you have a pretty heavy load, but some of these go back to my knowledge 17 months. I know they have tried to see if they couldn't get them trained. Until we get something down on that it is going to be a serious matter to make the Reserves effective, as you say you desire, and I know we all desire.

Secretary McNAMARA. Well, the answer is, first, your facts are essentially correct. I don't know of any 17-month cases, but the fact is that the backlog of enlistees in the program awaiting training, which normally runs around 35,000 to 45,000 men, has increased substantially above that, and is probably now some place around 90,000 although I am not exactly sure.

Mr. BRAY. I called several times to get this information, and, frankly, perhaps you are doing your best to get them trained, but that is a rather serious thing, and it was brought to my attention very forcibly by a group of women the other day who had something like 100 signatures why the boys were being drafted while there were 100,000 people enlisted that we have not been able to take to training camps.

I wrote back the best I could. It wasn't a very good letter, because I didn't satisfy them. I want to mention that this is a very serious thing, and I do not believe we have given competent consideration to the whole Reserve program until more real effort is made to train them.

Secretary McNAMARA. The problem is twofold. First, we don't need the men in the Army Reserve, but we are required to have them

in order to meet the established ceiling of 270,000. Second, we don't want to divert trained personnel from the Active Army to form training cadres at this time to train people we don't need. We will be able to train a large number of them in fiscal 1967. By the end of fiscal 1966 the number should build up to 135,000. That compares with a normal level of about 35,000 to 45,000. I think I used the figure of about 90,000 today, and I suspect that is about right.

Mr. BRAY. Yes; I heard more than that—

Secretary McNAMARA. I think it is probably right, but it will build to a total of 135,000, I think, by the end of fiscal year 1966.

Mr. BRAY. I see.

Secretary McNAMARA. Then we estimate that it will grow to about 145,000 by the end of fiscal 1967. Currently we plan on training 52,000 of these men in fiscal year 1966 and 135,000 in fiscal year 1967. I think it would be a great mistake at the present time to direct trained Active Army personnel to train these individuals who we really do not need now.

Mr. BRAY. I am glad you think you don't need them. I thought the manpower shortage was going to get serious.

Now, on page 3, the first paragraph, you state:

For the Air Force, an increase in airlift aircraft utilization rates, from 5 to 8 hours per day for Military Airlift Command (formerly MATS) aircraft, and 1.5 to 5 hours per day for C-130E's in other commands.

That is a matter I became rather interested in in the Airlift Subcommittee, in 1960. I was on each of the Airlift Subcommittees as they have been appointed.

Of course, airlift applies to MATS, and also the TAC; that is the troop carriers, and the C-130E's. As I recall, we had a hearing here a short time ago on the airlift, and General Strike testified. We asked him what his needs were, and he discussed them very frankly, and I think very thoroughly. He mentioned the need of more C-130's, and gave us a very good reason and explanation for those needs. But also we discovered that the 130's were not manufactured; is that true?

Secretary McNAMARA. Yes, the C-141 followed the C-130, and is produced by the same company in the same plant.

Mr. BRAY. I believe, if you will read that testimony, you will see that the needs are entirely different. The 141 does not take the place of the 130's, and as I understand it it was never intended to take the place of the 130's. I am not arguing on that, because, after all, you are going to do as you please on that, but I am merely bringing this in as a matter of record, and he did say he needed the 130's, and gave the reason why he needed them.

We asked what the replacement was for the 130's, I don't think we got the answer from him, somebody else suggested that it was an entirely different plane far in the future. I believe it was some type of helicopter that will not be in the inventory until the seventies, this is a long gap.

We asked him what would take the place of the 130's, and he said the 119's. He said they could not do the job of the 130's, but in many instances in the theater they could substitute, you know, for the 130's. We asked him how long it would take the crews who are flying the 119's, to be able to adapt to the 130's, or a similar plane. Well, he said, as I recall, it was something like 30 days, there was great simi-

larity. Then I asked him how the Reserves, National Guard, 119 squadrons, would function, if he knew. He said "Yes," he was very well acquainted with them. He pointed out that they had emergencies opening up all over the world, and I asked if they functioned as well as the regular unit. He said "Yes," they are a very dedicated group.

Now, I am coming to the question I want to ask you. The power in Indiana, it is not in my district, so you are not hurting me any—it is a Democratic district—you are laying down and deactivating and giving the order to 119 squadrons, which to my personal knowledge is full strength at 1,100. I know the instance of one man who drives 200 miles, every drill, without any mileage at all, and is close enough to me, although not in my district, but I do know about the situation. They are needed. They can do any job yet. You have not ordered them activated. I am not quarreling with you for activated power. I want to quote to you from the New York Times on December 7, and it says—this is just the day after you closed the bases—I am questioning the closing of the bases:

As Mr. McNamara laughingly acknowledged, at a Pentagon news conference, the latest action of bases is certain to provoke new congressional inquiries, but Congress has no power to block the action. Mr. McNamara affirmatively indicated as in the past he would not change his decision in the face of objections.

You didn't say "deactivation," and, to me, in all fairness, it is very hard to understand why you deactivate outstanding volunteers, two squadrons, that have the accomplishments, as they do. I am not suggesting you close any base in the United States, there is nothing we can do about it, we think some of them should not have been, but that is not in my district, and it doesn't worry me.

But I do wish you would check on deactivating two squadrons and we heard Paul Landes. I don't know any man in the United States who doesn't have respect for him and the job he has done. I wish you would look that over, and some time tell me just why you have deactivated those people. They are crying about it, and they are a very dedicated bunch. I also checked on their maintenance. They can do all of their maintenance themselves. They are a fine squadron. Their maintenance section does an A No. 1 job, a superior job. To me it is serious.

Secretary McNAMARA. Mr. Bray, may I respond to your question?

Mr. BRAY. If you care to.

Secretary McNAMARA. First, I should like to have the opportunity, Mr. Chairman, to insert in the record at this point whatever the pertinent statements were from the press conference you referred to. There was a transcript made. I am quite confident the report is not as you have read from the newspaper.

Mr. BRAY. Do you want to read it?

Secretary McNAMARA. I am just saying I am quite confident—

Mr. BRAY. I am not misquoting it?

Secretary McNAMARA. I am not suggesting you are misquoting the newspaper.

Mr. BRAY. This quotes you.

Secretary McNAMARA. I don't know that they quoted me. I am not sure that is in quotes. You didn't read it as in quotes. In any case, I would like to insert in the record, Mr. Chairman, if I may.

(The following information was received for the record:)

The article that Mr. Bray refers to appeared on page 1 of the New York Times on December 7, 1965, under the heading of "Pentagon Orders 149 More Bases Shut or Reduced." The referenced paragraph extracted from the article reads as follows:

"As Mr. McNamara laughingly acknowledged at a Pentagon news conference, the latest action on basis is certain to provoke new congressional 'queries'."

"But Congress has no power to block the actions. Mr. McNamara firmly indicated that, as in the past, he would not be persuaded to change his decision by any congressional objections."

The transcribed record of the news briefing clearly indicates that contrary to the statement quoted above, the Secretary of Defense inserted a clause into the written material handed to the press stating:

Secretary McNAMARA: " * * Just for your information, fellows, I inserted a clause that is not in the written material you get, and it is this: 'Subject to congressional review of certain of the actions'—so there's no misunderstanding on that."

Other references to congressional review which appear throughout the transcribed testimony follow:

"I should call your attention to this point, that on January 10th of next year, full reports for all base closures affecting more than 250 people will be filed with the Armed Services Committees of the Congress in accordance with section 611 of the Military Construction Act of 1966, and no closures of bases affected by that act will take place until 30 days after January 10, 1966."

PRESS. "Mr. Secretary, would you go ahead with these closings in the event that Congress objected to some of them?"

Secretary McNAMARA. "Well, I think it depends on the basis for their objection. I don't want to anticipate or speculate on whether they'll object or how we would respond to an objection."

PRESS. "But there's nothing in the law which forbids you from going ahead if you wish to?"

Secretary McNAMARA. "No, no, there's nothing in the law that requires that we go ahead either, Jack, so I don't want to speculate on how they'll respond. I think that these are—have been given very thoughtful consideration by the services, and I've personally gone over all of the justifications. They appear adequate to me as they do to the service Secretaries and the chiefs of the services, and we'll be very happy to discuss them with Congress."

PRESS. "Your parenthetical expression about this all being subject to congressional review—"

Secretary McNAMARA. "We're—we're required by legislation."

PRESS. "But it's still a fact under the law that you may close them regardless of a congressional review. I didn't—"

Secretary McNAMARA. "No, the law simply requires that in certain cases those specifically referred to in section 611(a), that we not act to close until 30 days have elapsed from the time when we present to Congress our proposed action, and since we can't present that or are not presenting it in this case until January 10, it means that for those specific locations, and I think we'll be happy to identify those for you on Wednesday, we will not act until 30 days after that material has been presented to Congress."

PRESS. "Mr. Secretary—"

PRESS. "You can take any action you want, then?"

Secretary McNAMARA. "No; you can take any action that's authorized by law."

Mr. BRAY. It was in quotes.

Secretary McNAMARA. The pertinent passages from the transcript of the press conference. I do not believe the newspaper report is a correct reflection of my attitude or feeling in this matter.

As to the C-130's, there are ample C-130's, in the Airlift Command, to add to the TAC Command resources, if that is desirable and necessary. It isn't necessary to go into the Reserve to use the C-119, which as General Adams said, as I understood you to say, is not a substitute for the C-130.

Mr. BRAY. He didn't say it wasn't satisfactory, but he did say it could substitute for that, and he said you needed far more than you had.

Secretary McNAMARA. Our problem is to get an aircraft we can use in many types of contingencies, and the C-119 with its short range and modest load-carrying capabilities is not that kind of aircraft. It is being phased out of the force completely for that reason as the total airlift capacity is increased. This committee for years, long before I came to the Department, emphasized the need for airlift. We have taken into account those recommendations, and have vastly expanded the airlift you are all familiar with that. Expansion of the airlift using the C-130 as a basis is ample for whatever TAC requires. We have them, but we do not have all of them by any means in TAC; the bulk of them are in the Military Airlift Command, and can be shifted over to TAC if it becomes desirable. As a matter of fact, by the end of fiscal year 1967, all but two of the active forces C-130E squadrons will have been transferred to TAC.

The C-141 is a much more satisfactory aircraft for the Military Airlift Command, and that is why we are buying it for that Command.

The CHAIRMAN. Is there some consideration being given to increase the procurement?

Secretary McNAMARA. We did, Mr. Chairman. We now propose to buy 19 more C-141's than previously planned, 16 more in fiscal year 1966 (for a total of [deleted]) and 3 more in fiscal year 1967 (for a total of [deleted]).

The CHAIRMAN. It has proven satisfactory?

Secretary McNAMARA. It has proven very satisfactory. It is a low cost, efficient, very effective aircraft and we wouldn't think of buying C-130s in their place. But if we did need additional airlift capability before the C-5A comes in, we would wish to buy C-141's. We don't see the need for maintaining the C-119's in service indefinitely, and therefore, we propose to reduce the C-119 force gradually over a period of 3 or 4 years as overall the airlift capability continues to increase. When the C-119s go out during fiscal 1969, the airlift capability will be over 450 percent what it was in fiscal year 1961.

The CHAIRMAN. Wait a minute, did you say when the C-141's go out?

Secretary McNAMARA. C-119's. I perhaps misspoke. When the C-119's go out of the force in fiscal 1969, the airlift capability will be over 450 percent what it was in 1961. We have ample aircraft for TAC, there is no question about that. We could use additional aircraft for the Airlift Command. But when the C-5A comes in, the capability will have doubled between fiscal year 1969 and fiscal year 1972.

The CHAIRMAN. As a matter of fact, I doubt if we will ever catch up with our requirement for airlift?

Secretary McNAMARA. I doubt it, because between 1961 and 1971, say roughly that 10-year period, the airlift capability will have increased nearly 10 times.

The CHAIRMAN. I gather you are having a little difficulty in getting spares for the aircraft?

Secretary McNAMARA. For the C-141?

The CHAIRMAN. For the 141.

Secretary McNAMARA. I hadn't heard that, but it is entirely possible and not unusual for a new aircraft just entering the inventory to encounter some spares shortages until actual experience can help estab-

lish the inventory levels to be maintained. We are certainly utilizing them at a higher rate than originally planned, although I think we are justified in that.

The CHAIRMAN. I think you are.

Secretary McNAMARA. This increase from 5 to 8 hours per day for the Military Airlift Command aircraft, both the C-141's and C-130's, increases our effective capability by three-fifths, or 60 percent. It is a tremendous increase. When we did that we put more spares on order. You authorized us additional funds.

The CHAIRMAN. I hope you recognize that, that is very important?

Secretary McNAMARA. We need the spares and the men to carry this increase in utilization rates out. We actually increased them before we got all the men on board. We also know that we might expect a few maintenance problems before we trained the additional maintenance personnel, but we are getting more effective use out of these aircraft now; that is, more ton-miles of airlift per month.

The CHAIRMAN. I think 8 hours is a lot of use.

Secretary McNAMARA. I know it is. I think this is an excellent program, and I strongly support it.

I think we can meet any needs of the type Mr. Bray pointed out by shifting aircraft from the Military Airlift Command to TAC, if and when that is necessary.

Mr. BRAY. Mr. Secretary, you always talk about materiel. Do you believe that the personnel, trained, dedicated personnel, can take the planes, is of any value if they are volunteers?

Secretary McNAMARA. There is no question but what they are of value.

Mr. BRAY. OK.

Secretary McNAMARA. But there is no sense in having them manning unneeded obsolete aircraft, and the C-119 is fast becoming an obsolete aircraft.

Mr. BRAY. You didn't say about taking planes, you deactivated, and these people are leaving, and there are 1,100 of them—they have done a superior job. It looks to me as if you are going too much to materiel and forgetting every idea of personnel. Maybe not. That is the way it appears to me. I do not see any other answer to your decision on that.

Secretary McNAMARA. Well, I don't believe that we do a man a favor or our society a favor by associating them with a piece of equipment, whatever it is, that we have no use for. I do believe—

Mr. BRAY. Mr. Secretary, when you went from the M-1 you didn't deactivate because you changed to a different one?

Secretary McNAMARA. We turned the new rifles over to the old rifle companies, but we didn't keep—

Mr. BRAY. You didn't deactivate the unit because you changed the rifle, did you?

Secretary McNAMARA. That's right. We didn't activate new M-14 companies. We gave the M-14's to the existing M-1 companies. We couldn't do that in this instance because we didn't have C-130's to give to all the Reserve units now equipped with C-119. So I know of no justification for keeping personnel doing something we no longer require. It is far better from their point of view, their own morale, and the efficiency of our society, to let them do something else.

Mr. BRAY. You are not putting them on something else?

Secretary McNAMARA. They will be working on something else.

Mr. BRAY. Why didn't you tell them that; they got the word they were deactivated.

Secretary McNAMARA. They have that time available for something else. Many of them are transitioning to other aircraft, although perhaps not in the unit you are speaking of. But the C-124's in the Reserve components are increasing as the C-119's are phased out. Many of the Reserve units are transitioning to those aircraft.

Mr. BRAY. The idea is, you are talking about materiel. If you issued a directive they were going to change planes some time in the future, but, no, the order was deactivation.

Secretary McNAMARA. Some of them are being deactivated, Mr. Bray, and others are being switched over to different aircraft. I don't know the circumstances of the squadron you are speaking of.

Mr. BRAY. I don't know, either.

General Wheeler, how much damage, as to our war effort, was done by the 47 days or 37 days' cease-fire in North Vietnam?

General WHEELER. I don't think it is possible to make any assessment, Mr. Bray. Let me recite some facts. There was an infiltration going on through Laos, into South Vietnam, before the bombing pause. It continued during the bombing pause, and it is going on today since we have resumed operations. Whether there was a sizable increase in infiltration during [deleted].

Mr. BRAY. I am not critical.

General WHEELER. I cannot answer the question, Mr. Bray.

Mr. BRAY. I just referred to an article here today in the Washington Daily News, where it says the number of missile sites increased to over 60, and during the lull Communists worked day and night to build up communications, and had large military truck convoys at the time, and increased the North Vietnamese military units in Laos and South Vietnam, and they report today there may be as many as 10 North Vietnamese regiments, as much as 15,000 to 20,000, now operating from North Vietnam. That is an essential piece of news.

General WHEELER. Let me amplify my remarks, Mr. Bray. [Deleted.] There were at least seven positively identified North Vietnamese regiments in South Vietnam prior to the pause. One other regiment General Westmoreland considered as probable, and another one as possible. He accepts actually nine regiments as having been there on December 24, 1965 [deleted].

As to the activities in the north. It is quite true that during the pause, the North Vietnamese, as you would expect, worked around the clock rebuilding bridges, building fords, otherwise improving the lines of communication, and they were moving materiel in North Vietnam in daylight. Prior to the pause, our pilots had very rarely seen a vehicle on the roads in daylight. During the pause they saw a number of them on a number of occasion moving materiel toward the south.

[Deleted.]

Mr. BRAY. Have you run into 120-millimeter mortar fire yet?

General WHEELER. [Deleted.]

Mr. BRAY. Then there is one last question. We were told the other day, from information from these two defectors, that B-52's worried them more than any other bombing. Why was that? They went right down through—

General WHEELER. The factor which apparently worries them the most is that the weight and the acceleration of the 750- and 500-pound bombs are such that they will penetrate deep into the ground before they go off, and then they will collapse the tunnels and caves complexes which the Vietcong had been led to believe were absolutely invulnerable from any sort of bombing. It rather horrifies them that these installations which they must have spent literally months in building can be destroyed by one bomb, collapsing the whole section.

Mr. BRAY. Do they use a delay bomb?

General WHEELER. It is a [deleted] delay, I believe.

Mr. BRAY. [Deleted.]

General WHEELER. [Deleted.]

One other reason the B-52's scare the Vietcong is that the planes fly so high and are going at such speed that the first indication the people on the ground have of their being under a bombing attack is, to quote one of the PW's, "The ground begins to erupt." In other words, contrary to the fighter bombers coming on top of them, these things come down out of the sky without their knowing about it.

Mr. BRAY. There was an article from, I believe, Hanoi, which I read rather religiously, how effective it was on this delay bomb. I thought that would be a little—

General WHEELER. On the contrary, Mr. Bray, we are improving the delay bomb.

[Deleted.]

General WHEELER. No, sir; on the contrary we are trying to improve the capability.

Mr. BRAY. Thank you, General Wheeler.

The CHAIRMAN. Mr. Bennett.

Mr. BENNETT. I think the committee is desirous of giving the military all the tools and manpower needed to have a victory in South Vietnam. I am not technically informed enough to ask you any technical questions, but there are some broader things which do concern me very much.

I would like to ask the Secretary, if I might, is the present projected claim for the South Vietnam war, in South Vietnam, to win the war?

Secretary McNAMARA. Yes; I think I can say that without qualification. I cannot tell you when or how much will be required to do it, but that is the objective we have and that is the objective General Westmoreland is building his strategy and plans to.

Mr. BENNETT. Without revealing anything you should not say in this secret meeting, can you tell me so I could understand how we are winning, or how we plan to win in South Vietnam?

Secretary McNAMARA. Well, as we said before, the basic strategy is to prove to the North Vietnamese and Vietcong in the south that they cannot win while punishing them in the north. I think we are making some progress. We know we defeated their monsoon offensive last July—or last summer. I don't think there is any doubt of that.

We believe the B-52 bombing Mr. Bray alluded to a few moments ago has adversely affected the morale of the Vietcong. Our military attacks on them which are more frequent and heavier than 6 months ago, are also proving effective in harassing them, forcing them to move, destroying their bases, and otherwise adversely affecting their

morale. I think that the Giap statement that was published yesterday, or referred to yesterday in the press, is another sign of that. He points to our tremendous weight of force, materiel, and manpower, and in effect, says "Don't worry about it, we can outlast the Americans." Really, that is what they are depending on. They now recognize they cannot beat us quickly nor can they beat us in direct combat; they can only hope to exhaust our patience and our will and our courage.

Mr. BENNETT. Have we more land today under United States or South Vietnam domination in South Vietnam than we had a year ago?

Secretary McNAMARA. No; I don't believe so.

Mr. BENNETT. From what you said, then, the next question that comes to my mind, following along the lines of your strategy and how you expect to win this war is, why don't we make them pay the heaviest penalty we can make them pay and as promptly as possible?

Secretary McNAMARA. I think that is a good question. The answer is really twofold.

First, there is a real doubt whether there is any feasible way to bomb, or acceptable way to bomb which will break their will. Theirs is not an industrial society, as General Wheeler pointed out this morning, it is an agricultural society.

Mr. BENNETT. I want to interrupt you at this point. The statement you just made disturbs me when I remember what you said about 3 minutes ago.

Secretary McNAMARA. I am speaking about the political leaders.

Mr. BENNETT. You say nothing is going to change their will?

Secretary McNAMARA. I am speaking of the will of the political leaders to carry on the war effort. As I understood you were referring to the bombing effort in the north.

Mr. BENNETT. I am not getting technical at all; it is a broadbrush question. I asked you whether we could expect victory from what we are doing, and I got some questions back, and some answers back. Among the answers I got back were that you felt eventually they would have a fading of will to go ahead, and the last thing you just have said to me when I interrupted you was to say that there is no hope for a break of their will. To me those are inconsistent statements.

Secretary McNAMARA. I question whether there is a reasonable expectation of breaking their will by any practical type of bombing program in the north alone. We propose to break their will by proving that they cannot win in the south, and by showing that as long as they continue to try to win in the south they will have to absorb tremendous losses in the south, and they will continue to be bombed in the north.

But the basic element affecting their will to continue the aggression will be the obvious failure of their military campaign in the south. It is this failure which will lead them to a settlement acceptable to us or to cease their support of the insurrection in the south.

Mr. BENNETT. Therefore, even though you originally said—

Secretary McNAMARA. May I go back to one question you asked a few minutes ago?

The question I understood you to ask was: "Cannot we break their will by more extensive bombing programs in North Vietnam?" This

is a question frequently asked of us. I think it is a very important question. And I would answer by making two points.

First, there is a real doubt that any practical bombing program, no matter how extensive, would break their will in the North. They are not an industrial society. They are an agricultural society. The experts who have studied their philosophy and traditions do not believe that an extensive bombing program would cause them to change their decision to support and direct the insurrection in the south, so long as they thought they had a chance for ultimate victory.

Mr. BENNETT. Mr. Secretary, the only reason why I mentioned this was the framework that you had originally set up in answer to my earlier question. The framework you set up there was you were going to continue to harass and impede and make them uncomfortable in South Vietnam, and you also said you were going to impose penalties upon them, which I thought you meant in North Vietnam.

Secretary McNAMARA. Yes; but the primary element affecting their decision to terminate the war, or to settle it on an acceptable basis to us, would be not the bombing in the north but the elimination of prospects for victory in the south. Without the latter, we do not believe any amount of bombing in the north will break their will. [Deleted.]

We can continue and should continue the bombing program directed against the military targets in the north while taking our primary military action in the south.

Mr. BENNETT. I understand your thinking on the subject. Maybe I will come back to you. I don't want to trespass on everybody's time, but I would like to repeat some of this line of reasoning to General Wheeler, if I may, because it is hard for me to understand what has been said to me, if it is to be associated with a political implication.

I would like in this conversation that we have here today to think a little bit about the difference between the political conversations, or implications, and the military implications. I would like to associate these two lines of thinking, because I think we might get ourselves in the position where, because of the mixture, we have been making poor judgments in certain things.

I would like to ask General Wheeler, in view of the fact the Secretary has testified we expect to make them pay some penalties for both north and south, wouldn't you feel, as a general, as a military man, disassociating your thinking at this point from the purely political consideration, that from a military standpoint it would be a more ready victory, or more likely victory, if we made the enemy stay more north of the boundary line between North and South Vietnam?

General WHEELER. [Deleted.]

Mr. BENNETT. I would like to add another purely military question, which will lead up to the last part of the conversation that the Secretary and I indulged in. That is, from the standpoint of assuring military consideration—entirely disassociated from politics or international implications, or what people think of us or anything like that—is South Vietnam in fact of any vast or very important military value to the United States and its interests?

General WHEELER. I will have to answer that "Yes," Mr. Bennett, but I will have to qualify it by saying this: My schooling, and my approach to things military, is such that I can't recognize any military

action as having any great validity unless it has a political base on which to stand, or you might say a political objective to be achieved. Fighting purely for the purpose of fighting is nothing more or less than a Roman holiday; I mean people get killed for no purpose. There has to be a political objective to be sought; then your military effort becomes meaningful.

I would like to go back to your earlier question, if I might, for just a moment, because I answered you purely in military terms, and I would like to make this point :

I agree, and I think that my colleagues all agree, that we must defeat the Vietcong and the North Vietnamese forces in South Vietnam if we are going to win this war. In other words, we can lose the war in South Vietnam if we permit ourselves to be defeated. [Deleted.]

I am sure that our air efforts against North Vietnam will increase the chances of our winning at less cost in South Vietnam. In other words, I believe that we must have a two-pronged campaign, one of which is a realistic, properly directed air campaign against the North designed to reduce their actual physical capabilities to supply men and materiel to the South, and, to restrict their capabilities of moving men and materiel within North Vietnam and from North Vietnam into South Vietnam. The other part is to mount the type of aggressive campaign against the Vietcong North Vietnamese base areas which General Westmoreland is undertaking at the present time.

These two recent operations, MASHER and DOUBLE EAGLE, for example are designed to do exactly this—to seek out and destroy the Vietcong North Vietnamese base areas, which they need in order to resupply, reequip and train themselves for the continuation of their military operations.

Mr. BENNETT. Then this is going back to the second part of my question. I would like to ask you, what is the military significance of South Vietnam, a sliver of land, a peninsula which we don't hold, surrounded by large areas in which we do have substantial holdings [deleted] what is the peculiar nature of this beachhead if we get the whole thing that gives it such a military significance?

General WHEELER. The significance is twofold. One, the strategic location of the country itself, down on the shoulder of southeast Asia, and two, the fact that it is being sought by the Chinese Communists and the North Vietnamese as a part of their national expansionism designed, in my judgment to take over all of southeast Asia when and if they can.

Mr. BENNETT. In other words, it is a strong beachhead for them?

General WHEELER. That is correct, sir. It also is a channel through which they can exert their power further to the south, and I would say also to the west against Cambodia, Thailand, Burma, down into Malaya, and so on.

I believe that when and if Red China, using perhaps "cats paws" in the way of the North Vietnamese, succeeds in taking over southeast Asia, the other countries—particularly the inland countries in that area, are going to have to accommodate themselves to the Chinese Communists, because historically, the smaller and weaker nations on the periphery of a great power—have to accommodate themselves to a great power. While China is not a great power by Western standards, it is a great power today by Far Eastern-Asiatic standards, and I assume will become more so as the years go by.

Mr. BENNETT. Do you think Red China is determined to take over this area?

General WHEELER. I think there is no doubt about it, Mr. Bennett.

Mr. BENNETT. That being the case, why haven't they done so today?

General WHEELER. They have been trying to do so for 4,000 years, Mr. Bennett.

Mr. BENNETT. Could it be because they don't think they are winning?

General WHEELER. I think the continuing refusal to undertake any sort of a political accommodation in the struggle out there arises from the fact that both the people in Peiping and the people in Hanoi think that in the long term they are going to win this war.

Mr. BENNETT. But do you think this will continue until we do win?

General WHEELER. Probably, until we prove that they can't win. [Deleted.]

Mr. BENNETT. I have no further questions.

Mr. GUBSER. Mr. Secretary, you recognize the President, the Commander in Chief of the armed services, has the full and complete and absolute unquestioned right to determine the extent to which we will bomb the north in this case. He made that determination.

I would like to know if it is not violating safety privileges, whether or not the Department of Defense concurs in the present policy of bombing the north?

Secretary McNAMARA. I strongly do. And I think if you could take the time to discuss more fully with both General Wheeler and me, you would see why I support that policy, and why I believe the answer he just gave also supports that policy. [Deleted.] There is a vast difference between the decision as to whether to bomb a particular military target, or not bomb that target and decide to bomb some other military target, and the decision to undertake a totally different policy of endeavoring to apply, by bombing, so much force to North Vietnam as to break the will of its political leaders.

Generally speaking, those who are quarreling with the bombing program today are proposing the latter policy; that is, trying to win the war in South Vietnam by breaking the will of the north by an extensive bombing program. I think this is an entirely appropriate proposal to examine. Our objective ought to be to win that war as fast as we can and with minimum losses to ourselves. So we have examined that proposal intensively, and I see no evidence whatsoever to support a conclusion that you can win the war just by expanding the bombing program in the north beyond essentially its present character. [Deleted.]

I think General Wheeler said—and he can correct me if I am misstating his remarks—that bombing in the north, without showing them that they can't win in the south, will not win the war. This is the crucial point, gentlemen. [Deleted.]

Mr. GUBSER. Is it proper for me to ask whether or not the Joint Chiefs, the composite views of the Joint Chiefs, concur with that?

Secretary McNAMARA. I think General Wheeler should reply.

General WHEELER. I would say that, in the general scope of the program there is no disagreement. [Deleted.]

Secretary McNAMARA. Yes, I think that is a completely fair statement [deleted].

The Chiefs believe that an expanded bombing program, of the type so frequently discussed in public, could win the war by breaking the will of the north. This is the crucial issue.

General WHEELER. The Secretary's statement is correct.

Mr. GUBSER. To put it another way, you don't believe there is a threshold of pain which you can reach by escalating bombing which will force them to quit, by decision, in the north?

Secretary McNAMARA. I don't believe so, and I don't believe the Chiefs do.

General WHEELER. I don't believe so either.

I would like to make one statement, Bob.

Secretary McNAMARA. Certainly.

General WHEELER. [Deleted.] I know my colleagues will be appearing before you, and you can ask each one of them what his own personal opinion is. I am sure you will get a frank answer.

However, I am sure that no one of them believes that the bombing program, per se, is going to win the war. They will all tell you, as I told Mr. Bennett, that a bombing program is an indispensable and valuable part of our overall war effort in southeast Asia.

Mr. GUBSER. I think that is a very important distinction that very few people have been able to draw.

[Deleted.]

Mr. GUBSER. I have two more questions which may turn into just one. [Deleted.]

Thank you.

The CHAIRMAN. Thank you, Mr. Gubser. Now, Mr. Byrne.

Mr. BYRNE. Mr. Chairman, Mr. Secretary, I still believe in giving the tools to win this war.

I have one question to ask you. Recently two helicopter manufacturers were allowed to acquire new facilities to meet the production schedules. Why is expansion allowed at the time when surface facilities at other helicopter manufacturing facilities are available?

I noticed in your statement at page 20, where you increase the UH and the CH-47A from [deleted] a month.

Secretary McNAMARA. It breaks into two questions: (1) should we use a different helicopter in lieu of the UH-1B/D Iroquois in order to bring another manufacturer in, or (2) if we shouldn't, should we bring another manufacturer in to make the Bell helicopter, the Iroquois?

The answer to the first question is: There is absolutely no question in the minds of the Army but what the Iroquois is the best helicopter available to them, and they far prefer it to any other alternative. And I think they are absolutely right in that judgment. The other question is more difficult to answer. Would we be better off with two manufacturers rather than one? I would strongly favor two because of the competition it would bring. I am not thinking primarily of a price reduction, although I suspect the price reduction would follow, but I think in terms of quality, in terms of delivery time, and in terms of general effectiveness that it would be wise to have two sources of supply for a weapon system as important as that. But we are faced with this problem; we had been producing at a rate of about [deleted] a month. We wanted to almost [deleted] that rate and do it as fast as we could. It turned out that we could do it fastest and apparently cheapest by expanding Bell's production.

If we want to go beyond this level of [deleted] a month, [deleted] from Bell, I think we should give serious consideration to another source, and we are examining that possibility. But these were the considerations that led to our decision.

MR. BYRNE. Thank you, Mr. Secretary, because those people are asking me about this.

Secretary McNAMARA. I could imagine. If we can help you at all, if you will call on us I will be happy to do so.

The CHAIRMAN. Mr. Chamberlain.

Mr. Chamberlain will be the last witness this afternoon. Mr. Secretary, you will be here at 10 o'clock?

Secretary McNAMARA. Yes, sir; I would be happy to stay here later tonight if the committee finds it convenient.

The CHAIRMAN. Do you have any more to mention on your trip?

Secretary McNAMARA. It still looks like a real possibility, Mr. Chairman. I don't want to mislead you on this, because it isn't firm by any means, but it looks like a real possibility. General Westmoreland is scheduled to be in there today.

General WHEELER. He got there this morning.

Secretary McNAMARA. I am very anxious to discuss some matters with him before he leaves, and he wants to go back early in the week. I am not absolutely sure I am going to do it.

The CHAIRMAN. When we finish with Mr. Chamberlain, we will recess until 10 o'clock tomorrow morning. Tomorrow we may not take as long a lunch as we did today; all the members will have some questions.

I am sure we will finish tomorrow, Mr. Secretary.

Go ahead, Mr. Chamberlain.

MR. CHAMBERLAIN. Thank you, Mr. Chairman. I have a few questions, Mr. Secretary.

As we have been hearing of your projected requirements for additional ammunition, I can't help but think of the sad situation we have had here, where we had strikes at one plant. We were having shortages. The whole thought running to the civilian economy, and of our boys being over there, and this strike, I wonder if you would address yourself to this problem of having adequate, duplicate sources of supply, to give us some assurances along this line?

Secretary McNAMARA. Yes.

MR. CHAMBERLAIN. This is a situation that cannot be tolerated at this time.

Secretary McNAMARA. An ammunition shortage can't be tolerated, I will agree with you there.

MR. CHAMBERLAIN. We can't tolerate having our boys over there and having a labor difficulty holding up the ammunition.

Secretary McNAMARA. We can't tolerate an ammunition shortage, this I can agree with you on. We didn't have one then and we don't want to have one. Second, can we tolerate a strike in a munition plant when it isn't causing an ammunition shortage? My answer there is that we've got to. The question was addressed to me; Would you recommend application of the Taft-Hartley law to the Olin Mathieson situation? And my answer was that so long as that strike is not causing us an ammunition shortage or otherwise adversely affecting military operations, we should not. I am unequivocally opposed to the Government stepping into the collective-bargaining process to relieve

the parties of the right and obligation to bargain. And this is what you do when you apply the Taft-Hartley law. So I strongly recommended against it. It happened that others agreed.

Now, another good question I think is: Should we have duplicate sources for this kind of an item?

My answer is, "No, if the duplication of facilities is provided as protection against strikes." The Government should not have to buy strike protection in the form of a physical plant. As it happens, we are bringing in another ammunition plant so that we will have two sources. But we are not doing it as strike protection. Rather, it is because of our requirements for our projected increase for the future, and we think it is justified for that purpose.

The CHAIRMAN. Let me interject this. I think one source is a dangerous thing to pursue, on a commodity so vital; duplicate sources are things that just ought to always be in order. I do not think the difference in the cost would be worth it.

Secretary McNAMARA. Mr. Chairman, I think duplicate—

The CHAIRMAN. I don't think we ought to consider the strike.

Secretary McNAMARA. That is all I am suggesting. A duplicate source as insurance against an emergency, or something of that kind, might well be justified. In this particular case, the single source was dispersed and another source was in existence, although not in operation it could be made so. At the time, it didn't seem wise or efficient to have two operating concurrently. As it turned out, because of the rising demand, we are bringing in the second source. We are giving it to the same contractor, Olin Mathieson, to operate because it constructed the facility.

The CHAIRMAN. I think this is wise, if some kind of sabotage should occur.

Secretary McNAMARA. If that is possible, a duplicate source is desirable.

The CHAIRMAN. A think so vital as this, we couldn't tolerate it.

Secretary McNAMARA. In this case we had an alternative supply source available; we just weren't operating it at the time. As far as strike protection is concerned, I personally doubt if the Government is justified in maintaining duplicate sources for that purpose. I am unequivocally opposed to the Government stopping a strike in a case like this one when it is not leading to an ammunition shortage or otherwise affecting the public interest.

Mr. ARENDS. Didn't they shut down the steel industries, either they did or didn't, as far as the contracts are concerned? You told them, if I read the paper correctly, they were out of the defense business unless they adhered to the price structure. Isn't that the way it was quoted in the papers?

Secretary McNAMARA. No, sir; one steel company—I think I am correct now—one steel company raised prices \$5 a ton, and we simply instructed our purchasing agents, as we do on all procurements, to buy from the lowest cost sources. There were two or three other major sources that hadn't raised prices.

Mr. ARENDS. Had the company that raised the prices been notified?

Secretary McNAMARA. I don't believe they were notified directly, but I think this became public.

Mr. ARENDS. Yes.

Secretary McNAMARA. This is quite unrelated to the question of duplicate sources for protection against strikes.

The fact of the matter is that the law requires us to buy at the lowest price, and I think that is proper.

Mr. ARENDS. Thank you.

Mr. CHAMBERLAIN. Thank you.

Mr. Chairman, you have developed the question that was in the back of my mind, backup source here, and now I gather from your response, Mr. Secretary, that this has been well adhered to by your people. At present time, do you foresee any problem in this area as far as having adequate supplies of ammunition to meet all contingencies we may face?

Secretary McNAMARA. With the exception of what I would call new items. For example, the 40-millimeter, air-launched grenade, which was type classified not too long ago, I have forgotten, perhaps a year or so ago. That kind of a new item, of course, we may be in short supply for a period of time after it is initially produced until stocks can be built up. Or there may be a case where we are using an old item in an entirely new way, such as the 750-pound bomb which is being dropped by strategic bombers, the B-52's, in quantities of [deleted] per B-52, against double-thick jungle canopy targets for area bombing. This is a use never anticipated when the inventory requirements for the 750-pound bomb were established.

Now, in that kind of a——

Mr. CHAMBERLAIN. Did you have any shortages there?

Secretary McNAMARA. In that kind of a case I can conceive shortages developing. We don't at the moment have a shortage of 750's [deleted]. Actually, the bomb racks in the B-52 are being changed to allow it to carry not 51 bombs at a crack, but [deleted] bombs, mixed between 750's and 500's. This is just a fantastic expenditure rate for these bombs [deleted].

[Deleted.]

Secretary McNAMARA. [Deleted.]

The CHAIRMAN. Who is doing that, Boeing?

Secretary McNAMARA. I don't know. Boeing is modifying the bombers. I think the Air Force helped design the rack. It is a tremendous step forward, and the Air Force has been very anxious to do this. I think they are wise. General Westmoreland has been pushing the use of these, I am sure he is wise to do so. [Deleted.] But except for situations such as these, the answer is we are generally in good shape on ammunition.

Mr. CHAMBERLAIN. Mr. Secretary, I would like to go back to the discussion of one of my colleagues here this morning, about the force level that we have in Vietnam at the present time, and the projections for the future.

I believe you told us that you are planning on from [deleted] by the end of February——

Secretary McNAMARA. We are planning to deploy [deleted] by the end of February, which means they will be there or on the way there.

Mr. CHAMBERLAIN. And then the discussion was as to the plans for the future.

Now, I certainly understand from your response that it will depend on the other circumstances as to how many we have to send. Now,

this morning's paper, on the front page, there was one story that said we planned to have 400,000 there by the end of the year. General Westmoreland told us we needed that, possibly [deleted] at some subsequent time. And I can understand why you wouldn't say how many we would have to have out there, that is not my question.

My question is, it is just like stretching a rubber band, you are going to stretch it, pretty soon no more elasticity, and it is going to break. With what we have to work with, men, materiel, and so forth, how far can we stretch this if we are required to?

In other words, if we are having responsibility here to raise and support armies, and to provide and maintain a Navy, I would like to ask you, can we, with what we have, meet any projected requirement?

Secretary McNAMARA. Mr. Chamberlain, I don't mean to be facetious, and I know you won't take it that way, but I am deadly serious when I say we are only short of one thing, and that is patience. What other things do we need? We need men.

Mr. CHAMBERLAIN. There is a shortage of bases back home where I come from.

Secretary McNAMARA. I know you are not conjuring up these problems, you are reflecting the concerns of our people. When I say we are only short of one thing, I mean our people are short of one thing, and that is patience. What do we need? We need men, materiel, and money. Money is the easiest thing to get, and the quickest to get, and we don't need very much for the kinds of things we are talking about in real terms. This is a tremendous supplemental we have before you. We are presenting a very large Defense budget for fiscal 1967, but just how large is it relatively? The fact is that the fiscal 1966 Defense budget plus the supplemental when related to our national product is less than the budgets of 5 of the last 6 years. The same thing is true of 1967. The presently estimated fiscal 1966 and fiscal 1967 Defense expenditures, as a percentage of gross national product, are lower than in 5 of the last 6 years. They are lower than fiscal years 1961 to 1964, inclusive.

With respect to materiel, this is simply money with a leadtime on it. We think we have adequate lead times here in aircraft, munitions, and so forth.

With respect to men, in terms of number of men, we are not short. We have a large enough draft pool and the equipment for them. It is the loss of men in conflict that we are thinking about. While we begrudge the loss of every man, I submit to you the number of men that are being lost and the number of men that may be lost are low in relation to the problem we face.

Now, with respect to patience. The risk to our Nation of not pursuing this course is so great, and the likelihood of higher casualties at some future time, so high if we don't pursue this course that we really have no reasonable alternative. So what is it that we don't have or may not have? Patience.

We are facing an enemy that counts patience as its most fundamental asset. It was only yesterday that General Giap, the director of their military operations, said exactly that. He was directing his remarks to his forces which, if you can imagine, lost 35,000 men last year, a loss rate in relation to their population higher than we have

ever experienced any time in our history. He was telling these men, who are dying by the score every day and every hour, "Don't worry about it. It is true the Americans have a \$700 billion gross national product, it is true they have a Defense budget of \$60 billion, it is true they have firepower, mobility, men, and money, don't worry about it. They can't stick it out. They don't have the guts. They don't have the spirit. They don't have the patience. That is what we have got to have and that is what is going to bring us victory."

You can read it yourselves. This is what he said. And that is why I say that we appear to be short of just one thing, and that is patience. I hope we don't run out of it.

Mr. CHAMBERLAIN. All right. [Deleted.] Can we meet whatever the requirement is?

Secretary McNAMARA. I believe so, Mr. Chamberlain. I cannot guarantee that we won't need additional funds above and beyond the supplemental we are presenting, and the complementary fiscal 1967 budget. Our supplemental and our budget for 1967 are based on: (a) an assumption that the combat operations in South Vietnam will extend through June of 1967 at relatively high levels. If later it looks as though they will extend beyond that date; that is, June 1967, then we will have to come back and ask for additional funds, probably a budget amendment or supplemental in fiscal year 1967, for long lead items.

(b) The supplemental and the fiscal 1967 budget are based on what I would call our present estimates of the likely requirements. If our present estimates prove incorrect as to the level of intensity of conflict, and they are certainly either going to be either too high or too low since it is most unlikely they will be exactly correct, then the budgets will have to be changed. If the estimates proved it too high, the budgets will be more than sufficient; if they prove too low, we will need additional funds. These are the assumptions.

I would say beyond that, the funds would be adequate.

Mr. CHAMBERLAIN. One final question. This is saying everything I said just another way.

Could you tell us how many men you could deploy in the field out there if it were necessary to do it?

Secretary McNAMARA. With what we have in here? Well, again, it depends on what schedule of deployment you are talking about, but I would say as I did earlier today, something on the order of [deleted] men in South Vietnam.

Mr. CHAMBERLAIN. [Deleted.]

Secretary McNAMARA. [Deleted.]

The CHAIRMAN. Thank you, Mr. Chamberlain.

Mr. CHAMBERLAIN. Mr. Chairman, could I ask another question?

The CHAIRMAN. Yes, surely.

Mr. CHAMBERLAIN. I will make it my final one.

The CHAIRMAN. All right.

Mr. CHAMBERLAIN. I wanted to inquire about your footnotes. You have a request in here for [deleted] Swift boats, and a mother ship, for our coastal patrol activities. Then over here in one of your tables, I believe table I, you mention [deleted] Swift boats, and you are increasing your forces there.

Could you address yourself to our total objective in providing small craft for this coastal surveillance? What we are providing you here,

is this going to give you everything you want, [deleted] or just comment quickly, if you will.

Secretary McNAMARA. We are still experimenting with coastal patrol activities, both as to the number of boats required and the type of boats required.

I can't tell you that this will be all we need. I think it probably will be all we need as we now see the problem. I don't believe we have any boats for that purpose in the fiscal 1967 budget, for example. I think that these Swift boats, plus the boats we have ordered previously to replace certain of the Coast Guard vessels, will be sufficient. I do believe that our Navy needs more small boats than it has been provided with heretofore. And I think, as the years go by, we should continue to add to that small patrol boat force. They are very cheap and they are very useful in certain circumstances.

Mr. CHAMBERLAIN. Have they been effective in coastal surveillance work?

Secretary McNAMARA. Yes, we have Swift's out there in operation and they have been effective. The Coast Guard boats have also been effective; yes, very much so. These small boats can go in shallower waters than destroyers and other large craft. Their personnel complement is much smaller. They are much easier to operate, much cheaper to operate, and I think more effective in this role than larger vessels.

Mr. CHAMBERLAIN. Thank you very much, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Chamberlain.

The committee will recess until 10 o'clock tomorrow morning. We will finish with the Secretary tomorrow morning.

Secretary McNAMARA. Thank you, Mr. Chairman.

General WHEELER. Thank you, Mr. Chairman.

(Whereupon, at 4:13 p.m., the committee adjourned to reconvene on Friday, February 4, 1966, at 10 a.m.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Friday, February 4, 1966.

The committee met at 10:07 a.m., Hon. L. Mendel Rivers (Chairman) presiding.

The CHAIRMAN. We want to try to finish with the Secretary because the Secretary is making a trip.

Are you any closer?

Secretary McNAMARA. It is getting to look more and more like we will go, Mr. Chairman. We still haven't made a final decision, we probably won't know until tomorrow for certain.

The CHAIRMAN. Maybe if we could go to 1 o'clock?

Secretary McNAMARA. We would be quite happy to.

The CHAIRMAN. I want to make one or two announcements.

You wrote me, Mr. Secretary, inviting the policy committee to have breakfast with you. I think that is a very nice thing and very gracious thing on your part. We can't do it next week but what about the following week?

Secretary McNAMARA. We would be glad to do it in the next week.

The CHAIRMAN. I think it is a good thing.

Secretary McNAMARA. It will be excellent.

The CHAIRMAN. Further escalating our good relations with you.

I want to tell you it is a pleasure to go over this record of yours. When you have finished today the whole file will be made available to you.

Secretary McNAMARA. Thank you, Mr. Chairman.

The CHAIRMAN. Now, we don't make many releases from this committee, as you know.

Secretary McNAMARA. I know.

The CHAIRMAN. Seldom anybody makes any kind of a release from the committee. The only notice I have seen was on the 26th of January. Mr. Stratton placed your statement in the record, a eulogy of your admirable efforts, and he put that in the record when you testified before Mr. Hébert. Mr. Stratton isn't on the committee, but he had great interest and sat in the hearing.

Secretary McNAMARA. I was very grateful for that; thank you, Mr. Chairman.

The CHAIRMAN. I thought it was a very fine eulogy.

Mr. STRATTON. I thought I might do a little escalation of myself, Mr. Chairman.

The CHAIRMAN. It is not unusual for Mr. Stratton to do that on the slightest provocation.

Mr. Blandford, do you have anything?

Mr. BLANDFORD. No, sir.

The CHAIRMAN. Mr. Stratton, I think we had gotten down to you, or up to you, and I will recognize you. I hope we will try to make our questions as concise as we can so we can accommodate the Secretary to get away as soon as he can on this bill.

Mr. Kelleher has brought to my attention, maybe we can make one bill out of these two bills, and make one appearance before the Rules Committee, and have one battle on the floor, instead of two. I think we can work out something along those lines.

Mr. BRAY. The authorization for the materiel?

The CHAIRMAN. We will make one bill out of it.

Mr. BRAY. They won't have line items in them, will they?

The CHAIRMAN. As I say, we only have one appearance, I think we can do this.

Mr. BRAY. One blank check.

The CHAIRMAN. It is not a blank check, we have gotten some good testimony.

Go ahead, Mr. Stratton.

Mr. STRATTON. Thank you, Mr. Chairman, I will try to be as brief as possible in line with your good policy.

Mr. Secretary, I want to support the remarks of the chairman and the other members who have spoken already, to say that I am sure we fully support you in this bill. We certainly want to do everything we can to provide whatever is necessary for carrying on the fighting in Vietnam. And I think based on my own survey of my own area the people back home feel the same way about this situation. They, too, support our policy and want to do whatever is necessary to conclude the situation honorably. At the same time, I think we all recognize this is a complicated problem. We are faced with the same sort of thing we had during the Korean war, a limited conflict for limited political objectives, as you indicated yesterday.

While I think the people understand that better today than they did during Korea, it does create problems, particularly requiring us to explain what we are doing, over and over again. And in the course of this explaining we get into questions from our own people that I think needs some kind of an answer. It is in this spirit I ask some of the questions that I have, because they have been asked me, and I am sure as in the case of other members.

First of all, Mr. Secretary, I noticed just this morning in the paper—this, I think, is of interest, and perhaps you might comment on it—a report from Mr. Joseph Alsop, from Saipan, saying we nearly had the Vietcong on the ropes in November. The situation as it now exists was created by the infiltration of a substantial number of additional North Vietnamese regulars in the months—either in November or immediately thereafter.

Mr. ARENDS. Would you talk into the microphone so we can hear a little better, please?

Mr. STRATTON. I am sorry.

Is this report we nearly had the Vietcong on the ropes in November correct? If it is, doesn't it indicate perhaps our situation over there, if we can stop the infiltrations from the north, is not as hopeless or impossible as some of us have been led to believe?

Secretary McNAMARA. Mr. Stratton, I believe that the article probably overstates the relative military situation in November. I think it is correct to say that the introduction of U.S. combat forces in large numbers in the latter part of the second quarter of last year, and the early part of the summer, did, in conjunction with the South Vietnamese buildup which had been going on for some time, result in the defeat of the Vietcong monsoon offensive.

It is very clear, I believe, that we were correct a year ago when we were saying publicly and otherwise that the Vietcong had been building up their force levels, but up to that time had not yet committed the expanded force to battle. And we assumed that they would do so at a time they considered favorable to them, and we estimated that that time would come with the beginning of the monsoon, about the first of May.

As we expected, their rate of activity did increase at that time. The size of the engagements increased. The intensity of their operations increased. But it was just about at that point that additional U.S. forces in large numbers began to flow into South Vietnam releasing some of the South Vietnamese strategic reserve forces for use against the Vietcong and actually building up that strategic reserve. The result was that this expanded Vietcong force—which appeared to have as its monsoon objective the cutting of South Vietnam in half, and the imposition of heavy defeats on the South Vietnamese—was itself defeated. The Vietcong was made to suffer intensely and incur very high casualty rates, and was forced, in effect, to disengage from this extended offensive during the summer period, and to withdraw to regroup and replenish and reequip its forces.

At that point, it wasn't entirely clear to us whether the Vietcong would follow a future course of action which would involve fewer large-scale actions and greater emphasis on small-scale guerrilla operations, or whether they would seek both to replace their casualties, continue to expand their force and support a large number of intense large-scale engagements.

As it turned out, it was the latter course that they followed, and during the summer and fall they both replenished and expanded their forces. So I do not think it is fair to say we had them on the ropes in November. [Deleted.]

Mr. STRATTON. Is there any evidence that the North Vietnamese undertook any corresponding lull of their own during our own bombing lull? This question is apparently one that may be kicked around.

Mr. Rusk the other day told us this was not the case, and I just wondered whether you had any further information on that particular point.

Secretary McNAMARA. I fully support the conclusion that Secretary Rusk arrived at. This is the conclusion that I hold. I believe the Chiefs hold the same conclusion. I think all the intelligence data supports that conclusion.

There was a rather curious pattern in the level of incidents during the bombing pause. It rose very substantially in the early weeks of the pause, to levels far in excess of any prior levels, and then fell off somewhat, but it fell off only from those extraordinary peaks, and fell down to, not what I would call a normal level but a continuing high level. There are peaks and valleys in the trend of Vietcong large unit actions. They do not have the strength to carry out on a continuing basis a high number of large unit attacks, and it is true there were some peaks and valleys in the trend in large unit attacks during this pause period. But I think it is fair to conclude that there is no indication from our intelligence that they deescalated during the pause.

Let me ask General Wheeler if he has any view to the contrary on this?

General WHEELER. No, I don't; as a matter of fact, I will give you some figures here.

The rate of total incidents was 1,150 for the week ending January 1; 950 for the week ending January 8; 850 for the week ending January 15; 950 for the week ending January 22, and as of the time I got this information an incomplete report giving 780 for the week ending January 29.

These rates that I just gave you compare to an average of 850 during the prior 4-week period in December and a somewhat lower incident rate average throughout the calendar year 1965.

Mr. STRATTON. Thank you. [Deleted.]

Secretary McNAMARA. [Deleted.]

Mr. STRATTON. Mr. Secretary, on the question now of the general strategy of our position in Vietnam which Mr. Bennett got into yesterday, would you agree, first of all, with Senator Mansfield, we face an open-end situation, and that every time we escalate the other side will escalate, therefore we cannot achieve any superiority to bring about victory?

Secretary McNAMARA. No, I wouldn't. [Deleted.]

Mr. STRATTON. You mentioned in answer to Mr. Bennett yesterday it was our strategy, our purpose to continue fighting in an effort to prove to the Vietcong that they couldn't win, and therefore hopefully at some point they would get the message and deescalate.

Haven't we actually pretty well demonstrated the fact that these people don't get that kind of a message, that even though they know

they aren't winning, they keep on fighting pretty much the way the Japanese did until the atom bomb hit them? Isn't this idea of trying to establish a mental picture which will then cause them to back down rather a tenuous hope?

Secretary McNAMARA. [Deleted.]

Mr. STRATTON. In order to convince them of this fact, don't we have to do two things: Don't we have to try to seal off the area as much as possible, and then don't we have to try to just undertake the back-breaking job of cleaning them out in South Vietnam?

Secretary McNAMARA. [Deleted.]

You might wish to hear from General Wheeler on this. I know he has studied the same documents.

General WHEELER. I would say these people are getting several messages, Mr. Stratton. They are getting one message which consists of the fact that every time the Vietcong and North Vietnamese forces attempt to stand up to our people, they get whipped and suffer substantial losses. Giap, in his recent statement recognized this; and he commented upon our tremendous firepower, mobility, and so forth.

The other message they are getting, however, and the one to which I think they are paying heed, is that we are not going to stick this thing through, that we will lose patience, and that in some way they are going to win a political type victory in this particular conflict. So long as this is going on, I would say that the leaders in Hanoi and Peiping have every reason to continue their present course of action, because all they are losing is a few characters by the name of—the North Vietnamese equivalent of Joe—and they couldn't care less, the stakes being what they are.

The Secretary mentioned yesterday that he felt that the one thing we lack is patience. I must say I agree in that particular aspect. They are getting diverse messages from diverse sources.

Mr. STRATTON. Wouldn't you agree, General, the best way to get this message across would be to try to eliminate as many of the Vietcong as possible, and doesn't this mean we are going to have to try to convert this operation, if possible, to a kind of conventional system where we can actually sweep through an area and feel sure it has been cleaned out instead of waiting for them to attack, and then kill them?

General WHEELER. Let me actually talk on that subject. Mr. Stratton, this is precisely what General Westmoreland is doing.

The CHAIRMAN. You have two or three offenses going on now.

General WHEELER. That is the point. The great difference between General Westmoreland's activities now and the activities that went on prior to the deployment of our forces and free world forces to South Vietnam is the fact that we are not waiting to be attacked. On the contrary, General Westmoreland has taken the initiative away from the enemy and he is going after them. This is one item.

[Deleted.]

Mr. STRATTON. In other words, then, if I understand you correctly, what we are doing is trying to extend these enclaves, if we can use a word that has suddenly gotten very bad, out from their present site, to try to enlarge the area that we hold; is that correct?

General WHEELER. [Deleted.]

Mr. STRATTON. As you know, the situation in Indochina for many years has been that the Communists, in daytime the government had a good deal of the area under control, and at night the Communists came in and cut everything up and shut up the place, and therefore it was very difficult to know who controls what. If I understand you correctly, one of the things that has disturbed you—Mr. Bennett indicated this—this map shows so little area under our control. If I understand you correctly, in the months ahead we can look for an enlargement of those areas which we now control, which the government controls?

General WHEELER. That is correct, Mr. Stratton. [Deleted.]

Mr. STRATTON. One final question, General: Since to do this we have to try to prevent the Communists from bringing more troops in and constantly increasing our problem, is it also likely that in the months ahead we can expect an effort—an increased effort to cut off the infiltration route?

General WHEELER. [Deleted.]

Mr. STRATTON. Thank you very much, General.

In other words, we have a finite situation, even though it is going to be a long tough struggle, that I think is encouraging.

General WHEELER. That is my belief, Mr. Stratton.

Mr. STRATTON. Thank you very much, Mr. Chairman. I have taken more time than I should.

The CHAIRMAN. We have 14 left, three times 14 is roughly 45. That will be 400 minutes, and 60 into 400 will go—

Secretary McNAMARA. About 7 hours.

The CHAIRMAN. Mr. Secretary, we don't want to keep you 7 hours. We have all this fine information Mr. Stratton has gotten for us, and let us get through as fast as we can. Thank you, Mr. Stratton.

Now, Mr. Pirnie.

Mr. PIRNIE. Thank you, Mr. Chairman.

I would like to ask this question. We are really trying to pass the proposed legislation to furnish different elements of support to the war effort, and there wouldn't be any difference of opinion in this committee as to the desirability of giving what is necessary, so we have to arrive, however, at one decision, as to whether this is for the purpose of continuing the war or winning the war. That is really what is being asked in this questioning.

I would like to get a point out as a preliminary to my question, the very serious aspects of having our own people wonder as to our military capabilities. We talk about trying to get the message through to the enemy, that they cannot win, but in the meantime I am wondering what the message is that is being conveyed to our own people, based upon the questions that I have.

And the one thing that does disturb me is when I get a question that seems to indicate an uncertainty as to our own military capabilities, I think you understand what I mean, generally.

Secretary McNAMARA. Let me say, Mr. Pirnie, there is no question what our objective is. It is to win the war and win it in the shortest period of time, and with the fewest possible casualties. There is no question about that.

Mr. PIRNIE. I hoped that statement would be written clearly into this record, and that we mean what we say.

My next question is, is the route we are being permitted to follow, in view of the testimony on political limitation, is such that it makes it difficult for the military to display its capabilities?

Secretary McNAMARA. I think this is really the question. I don't think anyone would disagree with my statement that our plan of action is to win the war, as you phrase it, in the shortest period of time with the fewest possible casualties. All would agree that is what we are trying to do. All would agree that is the only objective we should have here.

The questions and the controversy arise over the specific program chosen to achieve that objective. And I think it is perfectly appropriate to question that program and consider alternatives.

But I think we confuse the issue by putting so much attention on the bombing of the North and devote so little discussion to the strategy in the South. I think it is fair to say—and I want you to hear from General Wheeler on this question—that there is no disagreement on the program for military action in the South at the present time.

General Westmoreland has requested a given number of combat battalions on a certain schedule. To the best of my knowledge, we haven't missed a date yet in meeting his request for combat maneuver battalions [deleted.]

In substance, there is no disagreement on the military campaign in the South. [Deleted.]

Third, there is actually very little disagreement on the scope of the bombing program in the North, and very little disagreement on what can be expected in terms of accomplishments from that program. [Deleted.]

But I would like you to hear from General Wheeler on this. These are the important military questions I think we should address ourselves to.

The CHAIRMAN. Will you yield there, Mr. Pirnie?

Mr. PIRNIE. Yes, Mr. Chairman.

The CHAIRMAN. I don't understand, Mr. Secretary, the policy you are proclaiming, and everybody else, that we don't want to topple the Ho Chi Minh regime. If he doesn't want to come to the peace table why shouldn't we want to topple him? I don't understand that.

Secretary McNAMARA. This is an important question, Mr. Chairman. It is the definite policy of our Government at the present time to carry out a military program that does not have as one of its objectives the destruction of the political regime in the north.

[Deleted.]

The CHAIRMAN. You are an American, the Secretary is an American, you meet people of all shades of opinion. Do you think they would tolerate that?

General WHEELER. [Deleted.]

The CHAIRMAN. If the Americans demand the escalation of our armies in the north, by acquaintance with my own people, they are growing very tired, the patience you are talking about of my own acquaintances is changing every day, among the people I know. I go all over the country and I hear taxicab drivers, and everyone, and don't you get the same information?

General WHEELER. Sir, I get it every time I turn on the radio, every time I look at the TV, every time I pick up a newspaper.

The CHAIRMAN. I am sure the North Vietnamese, Mr. Secretary, read this speech of Morrison, and these people who are making all these speeches, I am sure they reproduce those, don't they?

Secretary McNAMARA. Yes; I am sure they do, Mr. Chairman. But I think the taxicab driver who says: "Let's get in there and win it and get it over with; drop the "bomb" and get out," fails to understand the military realities of the situation. As to that I would like General Wheeler to——

The CHAIRMAN. I am just telling you what they reflect.

Secretary McNAMARA. Yes. You are absolutely right. There is this desire to get in and get it over with. [Deleted.] We have tremendous power. Why don't we apply it, win, and get out of there? This is the question.

The answer is, to follow that course of action, compared to the one we are following, we are without——

The CHAIRMAN. I don't think they have any nuclear knowledge in North Vietnam?

Secretary McNAMARA. I am not suggesting that Mr. Chairman; but this gets to the question, Will the American public tolerate a 10-year war?

In the first place, I don't think the program we are following would lead to a 10-year war. But, second, I would say that the application of greater military effort in the north with the objective of destroying the Government in North Vietnam would almost surely result in higher casualties. This is not my judgment alone, although it is my firm belief. But it is, I think, the near unanimous judgment of the senior military leaders.

The CHAIRMAN. You know when we first discovered the SAM sites, I remembered distinctly, when we asked if you could destroy them, you said you could take them out any time you get ready.

Secretary McNAMARA. We can take them out any time we are ready [deleted].

The CHAIRMAN. Of course, they are flying over the clouds, as those planes do so often, going over one of those SAM sites, the only thing you know is seeing it come up through the clouds.

General WHEELER. [Deleted.]

The CHAIRMAN. They are pretty active, aren't they?

Secretary McNAMARA. Mr. Chairman, they have shot about [deleted] missiles at us, and we have lost 11 planes in 6 or 7 months. [Deleted.]

The CHAIRMAN. I have used too much of Mr. Pirnie's time. I have finished for Mr. Pirnie. Thank you, Mr. Pirnie.

Mr. PIRNIE. Mr. Chairman, I do want to ask one or two more questions because I don't think we have quite responded to the attitude of the people, although we have discussed whether or not they would accept a 10-year war.

I do feel in order to have negotiations entered into on the right basis, it has got to be because our opponents feel it is to their advantage, because something is being threatened. And I do not feel that when we operate under wraps that we create an accurate understanding of our capability. And I am afraid we will be negotiating from weakness instead of strength, and that some of our people feel that that is true. Is there danger of that?

Secretary McNAMARA. Mr. Pirnie, the alternative is to apply so much force as to appear to be trying to destroy those political institutions in the north. That, as I say, we have decided against, certainly for the present, for the reasons I have outlined previously.

Mr. PIRNIE. Could I just interrupt? On that score, don't you feel their propaganda is that they have the great United States stymied? Don't they hold their people by the use of that propaganda?

Secretary McNAMARA. Well, they have told their people that, but their people see our planes flying over them every hour of every day. They see their roads destroyed and their railroads destroyed; they see that it takes 4 days to go from Hanoi to the southern part of North Vietnam, where it used to take 12 hours. They know that we are far from stymied, and they, themselves, realize that they are constantly in danger of attack. So there is no question but what our bombing—

Mr. PIRNIE. If they know we are far from stymied, why don't some of our American people know it, and why don't some of the people in the other bodies know it?

Secretary McNAMARA. The political leaders know we are far from stymied, there is no question about that. I believe our people also know we are far from stymied. But I think they still ask the question, "Why don't we apply our power more forcefully?" and the answer I have given you is the correct answer, I believe. We are not applying our power more forcefully because to do so would increase our casualties. If we can obtain our political objective in the south without those higher casualties, it is our duty and our responsibility to our people to do so.

Mr. PIRNIE. Mr. Secretary, during the brief time I was able to be there during the fall, I had tremendous respect for what is being accomplished, particularly in certain areas where the buildup is astounding, and a definite credit to American ingenuity. But am I to feel that we are preparing, with this buildup, for a greater military capability, that I can see evidence of that strength in the type of attacks that we will be undertaking?

Secretary McNAMARA. Oh, yes. I think that is very clearly the case.

General WHEELER. For example, Mr. Pirnie, when I was out there over the Christmas season, among other thing that I discussed with General Westmoreland was his program. He showed me, laid out on a chart [deleted] the type of operation that I was mentioning to Mr. Stratton a few minutes ago.

These operations embrace the operations of American forces, the Vietnamese forces, and the Republic of Korea forces. General Westmoreland has an actual schedule laid out, recognizing that this schedule may slip a little bit from time to time for operational reasons. The Double Eagle operations and all the other operations that are going on in Vietnam today are a part of this program. In other words, he has laid out for himself a work schedule for his troops. The whole thing is based upon offensive operations against the enemy to defeat them.

Mr. PIRNIE. Full deployment of our people in offensive operations?

General WHEELER. Absolutely, this is what we are looking to.

Mr. PIRNIE. May I move to the question of the delta for a moment?

General WHEELER. Yes, sir.

Mr. PIRNIE. I had the feeling there was the possibility of civic action generating some strength among the South Vietnamese because there

was evidence to me they felt a little bit more secure in what they saw, the presence of our troops, and the military capabilities were becoming known to them.

Haven't we enough power located in that area so as to increase that sense of security, and possibly hold that?

General WHEELER. I think I know the area you are talking about, Mr. Pirnie. You probably went to Can Tho, where the 4th Corps Headquarters is located.

Mr. PIRNIE. Yes.

General WHEELER. The answer is this: [Deleted.]

Mr. PIRNIE. It seems a very valid part of it. When you responded to the question that has been raised here as to the area under control, and it appears with the introduction of some 200,000 troops, you don't have any greater area than existed before. It is difficult for the people to understand.

General WHEELER. The reason for this, Mr. Pirnie, is that at the same time, or perhaps even a little bit ahead of our deployment of troops, the North Vietnamese had substantially stepped up the infiltration of their forces to the south, and the Vietcong had increased their forces.

Mr. PIRNIE. I am not arguing that point, General. I am just talking about these elements that the public has as a yardstick.

General WHEELER. I would agree with you.

Mr. PIRNIE. I would like to point out that is one of the reasons they feel we are somewhat stymied.

General WHEELER. That may be one of the reasons, Mr. Pirnie. I think the major cause for the public confusion of thought about what goes on in Vietnam, though, does not rest upon their estimate and understanding of what is being done militarily in South Vietnam, but, rather, upon the expression of opinion by leaders, prominent people in this country, questioning every aspect of the war in Vietnam, from the competence of the military people to our capabilities to carry on the war and whether or not we should be there at all. This at least is the reading that I get from some of my sons' associates, who are at the age to question everything, and I am glad that they do.

Mr. PIRNIE. Well, I would just like to point out a great many of us spent the early part of January doing everything that we could, speaking to large groups, trying to explain our war efforts, our capabilities, and the reasonableness of what we were doing. I am just bringing to you some of the questions that are more difficult to answer.

One final question. How much do you feel is forced upon us in the way of delayed success, as a result of the political restraints and your military strategy? What are we losing in the way of time?

General WHEELER. Why frankly, I do not think that we are losing anything in the way of time.

Mr. PIRNIE. General, that cannot be true. Don't we want to defeat the Vietcong rather promptly? There must be some restraint that is cutting down your military activity. We discussed in the past several aspects of that restraint.

General WHEELER. Are you referring now primarily to the air campaign against North Vietnam?

Mr. PIRNIE. All of the military strategy.

General WHEELER. Let me say this, Mr. Pirnie: Insofar as our military activities in the south are concerned, there has been absolutely

no political constraint on General Westmoreland's activities. He has complete and absolute control of what goes on there.

Mr. PIRNIE. Well, that is true, but the communication lines and supplies go outside of South Vietnam, and ordinarily that would be the zone of contact, it would include these areas; wouldn't it?

General WHEELER. I am coming to that, sir. What you really are saying is, to what degree is the air campaign not being pursued to the necessary degree to give General Westmoreland the major military support to carry on the war in the south; is that the point?

Mr. PIRNIE. Remember, we started this questioning on the basis of 10 years, that is the chairman's question.

General WHEELER. Yes.

Mr. PIRNIE. I am just simply saying, what are we sacrificing in the way of time, toward the military solution of this problem, by reason of our restraint to the political considerations?

General WHEELER. Well, I know [deleted].

Mr. PIRNIE. Then what do we have to accept in the time frame?

General WHEELER. I myself do not feel that there are any political constraints on our activities in South Vietnam that are lengthening the war today, Mr. Pirnie.

Mr. PIRNIE. Well, in any phase of the conflict? That is a pretty broad statement, because everybody has been testifying almost to the contrary, General, that we have to avoid certain acts which might be militarily sound because they are politically unwise. You accepted that. But I am simply saying, if there is going to be a long war, how long is it, and is there a danger of repercussions at home about accepting that alternative?

General WHEELER. I find your question very difficult to approach [Deleted].

Mr. ARENDS. Would you yield for a question?

Mr. PIRNIE. Just one last question, then I will yield to you.

Go ahead.

Mr. ARENDS. I just wanted to ask the point you made a minute ago, General, if I understood the answer. You said there are no restrictions about General Westmoreland whatsoever. He can do as he damn pleases today or tomorrow?

General WHEELER. Yes, sir; I said there are no restrictions in South Vietnam, Mr. Arends.

Mr. ARENDS. That explains it. All right.

Mr. PIRNIE. Then, General, in the light of the ground rules as they exist now, how long do you think we have to continue with this type of military operation in order to achieve our military objectives?

General WHEELER. I would say that—and I am not one for making predictions in terms of months, and so on—if you review bidding here you will see the bulk of the military force General Westmoreland now has available to him really became available only in October. As a matter of fact, some of the combat units didn't reach South Vietnam until November. Actually, he has had a reasonable number of U.S. combat battalions available to him only starting in late July and early August.

Mr. PIRNIE. I don't agree with that. You know I have great confidence in you as a general—

General WHEELER. What I am saying, Mr. Pirnie, is, we have been fighting this war out there in the form and with the objectives that we

now have for something less than 6 months, which is not even time to get a good campaign underway.

I feel that during this calendar year, with the resources available to Westmoreland [deleted] we should see substantial progress made toward achieving our objective in South Vietnam. [Deleted.]

Mr. PIRNIE. How long will it take to establish our military superiority, fighting on their terms, instead of ours? I think that has a little bearing on what we are going to be able to do in selling the situation to our people. If they feel that we have definite plans to achieve military victory, that they will just govern themselves accordingly, and will not expect too much too soon. But they have got to have an idea as to what we are doing if they are going to be a part of it.

General WHEELER. Mr. Pirnie, I can assure you that the plans that are being drawn in Saigon by General Westmoreland, the activities that are being undertaken by Admiral Sharp in Honolulu, the activities of the Joint Chiefs of Staff, and the activities within the Department of Defense, I firmly believe, are all designed to win in the terms of political lines laid down by President Johnson. There is no question about this in my mind.

Mr. PIRNIE. You will establish this military victory that will enable us to negotiate?

General WHEELER. That is right. As a matter of fact, if we didn't have this objective, I do not see how we would ever hope to have a negotiation that would be meaningful.

Mr. PIRNIE. A great many of our people have been writing in and saying, it looks as though we are trying to repress our offensive because we are stymied. I want the record to show we don't intend to inform the world we have weakness, or we don't have intentions to go beyond that point.

The CHAIRMAN. Mr. Pike, it is your turn.

Mr. PIKE. Thank you, Mr. Chairman.

General Wheeler, in response to a question by Mr. Pirnie, you said it is only within the last 6 months that we have had the material, I have forgotten your exact language, but it had to do with the fact only within the last 6 months have we had the forces and objectives which we now have.

General WHEELER. To seek the objectives.

Mr. PIKE. Which we now have.

How have the objectives changed in the last 6 months?

General WHEELER. I do not think the objectives have changed at all basically.

Mr. PIKE. All right.

Now, you said it is our desire to control more land. Hasn't this been our desire ever since we got there?

General WHEELER. I think perhaps I should expand on what I said about land. What I really meant to say, if I didn't make it clear, is that General Westmoreland is not going after land just because it happens to be land. His first objective, of course, is to go after the important area. [Deleted.]

Mr. PIKE. Hasn't this always been the objective?

General WHEELER. Of course.

Mr. PIKE. Wasn't the strategic program aimed at accomplishing this objective?

General WHEELER. To a degree.

Mr. PIKE. What was it, the hot pack program, the oil spot program?

General WHEELER. This is very definitely for that purpose.

Mr. PIKE. Now, Mr. Secretary, you said yesterday that we do not control more land than we did a year ago, that we control less land than we did a year ago.

Secretary McNAMARA. I think perhaps somewhat less, Mr. Pike. And I say that because the strength of the guerrilla forces has increased substantially during that time, and they have applied that strength to interdict roads and railroads in South Vietnam. And this action in a sense gives them control of land or at least reduces the Government's control of land.

Mr. PIKE. How much land did the 1st Cavalry lose?

General WHEELER. If I remember correctly, they had about [deleted] killed in the course of about 10 days.

Mr. PIKE. Do we today control the Ia Drang Valley?

General WHEELER. No; however, our people operate in there all the time. They were there last week and had some minor skirmishes with the North Vietnamese. [Deleted.]

Mr. PIKE. General Wheeler, let's say it is our intention to convince the North Vietnamese they cannot win the war by meeting them in the south. Do you think we can convince the North Vietnamese they cannot win the war in the south as long as year after year we control less land in the south and they control more land in the south?

General WHEELER. Of course not.

Mr. PIKE. When do you think we can anticipate controlling more land in South Vietnam?

General WHEELER. As I replied to Mr. Pirnie, I anticipate during the remainder of this calendar year, with the forces available to General Westmoreland, and some I anticipated he is [deleted] we should see a decrease in Vietcong control of area.

Mr. PIKE. Do you equate a decrease in Vietcong control of area with an increase of South Vietnamese, or our control there?

General WHEELER. Oh, yes.

Mr. PIKE. Mr. Secretary, has any directive gone out since the resumption of the bombing limiting that bombing to the southern half of the North Vietcong?

Secretary McNAMARA. The targeting for the [deleted].

Mr. PIKE. Well, it was in the Washington Post this morning. That is how I got it.

[Deleted.]

Secretary McNAMARA. Mr. Chairman, may I take 30 seconds to add a word here?

Mr. PIKE. I was going to give you the opportunity right now.

Secretary McNAMARA. I would like to go off the record for a second, and then I will put on the record whatever you think I should. I am not trying to tell you something that shouldn't be said here.

The CHAIRMAN. Off the record.

(Discussion off the record.)

The CHAIRMAN. Back on the record.

Go ahead, Mr. Secretary.

Mr. PIKE. [Deleted.]

The CHAIRMAN. Go ahead, Mr. Pike.

Mr. PIKE. Mr. Secretary, how many missions have we conducted, roughly, against the supply lines running in from North Vietnam to South Vietnam?

Secretary McNAMARA. Oh, I would guess——

Mr. PIKE. Sorties?

Secretary McNAMARA. [Deleted.]

I would guess on the order of 16,000 to 17,000.

Mr. PIKE. Now, in those 16,000 missions, or all through the course of those 16,000 missions, we are advised that the flow of supplies into South Vietnam is nevertheless increasing. What targets are there which offer a greater opportunity to cut down the flow of supplies into South Vietnam after 16,000 missions have been conducted against the bridges and the roads and the trucks?

Secretary McNAMARA. Mr. Pike, I think more of the same. [Deleted.]

The point I am trying to make, gentlemen, is that we have stated that one of our objectives for bombing the north is to reduce the flow and/or increase the cost of the infiltration of men or equipment. [Deleted.]

I think we definitely reduced the capacity. I think we put a ceiling on the potential number of men that they can move to the south and support in the south, but they are not at that ceiling yet.

Mr. PIKE. Now, Mr. Secretary, does General Westmoreland agree that there are no more profitable targets, as far as those that lie in the south, and a continuation of striking the same targets?

Secretary McNAMARA. [Deleted.]

Mr. PIKE. [Deleted.] The question is, what we can hit which will most reduce the flow, or most work for reducing the flow, or most cost the increase—most increase the cost of maintaining the flow.

Secretary McNAMARA. [Deleted.]

Mr. PIKE. Let's get to the will of the political leaders in the north. You said one of the things that is going to shake their will is the fact they see our planes flying over every day. How many of the people in the north live in Haiphong and Hanoi, and how many of our planes have they ever seen flying over?

Secretary McNAMARA. Oh, there isn't a person—this is a rather broad statement, but I think it is true—there isn't a person that lives in Hanoi or Haiphong that doesn't know our planes fly over every day.

[Deleted.]

Mr. PIKE. Mr. Secretary, I want to go to a different topic. This is a request for a supplemental appropriation for 1966. When is this money going to be obligated?

Secretary McNAMARA. I think by far the great majority of the funds will be obligated before July 1.

Mr. PIKE. There are in the aircraft and helicopter procurements, shown in table 7, some 22 buys of additional quantities of aircraft and helicopters. In your statement you have listed the acceleration of four production schedules. Are the other 18 production schedules all being accelerated?

Secretary McNAMARA. Mr. Pike, I simply listed some of the more important examples in my statement. I will be happy to insert in the record the schedules for each of the other types.

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

Mr. PIKE. Are there any items in the message, to your knowledge, which are not being accelerated at all?

Secretary McNAMARA. I do not know of any specifically. I suppose there are some.

Mr. PIKE. Are there any items in here which have simply been put into the supplemental appropriation and taken out of the regular 1967 procurement?

Secretary McNAMARA. No, not that could remain in the 1967 procurement and be received in time to meet our schedule of requirements for support of southeast Asia. Our basic objective was to not put any funds in 1966 that we could properly defer to a later date without delaying delivery beyond the point of the military requirement.

Mr. PIKE. Then if there are items in here which have just been lifted out of the 1967 procurement and put in the 1966 supplement, and there is nothing for them in the 1967 procurement, how would you account for that?

Secretary McNAMARA. Because we need it sooner. For example, there are southeast Asia items here in construction that we previously thought we could defer to 1967. For example, there was an airfield, I think, for South Vietnam, which we now feel we need 1966 supplemental funding for, because since making our initial plans for 1967 we have increased the potential sortie requirement for South Vietnam to the point where we will need the field sooner.

Mr. PIKE. Now, if the answer to the question is, because you need them sooner, and if you find there are items in here on which the production rates are not being increased at all, how do you account for that?

Secretary McNAMARA. Well, why don't you give me a particular example you must have in mind. I am not entirely sure.

Mr. PIKE. I have several.

Secretary McNAMARA. Give me some examples because I am not entirely clear as to the point of your question.

Mr. PIKE. I would rather, Mr. Secretary, wait until you provide us with a list of all of the items.

Secretary McNAMARA. Surely, I will be happy to.

Mr. PIKE. If there is going to be no increase in production.

Secretary McNAMARA. I would be happy to. I think there may be some A-6A aircraft, for example, produced in Long Island, which, formerly, we had planned to buy in fiscal 1967, which we are now planning to finance with this 1966 supplemental.

Mr. PIKE. Taken out completely of 1967 procurement?

Secretary McNAMARA. Let me check.

Mr. PIKE. I am advised they have been taken out completely.

Secretary McNAMARA. I think the A-6B's have been taken out completely, because the Navy has changed the type of aircraft which they want to use to replace some of the losses in South Vietnam. I believe I am correct in saying that we advanced into the fiscal year 1966 supplemental the A-6's originally planned for fiscal year 1967, in order to get those planes faster and thereby be prepared to replace more quickly potential Navy losses in South Vietnam.

Mr. PIKE. I would like to have in the record at this point exactly how much faster the production schedule calls for producing them.

Secretary McNAMARA. Surely.

Mr. PIKE. How much is left in the 1967, the regular 1967 procurement, for them?

Secretary McNAMARA. I would be delighted to put it in.

Mr. PIKE. The reason I ask this is, the 1967 budget presented by the President calls for a decrease in the procurement of aircraft and missiles by the Air Force—

Secretary McNAMARA. Yes.

Mr. PIKE (Continuing). Of \$1,299,900,000. The budget calls for a decrease in the procurement of aircraft and missiles, 1967, for the Navy, of \$1,385,187,000. It calls for a decrease in the procurement of equipment and missiles, Army, of \$863 million. It calls for a total decrease in procurement, which will come before this committee, or a good part of it will come before this committee, of \$3½ billion.

Now, with an increasing war going on, with an increasing commitment for troops, with increased sorties to be flown, increased bombs to be dropped, how can you have a decrease in fiscal 1967?

Secretary McNAMARA. Very simply, Mr. Pike. We anticipate that in fiscal year 1967, we may lose [deleted] tactical aircraft in southeast Asia operations. At the present time we anticipate in the fiscal year 1968 we will not lose any aircraft in southeast Asia combat operations. Now, if I may finish—

Mr. PIKE. Ah.

Secretary McNAMARA. Now, if I may finish. The [deleted] aircraft we anticipate we may lose in fiscal 1967, we need to finance in this supplemental. Since, under our planning assumption no aircraft losses are anticipated in fiscal 1968, we don't have to finance any replacement aircraft in fiscal 1967. Therefore, the fiscal 1966 budget must provide for aircraft losses in southeast Asia but the fiscal 1967 budget does not. This budgeting arrangement is all based on the planning assumption I described to the committee yesterday, that the fiscal 1966 supplemental and the fiscal 1967 budget are both based on the funding of combat operations at planned levels through June of 1967.

Mr. PIKE. So the 1967 budget presented by the President is only good as far as the Department of Defense is concerned provided that we have stopped losing aircraft and missiles and machinery in southeast Asia by the end of fiscal 1967?

Secretary McNAMARA. By the end of June 1967, that is the assumption for budget planning purposes.

Mr. PIKE. This does help to present to Congress a budget with a consolidated cash surplus of half a billion dollars, does it not?

Secretary McNAMARA. What would you suggest, Mr. Pike, that we put on order today, or in fiscal 1967, aircraft to replace losses on the assumption that high levels of combat operations would continue in southeast Asia through fiscal 1968, and, thereby, buy things now that we don't know we might need? I think not.

Mr. PIKE. I would suggest, when we put into the fiscal 1966 procurement, and call it an emergency for South Vietnam, aircraft which are not being accelerated one iota, aircraft which are being taken out of the fiscal 1967 budget in order to reduce the fiscal 1967 budget,

that we are playing a bookkeeping game, which is not fair to the American people.

Secretary McNAMARA. Mr. Pike, I have great respect for you, you know that. I say you are absolutely wrong, and the implication is absolutely unfounded. I think we ought to take enough time here to clarify that. It just isn't true.

Mr. PIKE. I have been advised by the U.S. Navy that every time, for the procurement of A-6A aircraft and of [deleted], aircraft has been taken out of the fiscal 1967 budget and put into the 1966 supplement, without any acceleration of the procurement of either one.

Secretary McNAMARA. Well, I would like to check that. I am not sure of that particular point. I know I issued instructions that only funds needed in fiscal year 1966 be included in the fiscal year 1966 supplemental. With regard to the A-6A I specifically instructed the Navy to move forward the production schedule so that we could get some of these aircraft earlier. I will check to see if that was done.

But I will say this, if you can find an airplane in the 1966 supplement that we do not need to offset these possible losses by the time it is to be delivered, I will take all the money out that is in the supplement for it.

Mr. PIKE. That is not the issue.

Secretary McNAMARA. Well, it is the issue. The issue is, Are we financing anything in this supplemental that we don't need to finance in order to obtain the delivery by the date required to meet potential military needs? I don't believe we are. That was not my intention. If we are, you can take the money out, as far as I am concerned.

I can tell you that I have already taken out \$2,600 million from the services requests. If any of you can find any more money that ought to come out of this supplemental, and still allow us to meet our military requirements, I will endorse the removal. But I removed the \$2.6 billion of what the services requested for the supplemental, and, in fact, I removed some aircraft. I can give you a list of those if you want. I do not believe there is any airplane financed in this program for which we don't have a military requirement at the delivery date for which the financing is provided.

The CHAIRMAN. Let us ask for that?

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

Secretary McNAMARA. I can give you a list of the cuts, Mr. Chairman, or I can tell you about some of the cuts.

The CHAIRMAN. What did the services ask for?

Secretary McNAMARA. For additional airplanes to replace potential losses. As you know, however, there is a considerable range of uncertainty as to how large the losses will be. We are financing in this supplemental possible losses for fiscal 1967, of some [deleted] tactical Air Force aircraft, for example, which we may, in fact, not lose.

The CHAIRMAN. They thought they needed it for their inventories?

Secretary McNAMARA. They thought they needed more for their inventories.

The CHAIRMAN. Certainly.

Secretary McNAMARA. That is correct.

The CHAIRMAN. There is nothing wrong with that?

Secretary McNAMARA. That is entirely correct.

The CHAIRMAN. They know what they need?

Secretary McNAMARA. They think they need even more than I put in.

The CHAIRMAN. There is no question about that. They said they need more?

Secretary McNAMARA. They did, indeed. If you are interested I have here the items I took out.

The CHAIRMAN. Any time you disagree with them—

Secretary McNAMARA. Here is A-6A, if you are interested. I took out \$63 million for the aircraft the Marine Corps wished. If I over-financed A-6's in the supplemental, at least I cut it below what the services wanted.

Mr. PIKE. I am sure you did that. I am not sure you cut it below what the services wanted. I am going to get to that next.

But what I want to get in this testimony on this supplemental procurement is the difference which this supplemental procurement is going to make in the delivery dates and the production schedule of the items which are in the list.

Secretary McNAMARA. I would be delighted to do this. I do not think there is any money in here that we don't need at this time in order to get a delivery date that meets the military requirement. If there is, then I would say we made an error, and I would be delighted to see it corrected.

The point I am trying to make, gentlemen—and I think it is an important point—is that there has been no shifting backward into fiscal year 1966 from fiscal year 1967 in order to make fiscal year 1967 look low. Of that I am certain.

Mr. PIKE. Well, now, if you find that there has been some shifting of the exact number of aircraft, and the exact dollar amount from fiscal 1967 into the 1966 supplemental, will you not agree that the result would be to make the 1967—with no increase in procurement, or no acceleration of procurement—will you not agree the result is to make the 1967 procurement look smaller than it is?

Secretary McNAMARA. Well, if I understand what you are saying, either an error was made initially in thinking it could not be financed for a specified delivery date with fiscal year 1967 money, or, alternatively, if an error was not made initially, then we have got money in here that we don't need to achieve a particular delivery date. If that is the case, take it out. But I do not know of any such money.

Mr. PIKE. I would like a whole list of all the delivery dates on all of the items, because I just happen to be familiar with this one.

Secretary McNAMARA. You may well be right, but if there is any money in here that isn't necessary to get the delivery date that is tied to a military requirement, take it out. That is easy.

Mr. PIKE. Now, Mr. Secretary, I want to talk about the particular items which are being procured. This bunch of clippings—I will go back a little bit.

Yesterday you said [deleted] percent of all of our missions, aircraft missions, were not done because of weather.

Secretary McNAMARA. No, I didn't. I said [deleted] percent of the missions against North Vietnam in December were aborted because of weather.

Mr. PIKE. All right. What were the figures for the other months?

Secretary McNAMARA. I don't have them, but I will be happy to get them for you. It wouldn't be nearly that high. The weather is very bad in December.

Mr. PIKE. Would you say December was not a representative month?

Secretary McNAMARA. Well, it is representative of that period of the monsoon, but the weather over North Vietnam is cyclical. It will be very bad from December to when, Buz?

General WHEELER. The 3d of March.

Mr. PIKE. Then it gets bad in South Vietnam?

Secretary McNAMARA. Yes, over parts of South Vietnam.

Mr. PIKE. So would you not agree the capability to fight in bad weather, and at night, is an essential component of our ability to win over there?

Secretary McNAMARA. Oh, yes. The A-6 aircraft produced in Long Island is potentially a very important aircraft. We have had some difficulty with it to date, but it hasn't destroyed our confidence in it.

Mr. PIKE. Mr. Secretary, it is awfully easy to slide off a question, by indicating that a provincial interest of the questioner has warped his judgment on a particular issue. And I would be the first to concede that I have some provincial interest in this aircraft which is not manufactured in my district, not manufactured in the district next to mine, but is manufactured in the State in which I reside.

I also had an interest in the COIN aircraft, if you may recall. And, believe me, North American doesn't come anywhere near Long Island.

Is there any capability in the A-7A to perform its mission at night?

Secretary McNAMARA. I think not.

Mr. PIKE. Does it make any sense to you to continue to buy aircraft in large numbers which are incapable of performing their mission at night, or in bad weather?

Secretary McNAMARA. Yes. Not only to me, but this is the recommendation of the Navy, which I have accepted.

Mr. PIKE. This was a recommendation of the Navy, was it not, not based on a choice between a procurement of, say, 100 A-7's, or 100 A-6's. Was this not a choice of the Navy based on a right to expend a certain number of dollars?

Secretary McNAMARA. I don't think so, Mr. Pike. I would like to check this. You may have some—

Mr. PIKE. If I am incorrect, all I can say is the Navy has misinformed me.

Secretary McNAMARA. You may have some fact I am not aware of, but if you are suggesting that we should have bought A-6's instead of A-7's in this program, I doubt that is a correct proposition. I may be wrong, but I do not think the Navy even recommended it. I would want to check that.

Mr. PIKE. What I am suggesting is that if the Navy had had the choice between either 100 A-6A's, or 100 A-7A's, or between 100 A-6B's or 100 A-7B's, they would have taken the A-6A's or A-6B's every single time?

Secretary McNAMARA. I am not sure of that, Mr. Pike. Again we have had so many changes in the A-6 schedule, I don't want to speak with certainty here. But I believe I am correct in saying that the

Navy put into the program, I think in August, I am not entirely sure of this, in association with the development of the August amendment of \$1.7 billion, a quantity of A-6B's. Then, last fall, when better estimates of the potential program of air operations became available, our estimates of requirements changed very substantially, and the number of aircraft to be bought increased very much indeed. I believe I am correct in saying the Navy then canceled the A-6B program envisioned at the time of the August amendment, and substituted in the January supplemental other aircraft. I would like to check all this, and I will clarify the record if I am in error, but I think that is correct.

Mr. PIKE. Mr. Secretary, did you change between the August supplement and the January supplement in the nature of what had to be done, diminishing the need for doing things in bad weather and at night?

Secretary McNAMARA. I don't think it diminished the need. But I think it showed to the Navy, and I believe I am correct in saying that they initiated this decision, that the A-6B, which was a cheaper or "stripped down" version, I think, of the A-6A, was not as satisfactory from that point of view as the A-7 and other aircraft, and I think they are correct.

Mr. PIKE. Mr. Secretary, the number of A-6B's which could have been procured for the same number of dollars was not as satisfactory to the Navy as the procurement of a larger number, actually, of A-4's in this case—A-4E's, but as far as the capability of the aircraft and the desire of the Navy was concerned, I believe that I can bring out through the Navy witnesses—I am through, Mr. Chairman—I believe I can bring out from the Navy witnesses later on the fact they preferred the other aircraft. That if it had not been for a dollar limitation they would have gotten the other aircraft, and at the appropriate time I am going to offer an amendment to this bill in that regard.

Secretary McNAMARA. Well, I think you should consider on this point the relative cost of these aircraft. I have forgotten what it is. But I am confident the cost of the A-6B is substantially more per aircraft than the A-7 or the [deleted].

And I think it is entirely appropriate to ask them, therefore, which way do you get more fighting power, 100 A-7's or 50 A-6B's? If these are the equivalent or equal cost resource applications?

Mr. PIKE. Well, what you are saying is, then, the question which was presented to the Navy was not how do you get the most fighting power, but the question that was presented to the Navy was how do you get the most fighting power within the budgetary limitations that have been imposed?

Secretary McNAMARA. No; there were no budgetary limitations, Mr. Pike, but I think it is always pertinent to ask at any given level of budget, are you better off buying A-7's or A-6B's, or a confirmation of both? [Deleted.]

Mr. PIKE. They have more all-weather capability than any plane in the world?

Secretary McNAMARA. [Deleted.]

Mr. PIKE. Mr. Secretary, I had the opportunity, thanks to Mr. Rivers, to head as chairman, the committee that went into this question at some length. We got quite a lot of testimony from the people

who have been flying over there, and the Air Force admits today it doesn't even have on the books a plane with the all-weather capability of the A-6A, but they are buying some now.

Secretary McNAMARA. [Deleted.]

Mr. PIKE. [Deleted.]

Secretary McNAMARA. Surely, I will be happy to.

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

The CHAIRMAN. Mr. Pike was chairman of that subcommittee. It is a published report that is available.

Secretary McNAMARA. I would be glad to have it.

The point he makes about all-weather capability in aircraft is an extremely important point. I don't want you to believe anything I said here discounts the point he makes. But that isn't the issue. The issue is, what kind of aircraft should we buy in this 1966 supplemental to replace losses? I submit to you the Navy is far better off in buying some A-4's and A-7's, rather than all A-6B's.

Mr. PIKE. Can you tell me what happened to change your position on that between the 13th of October, when the Department of Defense announced the contract for the purchase of the A-6B's?

Secretary McNAMARA. Oh, surely, surely. I will get the record on it and find out exactly what it was that the Navy wanted when they initially planned to buy the A-6B, and why the decision was made to cancel it.

Mr. PIKE. Would you also put it on the record, the answer to the question of whether the decision to cancel the purchase of the A-6B was instituted or instigated by the Navy or the Department of Defense?

Secretary McNAMARA. Surely, I would be happy to.

(The information requested follows:)

With respect to the decisions relating to the A-6B, the entire matter of aircraft force structure and procurement in the light of southeast Asian operations was the subject of a joint effort by representatives of the Navy and the Office of the Secretary of Defense. Neither party instigated the eventual decision. Rather, both parties shared in the examination of the alternatives and both agree that the actions taken represent the best alternatives in light of the data in hand at the time.

A full chronology of the events leading to the changes in the A-6A, A-6B, and EA-6B programs has been provided to the committee on a classified basis together with a copy of Secretary McNamara's memorandum to the Secretary of the Navy directing the changes.

The CHAIRMAN. Thank you, Mr. Pike.

Are there any other questions by any other men?

Mr. HALL. Yes, Mr. Chairman.

The CHAIRMAN. Dr. Hall.

Mr. HALL. You referred today to the commanding general of South Vietnam, General Westmoreland.

Is there now, or in the near future, any plans to relieve General Westmoreland from assignment or active duty?

Secretary McNAMARA. Absolutely not, and I think these articles that have appeared, and one which Mr. Hébert brought to my attention this morning, is a disgraceful reflection on one of the finest officers we have in the service today, or we have had in several decades.

Mr. HALL. Mr. Chairman, this has been most interesting and revealing.

I am convinced these people here today with us, and the problems they have, are in regard to productivity; therefore, I am ready for the final discussion on this bill.

The CHAIRMAN. Are there any other questions?

Mr. FISHER; I overlooked Mr. Fisher, excuse me.

Mr. FISHER. Just one or two things.

In connection with the testimony developed by Mr. Pike, in the current issue of Newsweek, I think to complete the record perhaps this question should be asked:

In the current issue of Newsweek there is this statement:

The Joint Chiefs of Staff had advocated resumption, including massive blows at North Vietnam's industry, powerplants, petroleum tanks, airfields, rail lines to China, and Haiphong's docks.

Now, General Wheeler, Is that a correct statement?

General WHEELER. That is not correct. [Deleted.]

Mr. FISHER. I wish some clarification about the missile sites in North Vietnam. You referred to that again.

General WHEELER. Yes, sir.

[Deleted.]

Mr. FISHER. Do we have capability of knocking out sites if we desire?

General WHEELER. Yes, sir; we do.

[Deleted.]

Mr. FISHER. Thank you. That is all.

The CHAIRMAN. Thank you, Mr. Fisher.

Mr. ICHORD. Mr. Chairman.

Mr. Secretary, on page 6 of your statement you go into the losses of aircraft, 235; 76 helicopters, in the year 1965.

I would like to ask if you have any breakdown on where these losses occurred, how many of them were brought down over South Vietnam, how many over North Vietnam, and also how many were brought down by SAM missiles, and if you have any statistics on how many losses were due to engine failures, pilot's error in judgment, or what not?

Secretary McNAMARA. Yes, I can give you some of the answers now, and the others I would like to insert in the record.

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

Secretary McNAMARA. Of the aircraft lost, 11 were lost to SAM missiles, and the others were all lost to antiaircraft fire. And then we had other operational losses in addition.

Let me give you a few of the figures.

Mr. ICHORD. These include operational losses, do they?

Secretary McNAMARA. The 275 I think is hostile action only.

I have the hostile action and other operation losses for a different period of time. Let me give you those now to show you the ratios, and then I will put in the record this particular period you asked for. I happen to have it for January 1, 1962, for the 4 years through December 31, 1965.

Air Force, Navy, and Marine Corps: The total losses to hostile action for the period, for tactical aircraft, are 283, and other operational losses are 99, for a total of 382.

Now, as to how it breaks down South Vietnam versus North Vietnam: I can give it to you for a 6-month period, the last half of 1965, to give you an illustration of it.

Mr. ICHORD. First, what were the years?

Secretary McNAMARA. January 1, 1962, through January 1, 1966. Those were all losses [deleted] and I gave you both hostile action and nonhostile action, and they were for tactical aircraft.

Now these are the losses for the last 6 months of 1965, by country, for tactical aircraft: On nonattack sorties, the other combat losses are very small, for that 6-month period they were only 11 airplanes, and the noncombat losses for these types of aircraft for the 6-month period were 36. [Deleted.]

Mr. ICHORD. Yes, that will suffice.

Mr. Secretary, I heard a radio commentator say last night at least 16 new SAM sites had been discovered, either completed or under construction, that the construction was started during the bombing lull. I am sure that is quite high, but I would like for you to comment.

Secretary McNAMARA. I am not entirely sure that was the report made. But in any event the facts are these: We think they are on the order of [deleted] today, as General Wheeler said a moment ago. We don't believe there have been any significant increase [deleted].

Mr. ICHORD. Mr. Secretary, winning the war in the south will not only require a substantial military effort, but also a concurrent non-military effort. I use "nonmilitary effort" for lack of a better word.

Secretary McNAMARA. Right.

Mr. ICHORD. To persuade and convince the people in the south; namely, the Vietcong forces, and their supporters that lives will be better with a U.S. victory. I think the record should show what we are doing in this area of effort.

Secretary McNAMARA. Well, I think you are quite right in saying that what we call a pacification program in the south will ultimately play a very important role in the victory we hope to achieve. And this pacification effort has lagged primarily because it depends upon first assuring the military security in the countryside for its foundation. That security has been in jeopardy, particularly in recent months, because of the substantial increase in Vietcong terror activities.

It is being better organized at present, however. A new man has been appointed to head it in the South Vietnamese Government, General Tang. He is a very able individual. We see signs of increasing effectiveness in the administration of the program. We have hopes that during the months that lie ahead, we will be able to increase the security in certain areas of the countryside so this program can begin to take hold.

The plan for 1966 is to concentrate on four priority areas throughout the country, and in these areas to introduce teams of specially trained personnel, Vietnamese personnel with U.S. advisers, and to provide the necessary military forces—popular forces and regional forces—to assure security for the people. We also plan to use U.S. aid in the form of technicians, educational help, and so forth, and U.S. materials in the form of cement blocks, medicines, and so forth, and to emphasize programs to raise the standard of living of the people through additional education, additional health measures, and other measures that will improve their economy and their economic welfare.

I have high hopes that in 1966 we will see a resurgence of this type of activity, and that by the end of the year the program will be well underway.

Mr. ICHORD. That program is headed up by the general?

Secretary McNAMARA. In the U.S. mission there are a number of components working on it. General Lansdale's is one. But the U.S. AID mission under Mr. Mann is also heavily involved in it.

Mr. ICHORD. One more question, Mr. Chairman.

The Chairman and Mr. Pirnie got into a field of inquiry which is really the thing that worries me.

Last night I worked on a questionnaire which I usually send out every year to my district. Of course we all know you can phrase your questions and pretty well get the answers that you want. But I was trying to phrase the questions on South Vietnam, and asked the question, do you support the policy of the United States, of the administration, and then state what the policy of the administration is in South Vietnam.

And after having been to South Vietnam, listening to you, Mr. Secretary, and the President in his Johns Hopkins speech, and hearing the Joint Chiefs of Staff for several years, I found that I could not state in understandable language the policy of the United States.

Now, I have asked several members around me here, and they are not so sure they can state what is the policy of the United States of America in South Vietnam.

And I make this statement, and I think it is putting the same thought in different words from the chairman.

I realize the problems that you have. You've got the responsibility of not only devising and employing a way of fighting the war in South Vietnam to best serve the interests of the United States, but under our form of government you have to devise and employ a means which the American people will support. And if you have devised or employed those means, certainly the administration hasn't articulated that policy. That is just the thing that concerns me in the long run, Mr. Secretary.

Secretary McNAMARA. I think it is true that many of our people are confused by some of the aspects of the Vietnamese situation. And some of these aspects are difficult to understand. I don't think I quite agree that they don't know what our policy is. It seems to me that our policy is clear. But I think it is not entirely clear to some people that we are following the most effective means of pursuing that policy, or that we have the capability of achieving the objectives associated with it.

That is why I think these hearings are helpful, and it is why I think, as you suggest, that those of us in the executive branch, and I think you, also, in the legislative branch, can do much to throw light on these issues in our discussions with the people.

Mr. ICHORD. Of course, as I stated, I have spoken out many times on South Vietnam. I supported the administration. I have even defended you, Mr. Secretary, many times, but I still can't state in simple understandable language after this hearing today, and the other hearing, what is the policy of the United States in South Vietnam. I can say to win the war, as you said, with the minimum possible losses, but certainly that isn't giving an understandable statement of the policy in Vietnam.

Secretary McNAMARA. Well, our policy, in a philosophical sense, is to act in a way that we consider is in our national interest. Now, in this particular case that means, first, fulfilling past commitments, because if we don't, we believe that our other commitments around the world will begin to unravel, and if they do, we will be in serious trouble, not only politically, but militarily.

Second, it means, in this case, supporting the efforts of the nation of South Vietnam, to preserve the right to shape its own destiny and to defeat the subversion and the aggression that is directed against it by North Vietnam in an effort to deprive the people of South Vietnam of their right to shape their own destiny.

Mr. ICHORD. Then you come to the problem, when you get down to the particulars, and the questions Mr. Pike had, about why we do not bomb the POL facilities at Haiphong, even the greatest champion of the policy, the aggression of communism, and to let the people shape their own destiny, that weakens it, and you don't have that sort of support you need in democracy.

Secretary McNAMARA. There I think we failed to explain clearly how little the difference really is between advocates of alternative policies.

The magnitude of the difference is not great. I think General Wheeler would agree to that.

If you take the total military problem we face in South Vietnam, the problem of winning there, in the sense of stopping this aggression and achieving our objective of permitting those people to shape their own future—the essence of our military effort there must be to show the North Vietnamese and the Vietcong they can't win in the south. There is no disagreement on that among any of us who are associated with the effort.

There is no disagreement among us as to how that military campaign in the south should be carried out. As General Wheeler said, General Westmoreland is responsible in the field for determining what he needs, and we have provided him what he needs, and he utilizes it and applies it as he sees fit.

[Deleted.]

Secretary McNAMARA. I do not think there would be real disagreement on that, Buz?

General WHEELER. I do not believe so—as I said yesterday.

Mr. ICHORD. The point I would make—

Secretary McNAMARA. If I may say one further word [deleted].

The CHAIRMAN. Have the Joint Chiefs ever changed your mind?

Secretary McNAMARA. Oh, Mr. Chairman, now, you know very well that in the first place, 80 percent of the cases we agree on, and then in the other 20 percent, I would guess, Buz, 10 percent—10 percent of the other 20 percent—

General WHEELER. Let me respond directly to the Chairman's question. The answer is "Yes." Mr. Chairman.

The CHAIRMAN. I withdraw the inquiry because I think sometimes you do it frequently.

Secretary McNAMARA. The fact of the matter is despite what you read in the newspaper, there are very few differences between me and the Joint Chiefs.

The CHAIRMAN. I think you get along fine.

Mr. HÉBERT. There better not be.

Secretary McNAMARA. But, there will always be a few.

The CHAIRMAN. Go ahead, Mr. Ichord.

Mr. ICHORD. In closing, I want to make this point. There has been a lot of—generally, not about the war—it goes on up here on the Hill and in the press—I, for one, have not attempted to do that. But I do think we have got to find some way to articulate these objectives, and I think that is made apparent when you have 70 Members of the House petitioning the President not to resume the bombing in the north, and 15 or 17 Senators, even though involved. Something has to be done in that regard.

The CHAIRMAN. Thank you. Are there any other questions by any of the other members?

Mr. STAFFORD. Almost every question I could think of has been asked at least twice and answered three times thus far, but I do think this has been a very illuminating and helpful session for all of us. It has been very helpful to me.

I have been particularly concerned, I might say, Mr. Secretary, by the implications of this supplementary budget, vis-a-vis, the regular 1967 budget, and had not my colleague Mr. Pike gone into that matter I had intended to.

I won't ask you to comment on it further. I have only one very brief question to ask of you, which may not really be in your field, and that is this: One of the problems I have had at home, in responding to questions from my people, have been in substance, why do we participate in the embargo of Rhodesia, when Great Britain will not cooperate with us in Vietnam? I have heard the facts which you supplied yesterday, but I understand the embargo on Rhodesia now will cut off chromite ore produced by an American concern there in which I have no interest. But my question is will the elimination of chromite ore from Rhodesia, which is apparently the main source of it, materially and disadvantageously affect the production of the steel we need in this country for the war effort?

Secretary McNAMARA. Governor Stafford, I don't believe so. I do think that the supplies of chromite ore are more than adequate to assure production of steel, not only for the war effort but also for our domestic economy. I think that should have been considered and I am sure it was. I have been very much in favor of the economic controls imposed by the British on Rhodesia, because if that situation continues to remain in crisis, as it is at the present time, there is a real possibility that about 14 or 15 percent of the world's copper supply will be cut off. And that could be serious not on the military effort in the United States, per se, because we have adequate copper available to us, and, of course, a large stockpile in addition. But a severe shortage of copper could have a very adverse effect on the economy of the free world and that, in turn, could adversely affect us militarily. So we have a good, selfish reason for supporting the British controls over imports into Rhodesia. This is not to say [deleted] that we should not continue to pressure them to do more than they have done to date to stop the use of British ships in North Vietnam trade.

Mr. STAFFORD. Thank you very much. Mr. Chairman, I yield back whatever time I might have left.

The CHAIRMAN. Mr. Secretary, have the British put any restriction on your bringing the troops into Hong Kong?

Secretary McNAMARA. Basically, no. [Deleted.]

General WHEELER. [Deleted.]

The CHAIRMAN. This is the only contribution they are making in this effort—that is the only contribution?

Secretary McNAMARA. Well, they are giving us a lot of support internationally, Mr. Chairman [deleted]. As you well know, the British have some 50,000 men in Malaysia, and beyond that we are anxious they continue to fulfill their commitments in the Far East. [Deleted.]

We are advocating, and I think hopeful of obtaining, continuing British support in helping defend free world interests in the Far East and including our interests there.

The CHAIRMAN. Are there any other questions by any other members?

Mr. Lennon.

Mr. LENNON. What are the ports in Haiphong?

General WHEELER. The petroleum storage facilities are somewhat inland; they are not in the metropolitan area, if you want to call it that.

Mr. LENNON. About how far inland from the ports are they?

General WHEELER. They are on the shore up above the port proper, as I recall, and about perhaps a mile or a mile and a half from the city itself.

Mr. LENNON. Do I understand approximately 90 percent of the petroleum that goes into North Vietnam moves into those facilities?

General WHEELER. At least 90 percent. There is a small amount, usually Av. gas or products or products of that kind that comes in by rail from China.

Mr. LENNON. Those petroleum products are used in the plants in the industrial complex, as well as being used as gasoline for movements to South Vietnam, are they not?

General WHEELER. That is correct. A small percentage, of course, goes into what I suppose you could call the civilian economy. The rest of it goes into transportation, probably production of power, and that sort of thing.

Mr. LENNON. Is it your personal opinion those petroleum storage facilities could be bombed without tremendous probability of loss in life of civilians?

General WHEELER. [Deleted.]

Mr. LENNON. You stated over and over again that the war must be won in the South, South Vietnam?

General WHEELER. Yes, sir.

Mr. LENNON. And that bombing in the North was to reduce the flow of materiel and increase the cost of the movement thereof?

General WHEELER. That is correct, sir.

Mr. LENNON. There is no single one of the many targets that has been struck, or attempted to be hit, in these sixteen sorties, which substantially contributed to the reduction of the flow of materiel or increase the cost, did it?

General WHEELER. No one target. It is a whole complex of targets that gives the effect.

Mr. LENNON. [Deleted.]

General WHEELER. [Deleted.]

Mr. LENNON. Well, do you know of a single target that you struck attempted to strike, that contributed substantially to the flow of materials?

General WHEELER. No; it is all additive. It is a summation of the result of many strikes, and the effect thereon, on many targets.

Mr. LENNON. I think the American public realizes, or I hope they do, that the war is being directed, both from a political and military point of view, by North Vietnam and Hanoi.

General WHEELER. I have heard some people dispute this, but I think the general public certainly believes the direction and support of the war come from there.

Mr. LENNON. If the majority of the people accept it, then there is a lack of understanding on their part, and that being so, why have we not at least sometime in the past attempted to strike the industrial complex—not the industrial complex but the petroleum facilities from Hanoi?

General WHEELER. [Deleted.]

Mr. LENNON. It would have an adverse effect on the industrial operation of their plants there, as well as affecting to a degree the material moving south?

General WHEELER. [Deleted.]

Mr. LENNON. In your judgment, and from the intelligence you have, what would be the psychological effect on the people of North Vietnam if these storage facilities were struck?

General WHEELER. [Deleted.]

Mr. LENNON. What psychological effect do you think it would have on the public or people generally, in South Vietnam, if the story got around it had been done?

General WHEELER. [Deleted.]

Mr. LENNON. I would like to ask the Secretary of Defense.

Secretary McNAMARA. [Deleted.]

The CHAIRMAN. The Commander in Chief told the world he has one objective—one objective—to get Ho Chi Minh at the peace table. He has told the world.

Secretary McNAMARA. At the lowest cost in American lives.

The CHAIRMAN. That is his one objective, to bring Ho Chi Minh to the peace table, and there isn't any other objective.

He says, you boys, we want you to fight like the very devil. All we want to do is get Ho Chi Minh at the peace table. [Deleted.] You boys go over and do the best you can. How is that going to accomplish this?

Secretary McNAMARA. The objective is not to get Ho Chi Minh to the peace table; his objective is to win in the south, and thereby protect the right of the South Vietnamese to shape their own future. That is his objective.

The CHAIRMAN. He said it 50 times, we have tried everything we know, he told the Congress, he told the world, to get Ho Chi Minh at the table. If we can only get him there that will solve our problems.

Secretary McNAMARA. No, Mr. Chairman, that is "an" objective. It is not "the" objective. The ultimate objective is to win in the south and achieve a satisfactory settlement; that is, one which assumes the right of the people in the south to shape their own future.

The CHAIRMAN. It is hard to explain.

Secretary McNAMARA. I don't doubt it; I know it is.

[Deleted.]

Mr. LENNON. Thank you.

The CHAIRMAN. Now, Mr. Randall, go ahead.

Mr. RANDALL. Mr. Secretary—

The CHAIRMAN. Make your point.

Mr. RANDALL. [Deleted.]

Secretary McNAMARA. [Deleted.]

Mr. RANDALL. You are suggesting we cannot? [Deleted.]

Secretary McNAMARA. [Deleted.]

Mr. RANDALL. Where you say it will come down by rail as another source, that is China. They have no petroleum sources in China, do they?

Secretary McNAMARA. Yes.

Mr. RANDALL. Relatively minor?

Secretary McNAMARA. They have capabilities in China to ship petroleum into North Vietnam. As a matter of fact, we know they do.

Mr. RANDALL. Well, certainly it seems to me, in the discussion, we have talked about the restraints. There are two things to slow them down. I would like to ask if you agree with this.

First, of course, is the requirement of gasoline, to move any of their equipment. Isn't that true?

Secretary McNAMARA. No, sir, they don't "require" it; they do "use" it at the present time.

Mr. RANDALL. They could do without it?

Secretary McNAMARA. I believe so, for the kind of war they are fighting in South Vietnam.

Mr. RANDALL. That is the philosophy as to the increase in cost.

Of course what has always been in mind, certainly all of our armies have to have food in order to move. Where is the food supply coming from, for their troops? Are they coming from the north, or are they still managing to feed off of the south people?

Secretary McNAMARA. I think they are feeding off the south, to a large extent.

Mr. RANDALL. Off the south?

Secretary McNAMARA. Yes, sir.

Mr. RANDALL. That is the important reason why we have to get back some of this land?

Secretary McNAMARA. I wouldn't say to get back the land, but to control the harvest. This is what many of our units in support of GVN forces are presently engaged in attempting to do.

Mr. RANDALL. That is a point as far as I know, which has never been brought out. The Washington Post this morning said it requires 135 tons of food a day, but of that amount being moved in, 65 tons of it were consumed by coolies. In other words, they have only a net of 65 tons. If you cut that off, in a sense maybe they can get along without gasoline, but they can't get along without food.

Secretary McNAMARA. That is right; you are quite right. But I think the reference you are making was to the food required by porters on the lines of communication through Laos. Of course the main food requirement is for the troops in the south, and that food requirement is met, I believe, mostly from the south.

Mr. RANDALL. [Deleted.]

Mr. RANDALL. Thank you, Mr. Chairman. There is some testimony put in here awhile ago, I thought, bearing on, it seems to me, MIG indicated action. Aren't our planes more superior than anything they have?

General WHEELER. They have [deleted] MIG-21s, to the best of my knowledge, and the MIG is a very fine aircraft. This is the Soviet first-line fighter.

[Deleted.]

Mr. RANDALL. How many F-4's do we have?

General WHEELER. We have probably [deleted] squadrons altogether in the area.

Mr. RANDALL. Mr. Chairman, with respect to the other Members, I would like to ask one question about this supplemental. Are we evacuating our people when they are badly wounded? What are we doing? Are we keeping them down there? I don't think that has ever been made clear.

Secretary McNAMARA. The medical program is one of the very bright spots in the Vietnam situation. The percentage of wounded that die of their wounds is substantially lower than any previous campaign. This is, in great part, the result of the evacuation procedures, primarily by helicopter. Although I have forgotten the exact figures, in Korea and in prior periods about 90 percent were evacuated by truck; now about 90 percent are evacuated by helicopter to the field hospitals.

Mr. RANDALL. You are evacuating some to the United States?

Secretary McNAMARA. After they pass through the field hospital. Anyone who can't recover in—

General WHEELER. They have a 60-day evacuation policy. If the man is sure to be well and capable of full duty in 60 days he is normally kept in-country.

If it is obvious his hospitalization will be longer than 60 days, or he will not be able to perform full duty, he will be sent back by Airovac, perhaps to Clark Air Force Base, and then on to the United States eventually. Some evacuees go to Clark, Japan, or Okinawa, anyway, for final treatment. In other words, they are then returned to the theater from there.

I discussed the medical program with General Heaton, and he pointed out to me that our losses of wounded who get to the hospital alive are under 1 percent. And this compares to 2.8 percent wounded that died in hospitals in Korea, and something like 4.2 percent, if I remember correctly, that died in hospitals in World War II.

They are doing a fantastic job. They were getting men actually from the place where they were wounded in some cases into the field hospitals in less than an hour, and in some cases, within 30 minutes—fantastically good.

Mr. RANDALL. Thank you very much.

Secretary McNAMARA. In answer to your question, we do have money for additional hospitals in this program. For example, in South Vietnam itself, we are planning on facilities at 27 locations at a cost of \$76 million.

Mr. RANDALL. Thank you, Mr. Secretary and Mr. Chairman.

The CHAIRMAN. Are there any further questions?

Do you want to wait for these three?

Secretary McNAMARA. I would be delighted to wait.

Mr. LEGGETT. You are not trying to starve us out?

The CHAIRMAN. No.

Mr. SCHWEIKER. If this authorization is approved and your budget for next year is approved, what cash will be spent on Vietnam, approximately, this fiscal year and next fiscal year? In other words, how much will we figure it is going to cost us if your suggestion and recommendations are accepted on the budget and the supplemental? How much cash will we earmark for Vietnam this fiscal year and next fiscal year?

Secretary McNAMARA. Well, the amount of expenditure incremental to what would have been the "normal" level in fiscal year 1966 appears to be on the order of \$4.6 billion, and in fiscal year 1967, \$10.3 billion. A major portion, in other words, of the \$12.3 billion supplemental of new obligational authority which we are asking for now, although it will be obligated in 1966, will not result in expenditures until fiscal year 1967.

Mr. SCHWEIKER. What is the reason for asking for it now instead of next year?

Secretary McNAMARA. Because we have to have the authority to place the contracts with our suppliers, the aircraft manufacturers, for example. In order to place the contract, we have to have the obligational authority.

Mr. SCHWEIKER. As the war stands now, and under present conditions, what do you surmise is the strength in terms of ratio of man to man that we would need to win under present conditions? I have heard a lot of ratios kicked around here.

Secretary McNAMARA. I don't believe it is possible to give a ratio. It varies depending on the size of force and the amount of firepower and the degree of mobility involved. Moreover, as their forces increase, the ratio advantage we need drops. As we increase, the firepower and mobility of the United States and South Vietnamese forces, the ratio drops. [Deleted] and even that number will vary as the circumstances vary.

Mr. SCHWEIKER. What are their total forces?

Secretary McNAMARA. On the order of 200,000.

Mr. SCHWEIKER. What are ours plus the Vietnamese forces?

Secretary McNAMARA. On the order of 900,000.

Mr. SCHWEIKER. We have a ratio of about $4\frac{1}{2}$ to 1?

Secretary McNAMARA. Say roughly 4 to 1.

Mr. SCHWEIKER. What rate are they bringing them in compared to the rate we are bringing them in?

Secretary McNAMARA. This is hard to say. It is not only the rate of infiltration from the north that is involved, but also the rate of enforced recruitment or conscription in the south. There is a lag [deleted] in our intelligence data on those figures, so I really cannot give you that answer now.

Mr. SCHWEIKER. I would like to ask the question another way. I would like an answer.

Do you estimate with the recruitment plus the infiltration they are exceeding the [deleted] buildup as a buildup figure?

Secretary McNAMARA. [Deleted.] General Wheeler may wish to comment on that.

General WHEELER. [Deleted.]

Mr. SCHWEIKER. Based on the strength figures you list under table I, Mr. Secretary, this 452,000 increase, I am not quite clear on what that means. That is not necessarily theoretical men we could put in Vietnam?

Secretary McNAMARA. No; this is in addition to our total active force.

Mr. SCHWEIKER. All right, now, if we maintain our present strategic reserves, for whatever they may be at present, how many men can we put in Vietnam with this new strength, without upsetting our safety minimums?

Secretary McNAMARA. Well, without upsetting our safety minimums, I think we could put [deleted] in there. [Deleted.]

The specific answer to the question I think you are driving at is, we can put about [deleted] men into Vietnam with the forces that will be developed by the increase of 452,000 in our overall military strength.

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

The CHAIRMAN. Thank you, Mr. Schweiker.

Now, Mr. Hagan.

Mr. HAGAN. Thirty seconds, Mr. Chairman.

Mr. Secretary, I am grateful to Chairman Rivers for asking his questions earlier this morning which brought on a most interesting colloquy between the chairman and you and General Wheeler. I recall your answer quite well. However, I still am not satisfied, and I do not have the answer to take to my people, for the questions that they are asking me just as the chairman mentioned.

I think if we could end this war, as we did the Japanese war, we would certainly save more lives, and for the next 10 years or so. I would like to ask this question one other way.

If we still consider ourselves the greatest Nation on the face of the earth, and we know we have the greatest arsenal for destruction in history, when are we going to get a better time to prove it? I recall my study of history, I always thrilled at such stories, which I know we all recall, when President Teddy Roosevelt back in 1904 sent that message to the American Consulate General, where he said, "We want Petigarius alive, or Assoulos dead."

I would like to be able to answer my people, and they ask this question constantly, are we going to wait until our enemy becomes our equal before we use this great power that we have to bring this thing to a screeching halt?

Secretary McNAMARA. I think this is a good question. [Deleted.]

Mr. HAGAN. I believe we had 500 fatalities over there in the slow war we are operating over there.

Secretary McNAMARA. That is right. I think it was 400-odd something in November; in December it was around 200. And [deleted].

The CHAIRMAN. Mr. Secretary, you haven't mentioned, as a result of the effect of our occupation, [deleted] who get these tropical diseases. You take that strain of malaria, it is quite a serious thing. The more people we put over there for a long period of time, that is causing us trouble, isn't that a fact?

Secretary McNAMARA. Yes. Malaria has been a problem, Mr. Chairman. I think we have a satisfactory program to overcome it, [deleted].

Mr. BATES. I remember a military expert advising us in those days not to go into French Indochina.

General WHEELER. Ah, and I would agree with him. Under those circumstances my advice to the President would have been negative. The reason is the issues are entirely different. [Deleted.]

My point, Mr. Chairman, is that what we are doing there, and the issues are entirely different. We are engaged in attempting to see that South Vietnam remains free from the imposition of rule from the outside. [Deleted.]

Mr. BATES. I don't know about the timetable, but that is not important to the point I am making. I am only addressing myself today as they addressed themselves at that time, to the military aspect of it. The question was on communism, and the military operation in Indochina. This was the question brought up.

General WHEELER. I suppose the question in those days was whether or not there was basically a Communist effort. I know it was directed by Ho Chi Minh and his capable field commander, and they won several successes culminating in Bien Phu. However, the people in South Vietnam today, many of them—and I am talking about the leaders—were engaged in the war against the French, General Cole—I believe it was Cole—was one of their field commanders. So that you have a group of people in South Vietnam who are not Communists. As a matter of fact, you have a million people from North Vietnam, as you know, who moved south in order to escape communism.

Mr. HAGAN. Mr. Chairman, in concluding my remarks—

The CHAIRMAN. You know the facts on Rhodesia, don't you, Mr. Secretary.

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

The CHAIRMAN. When you said you believe in blockade, you don't believe in self-extermination.

Go ahead.

Mr. HAGAN. Having been in Congress 6 years, I am not advocating you gentlemen operate a nuclear weapon. Maybe we can scare them to death as we did back yonder in 1962, or at least it seems to me, as far as I am concerned, the people are saying all over, not just down my way, that America is being pushed around, and all that sort of thing, and somebody needs to tell them a little bit more about it, I think, so they better understand what we are doing. They are behind us, of course.

General WHEELER. [Deleted.]

The CHAIRMAN. [Deleted.]

Go ahead, Mr. Leggett.

Mr. LEGGETT. Thank you, Mr. Chairman; I have been waiting for 2 days for a series of questions.

[Deleted.]

Mr. LEGGETT. Now, back to South Vietnam. As I understand from what you have said, we limit our offensive at the present time against North Vietnam.

[Deleted.]

Mr. LEGGETT. Let me ask you this: What level of troop commitment in South Vietnam will our current and projected logistic support arrive at?

Secretary McNAMARA. Well, the supplemental that we have before you, plus what we already have in the 1966 budget, will allow us to support, we believe, by the end of this calendar year, between [deleted] troops in South Vietnam, should that prove necessary.

The CHAIRMAN. Did you mean to say the 1966 budget or 1967 budget?

Secretary McNAMARA. 1966 and 1967.

The CHAIRMAN. 1966.

Secretary McNAMARA. Yes.

Mr. LEGGETT. This would be kind of a top level we anticipate we could support without an all-out over-the-beach type of support?

Secretary McNAMARA. No; not necessarily so. It just happens to be the level that this particular set of budgets would support.

Mr. LEGGETT. Limiting factors at the present time would be our port facilities?

Secretary McNAMARA. No, I don't think so. I think there are a host of other factors that would also be important. Airfield construction, for example, and other facilities. I don't believe port facilities would limit the size of our deployment to that level.

[Deleted.]

Mr. LEGGETT. What does the bombing do with respect to the public support in the United States?

Secretary McNAMARA. Well, I would say a failure to resume the bombing would have further divided the Nation.

General WHEELER. [Deleted.]

Mr. LEGGETT. I got one the other day.

General WHEELER. A lady from Colorado Springs. Mr. Leggett.

Mr. LEGGETT. I got one the other day that said: "Dear Mr. Leggett: Take this as a threat to your security."

He signed his name and left his social security number. What does that mean? We get all kinds of things in the mail.

Let me ask you this now, to sharpen up our objectives in this war, we are not trying to defeat North Vietnam [deleted].

Now, our effort, then, is to, would you say, reach a satisfactory settlement in South Vietnam.

Now, that is a satisfactory settlement with whom, and aimed at what kind of a government represented by whom?

Secretary McNAMARA. Well, first let me say that I don't think it is quite correct to say we are not trying to defeat North Vietnam. We are trying to defeat their aggression against South Vietnam. We are not trying to destroy their political institutions. We are trying to achieve a settlement of the aggression going on in the south at the present time. A settlement either by negotiation or by withdrawal of the military pressure from the north, so that the people of the south can shape their own destiny. "Shaping their own destiny" means that over a period of time they can express their will through elections, and select their own form of government.

Mr. LEGGETT. Does this mean then we are fighting also for the Vietcong to express their will?

Secretary McNAMARA. Well, so long as they function as citizens of South Vietnam and not agents of North Vietnam; yes.

Mr. LEGGETT. Yes. But as long as the Vietcong is expressing their will peacefully, in their own interests, either pro or con, the United

States, or pro or con Red China or North Vietnam, we are prepared to let them do that?

Secretary McNAMARA. Yes. It is almost a contradiction of terms to suggest the Vietcong would act peacefully, but in any event, strictly speaking, yes.

Mr. LEGGETT. Well, you are involved with what, 230,000 Vietcong and North Vietnamese at the present time, is that correct?

Secretary McNAMARA. Yes; that is approximately correct.

Mr. LEGGETT. What is the margin of error in those figures?

Secretary McNAMARA. I can't really answer your question. I think if anything they probably understate the total. The margin of error would differ on the two sides. The margin of error on overstatement would be relatively small. The margin of error on understatement would be much larger.

Mr. LEGGETT. And in the total territory currently occupied by the Vietcong there are how many people at the present time?

Secretary McNAMARA. Well, again, it is difficult to give you a direct answer. They are said to control about 20-odd percent of the population. I would think if you said 3,300,000 that might be a fair estimate.

Mr. LEGGETT. To what degree are those 3,300,000 people sold on Ho Chi Minh?

Secretary McNAMARA. Well, we know that a high percentage of the 230,000 Vietcong have been pressed into service by terror tactics directed against them or their families.

[Deleted.]

Mr. LEGGETT. If the Vietnamese north of the 17th parallel can be so engulfed with Ho Chi Minh philosophy that they are prepared to carry on a war for 20 years, and to withstand [deleted] 250-pound bombs, and [deleted] 500-pound bombs, and [deleted] Mark 117, and all of the rest of your statistics, how is it reasonable that magic line of the 17th parallel means that nobody south of that line, in any substantial numbers, can become imbued with this philosophy that has taken over the north and in Communist China?

Secretary McNAMARA. Well, I don't think there is any indication that free elections in the north would lead to the support of a Communist state by a majority of the people. There is no question but what Ho Chi Minh maintains his power over his people by police state methods. There is every reason to believe that a high percentage of the people in the south oppose those methods. A million of them fled from North Vietnam to South Vietnam; several hundred thousand have fled the areas of Vietcong control in the last year.

Mr. LEGGETT. Don't get me wrong, I support the administration. I am trying to think this problem through.

General WHEELER. May I make a comment, Mr. Leggett?

The people of North Vietnam haven't said they are ready to support this war for 20 years. Ho Chi Minh said they were ready to support it for 20 years. I think there is a substantial difference.

Mr. LEGGETT. [Deleted.] What I read from the newspapers, the corruption in economic aid and such as that, it doesn't look very good over there.

Secretary McNAMARA. We made great efforts to determine the state of mind of the people in the south. Just recently, within the last

10 days, we received the most recent report on it. There is absolutely no reason to doubt the people in the south, given a free choice today, would support their Government's versus North Vietnam's control of their country.

Mr. LEGGETT. That is our purpose, and that is the American policy?
Secretary McNAMARA. That is right.

Mr. LEGGETT. We are supporting the self-determination of people, and we have predetermined by our policy that we think that the vast majority of those people are going to support a democratic-type government in the south?

Secretary McNAMARA. We have determined from the best information available to us that they would not support control of their country by the north. [Deleted.]

Mr. LEGGETT. Of course, when you have a dictatorship, whether from the right or left, you really can't be sure what the people are thinking, can you?

Secretary McNAMARA. I think there are ways to find out. We have used those ways.

Mr. LEGGETT. Somebody said, over the weekend, the people of South Vietnam and all of Vietnam were kind of like a drinking glass: they assumed the form of the container in which they were in.

Secretary McNAMARA. I read that statement, and it would leave one without hope if one believed it. I don't. I don't believe people are that malleable.

Mr. LEGGETT. How do you project that we would reach this settlement in South Vietnam? I am concerned about that. We indicate that the bombing in the north is not going to do any good unless we kill them with the noise, I guess.

Secretary McNAMARA. No, we didn't say it wouldn't do any good. We said that it wouldn't win the war by itself.

Mr. LEGGETT. All right.

Let's talk about that just a minute. As I read this, we are projecting something on the order of [deleted] sorties per month into fiscal 1966 and 1967 and we are going to be dropping on the order of [deleted] tons of bombs a month, which would be, I guess, [deleted] 250-pound bombs.

Now, what kind of damage would you incur in a 30-day period?

Secretary McNAMARA. Well, these air operations will be directed primarily against South Vietnam. And the damage to these Vietcong bases is very great. It is this high level of air attack which is influencing Vietcong morale, which I reported on previously to the committee. I am not certain I gave to this committee extracts from the recent [deleted] report on this subject.

There has been some doubt expressed as to whether the air attacks in the south, on balance, were an advantage or disadvantage. You may have noticed Roger Hillsman, a former Assistant Secretary of State, publicly condemned them the other day. He doesn't know what he is talking about.

The CHAIRMAN. That is for sure.

Secretary McNAMARA. The fact of the matter is we have had independent reports from outside agencies who studied this matter at the scene. We chose them particularly because they were disassociated from the Defense Department. They included psychologists and so-

ciologists and others who could properly appraise the evidence presented to them in this field. Without any question whatsoever, the bombing in the south has been a net advantage to our cause, not only a net advantage, but a tremendous net advantage. And the people in the villages, who have been some times affected by bombing, have not become antagonistic toward either the Americans or the Government. They believe the Vietcong brought this upon them and they want to get rid of the Vietcong so they can get rid of the bombing.

Mr. LEGGETT. You indicate the margin of error on the B-52 bombing runs is [deleted.]

Secretary McNAMARA. The B-52 attacks, because of the fact they are area bombing attacks, are very carefully controlled in relation to population areas. The Joint Chiefs maintain a constant watch over those. General Westmoreland does also. And the commander of the Strategic Air Command does as well. We have been very, very careful. The President has desired this specifically. The commanders themselves have desired this. There is no dispute at all among us with respect to civilian casualties in B-52 attacks. We take every possible caution to avoid them.

Mr. LEGGETT. Is it your position the bombing today has raised the morale of the North Vietnamese in the north?

Secretary McNAMARA. No, I didn't say they raised the morale of the North Vietnamese. [Deleted.]

In the south, there is no question but what the bombing and the air operations have raised the morale of the South Vietnamese soldiers, raised the morale of the U.S. soldiers, and reduced the morale of the Vietcong.

Mr. LEGGETT. Would you compare the Vietcong strength today as against a year ago?

Secretary McNAMARA. Well, these are—

Mr. LEGGETT. Those are figures we have?

Secretary McNAMARA. Yes, these are difficult figures to pin down, because you can't be absolutely sure of the relative accuracy of today versus a year ago. A year ago it would have been something around 100,000 plus. Today we have around 200,000.

Mr. LEGGETT. Now, of this 130,000 increase, what numbers of those would be North Vietnamese?

Secretary McNAMARA. One further word on the year ago strength. I think it was [deleted] odd battalions a year ago and we believe [deleted] battalions today. It gives you some idea of what we think happened during the past year. As to the strength increase, I would guess that [deleted] percent of the increase in strength has been from personnel recruited largely by terror tactics, in the south, and the other [deleted] percent of increase by infiltration from the north. These are the roughest kind of estimates, because we are not sure of our evidence.

Mr. LEGGETT. There has been some evidence the South Vietnamese and the Vietcong are the best soldiers in the world. Is it your best estimate that is because of terror tactics?

Secretary McNAMARA. Well, I don't know that I would say they are some of the best soldiers in the world. They do fight. And we know that terror is applied to them. I read a report yesterday from Ambassador Lodge summarizing some of the latest information, and it just almost turned my stomach to read the report.

It happened to be a report of recent Vietcong recruiting tactics. They go into a village and kill 10 or 12 people, lay their bodies out in the street, get the village elder, cut off his head, put it on a pole, parade it around the town, and then go in and pick up the young males, 15 to 17 years of age, and take them off. I don't know whether you call it terror tactics, or not, but that is how they recruit.

Mr. LEGGETT. Over the last year, then, it is fair to say the North Vietnamese have infiltrated the south to the extent, say, of 40,000, which would be 40 percent of your 100,000, say 50,000?

Secretary McNAMARA. I said 20 percent, I thought. I think the level of infiltration during the past year, we estimate to be 20,000. I suspect it was quite a bit higher than that. I think that as time goes by, you will find us revising last year's infiltration estimate. But the current estimate of infiltration from the north last year was 20,000.

Mr. LEGGETT. That is at the rate of 1,500 a month?

Secretary McNAMARA. That is approximately correct.

Mr. LEGGETT. What kind of equipment are they bringing down there, any heavy equipment?

Secretary McNAMARA. Yes.

Mr. LEGGETT. Any mechanized?

Secretary McNAMARA. Some heavy equipment, some mortars, for example, that are heavy.

Mr. LEGGETT. No trucks?

Secretary McNAMARA. They are bringing trucks down but not into South Vietnam, itself. They are bringing them down to a transfer point in Laos.

Mr. LEGGETT. OK. I think that may be all the questions I have.

The CHAIRMAN. Thank you, Mr. Leggett.

Mr. IRWIN. I hope the American people will have the determination Mr. Leggett had here to stand by and ask questions, Mr. Chairman.

Mr. HÉBERT. He said yesterday all we need is patience.

The CHAIRMAN. All we need is patience.

Mr. IRWIN. I do not have too many questions to ask.

The CHAIRMAN. Go right ahead.

Mr. IRWIN. I have some things to say.

Mr. HÉBERT. Put them on the record.

Mr. IRWIN. Mr. Secretary, there is one long-term problem that I have had that I want to ask your help on. The other one is the one raised by Mr. Leggett.

The first is this: One of the real problems people like me—and I am an unswerving supporter of the administration's policy, and I am grateful you are Secretary of Defense, and we have the Chief of Staffs that we do—one of the real problems we have had over the past few years, when we looked at this problem and said, "What are the prospects," I think we have underestimated the time it was going to take. And this becomes a real problem of public morale. It is awfully hard for the public who isn't professionally trained to respond properly to these developments. And so I would like to ask you a question which maybe you think you answered already, and that is: What do you think the prospects are now as to time? And I would like you to give us, if you can, an exaggerated figure of your own estimate.

Secretary McNAMARA. I honestly cannot answer the question. I don't know what time will be required to accomplish our objective here. I have been accused—

Mr. BATES. You made that before.

Secretary McNAMARA. I was going to say I have been accused of being excessively optimistic in the past, and making erroneous estimates of the future course of the war in South Vietnam. If I may, Mr. Chairman, I would appreciate the opportunity to put into the record 59 statements on the outlook for South Vietnam that I made during the past 3 years, if I might at this point. I have it here, and I will give it to the reporter.

(The statements referred to above are as follows:)

EXTRACTS OF STATEMENTS BY ROBERT S. McNAMARA ON THE OUTLOOK IN SOUTH VIETNAM (JANUARY 1, 1963, THROUGH JANUARY 1, 1966)

1. *January 30, 1963, House Armed Services Committee*

As I have said before on several occasions, victory over the Vietcong will most likely take many years.

2. *February 10, 1963, AP interview*

QUESTION. What is your assessment of the prospects in South Vietnam a year after this country started its big drive to help the pro-Western government stamp out the Communist guerrillas?

ANSWER. You may recall that while I have expressed satisfaction on several occasions during the past year with the progress of the operations in South Vietnam, I have on each occasion cautioned against the conclusion that the progress is leading toward a near-term victory. On each occasion I have indicated that a period of years would be required to wipe out the Communist aggression in that country. Progress has been made, however, during this past year. I can cite some of the factors that lead me to make that statement * * *.

I cite these as favorable factors indicating that we believe the South Vietnamese Government and we have made progress during this past year. But I don't wish to indicate to you that that progress has resulted or will result in the near future in defeat of the Vietcong. We have blunted the attack, but we haven't defeated it.

3. *February 19, 1963, Senate Armed Services Committee*

Senator STENNIS. Mr. Secretary, I have noticed a release of a statement by you in relation to Vietnam in which you said in substance it would be a long, hard struggle. Could you specify a little more; you are not expecting any victory or any accomplishment there or termination of goals or anything like that for several years, is that right? That is what I inferred from your statement anyway.

Secretary McNAMARA. I hope for a gradual strengthening of the control of the government over the activities of that nation and a gradual weakening of the influence of the Vietcong. I think this will go on—I hope it will go on—for a substantial period in the future. I can't really put a number on the years involved, but I think it would be maybe 3 or 4 years.

4. *February 28, 1963, press conference*

QUESTION. Mr. Secretary, you were very optimistic in your foreword to your budget message about the progress of things in South Vietnam. General Wheeler was also optimistic. Are you still optimistic or do you think it may take a little longer?

Secretary McNAMARA. I don't believe I have ever indicated it would be other than a long, hard struggle extending over a period of years. I have felt that way in the past after each of my meetings with our commanders in South Vietnam and with the Ambassador in South Vietnam. I have so reported after each of the visits I have held with those individuals both in Honolulu and Saigon. I feel exactly the same way today. I am optimistic in the sense that progress is discernible. The drive of the Vietcong supported by the North Vietnamese against the established government in South Vietnam has been blunted.

There are a number of factors that are favorable, a number of indications that the South Vietnamese are stronger in relation to the Vietcong than they were a year ago. In that sense there has been progress. For that reason I am optimistic. But I am not predicting the termination of the conflict. It will be a long, hard, dangerous conflict. * * *

I want to repeat again that although there has been a favorable development in the ratio of Vietcong versus South Vietnamese casualties, a favorable development in the improvement in the ratio of arms captured by the South Vietnamese versus the Vietcong, a favorable development in the reduction in Vietcong incidents, nonetheless the Vietcong have been able to reinforce their forces, they have been able to replace all their losses, and they continue to function as a very dangerous arm of the North Vietnamese and Red Chinese Communist Parties.

5. June 13, 1963, Senate Foreign Relations Committee

Although the conflict [in Vietnam] will continue for some time to come, I believe we are making significant gains, particularly in the carrying through of the vital strategic hamlet program, in the gradual extension of Government control, and in the key indexes of comparative defection and the growth in spontaneous intelligence reflecting the growing loyalty and confidence of the people of Vietnam in their Government. It may be of interest to note that in recent weeks we have talked to representatives of other allied and neutral nations who have been observing the picture closely; they share the judgment that we are making significant progress against the Vietcong.

Senator AIKEN. I noticed that you * * * were more optimistic over the situation in Vietnam, and feel that that is coming to a successful conclusion.

McNAMARA. Senator Aiken, I would not wish to obscure the very serious crisis in that country associated with the conflict between the Buddhist sect and the Government. I think this is a cause for great concern. But excluding that factor, progress against the Vietcong, which I specifically referred to in my statement, has been very satisfactory indeed.

6. July 19, 1963, press conference

QUESTION. Do the religious problems in Vietnam have an active effect on the military effort?

McNAMARA. I think the effect of the religious controversy, or what started out, at least, as a religious controversy in Vietnam, has been limited to date on the military effort. The military operations in South Vietnam have been proceeding very satisfactorily and this is true no matter what method you apply to them. If you examine the casualty rates, the rate of incidents, the relative exchange of weapons, those gained versus those lost, the number of prisoners taken, the number of defectors, for example—any one of these measures that you apply to current military operations compared with those of a year ago, or 2 years ago, indicate that they have been proceeding very, very satisfactorily indeed. We are quite pleased with the results. But I don't think they can help but be affected if the current controversies, religious and/or political, continue into the future for any extended period of time. * * *

7. September 23, 1963, planeside press interview, Andrews Air Force Base

QUESTION. Could you summarize the purpose of your visit [to South Vietnam]:

McNAMARA. Yes. Until very recently the progress of the military effort of the South Vietnamese, assisted by the United States, against the Vietcong was proceeding very satisfactorily. It is our purpose to determine whether that military effort has been adversely affected by the unrest of the past several weeks. For that purpose, President Kennedy, after consultation with Ambassador Lodge, has asked General Taylor and me to visit Saigon and extensively review the military program there.

8. September 25, 1963, CBS interview

QUESTION. Might the war [in South Vietnam] be won on the battlefield and lost in Saigon?

McNAMARA. The current period is a difficult one to appraise. Certainly, instability has been accentuated in the last several weeks by the actions of the Government. It is entirely possible that they have alienated important elements of the population, and unless the Government and the population can work together in a unified effort to defeat the Vietcong, they won't be defeated.

9. October 2, 1963, White House statement

1. The security of South Vietnam is a major interest of the United States as other free nations. We will adhere to our policy of working with the people and Government of South Vietnam to deny this country to communism and to suppress the externally stimulated and supported insurgency of the Vietcong as

promptly as possible. Effective performance in this undertaking is the central objective of our policy in South Vietnam.

2. The military program in South Vietnam has made progress and is sound in principle, though improvements are being energetically sought.

3. Major U.S. assistance in support of this military effort is needed only until the insurgency has been suppressed or until the national security forces of the Government of South Vietnam are capable of suppressing it. Secretary McNamara and General Taylor reported their judgment that the major part of the U.S. military task can be completed by the end of 1965, although there may be a continuing requirement for a limited number of U.S. training personnel. They reported that by the end of this year, the U.S. program for training Vietnamese should have progressed to the point where 1,000 U.S. military personnel assigned to South Vietnam can be withdrawn.

4. The political situation in South Vietnam remains deeply serious. The United States has made clear its continuing opposition to any repressive actions in South Vietnam. While such actions have not yet significantly affected the military effort, they could do so in the future.

10. November 19, 1963, planeside interview, Hickam Air Force Base

QUESTION. We've heard several optimistic reports of General Harkins of the [SVN] war there and how our American boys are still dying over there, and we noticed today that there was another insurgency action. When can we expect that you are going to start ordering the American boys to start coming home from that war?

McNAMARA. I expect that the return of certain U.S. personnel will be one of the subjects we will discuss at this meeting. It is our objective to provide the training and logistical assistance which the South Vietnamese Government has requested of us, and upon completion of certain facets of that training, small numbers of the U.S. personnel will be able to return by the end of this year.

QUESTION. Do you consider that the change of regime in Vietnam makes possible a more decisive action now to end the war?

McNAMARA. I think it is quite clear that the previous regime had lost the support of large segments of the population, and a war of this type—a war against guerrilla action, a war against subversion—can only be won with the full support of the people. I think this Government is bound to have, and is already receiving, more support than the previous one either had or deserved.

11. November 21, 1963, planeside statement, Andrews AFB

The meeting that was held yesterday [in Hawaii] was attended by Secretary Rusk, General Taylor, and myself, and other representatives of this Government. It was a very fruitful worthwhile discussion; we reviewed in great detail both economic and military programs of assistance to South Vietnam. We are very encouraged by the excellent working relationships which have developed between our representatives and the new Government in South Vietnam, and we are equally encouraged by the prospects for progress in the war against the Vietcong.

12. December 21, 1963, remarks at the White House

The members of my party and I returned this morning from South Vietnam. We have just completed our report to the President of our observations. We observed the results of the very substantial increase in the Vietcong activity, an increase that began shortly after the new Government was formed, and has extended over a period of several weeks.

During this time, the Vietcong have attacked, and attacked successfully, a substantial number of the strategic hamlets. They have burned the houses, the fortifications, and in many cases have forced the inhabitants to leave. The rate of that Vietcong activity, however, has substantially dropped within the past week to 10 days.

This rapid expansion of activity, I think, could have been expected. It obviously was intended to take advantage of the period of organization in the new Government, a period during which there was a certain amount of confusion—confusion that you might have expected would result from the replacement of the province chiefs and other key administrators in the Government.

We reviewed in great detail the plans of the South Vietnamese and the plans of our own military advisers for operations during 1964. We have every reason to believe they will be successful. We are determined that they shall be.

13. January 27, 1964, House Armed Services Committee

The situation there continues grave. Last September we had hoped we could bring sufficient pressure to bear on the Diem government to persuade it to aban-

don its oppressive measures against the Vietnamese people and get on with the task of winning the war against the Vietcong. Although the military situation in the delta region was still very bad, good progress had been made in the northern areas and especially noteworthy work had been done in the key coastal provinces where Vietcong strength had once threatened to cut the country in half. In the central area and the highlands, progress had been steady, though slower. The situation was still difficult in the provinces to the west and north of Saigon itself. Throughout the northern two-thirds of the country, the strategic hamlet program had developed very well and freedom of movement in the rural areas had grown steadily. We concluded then that top priority should be given to the delta region which contains approximately 40 percent of the population. This region has traditionally resisted central authority. It is the center of Vietcong strength, and the swampy nature of the terrain makes it the most difficult area to pacify.

The first step in that direction had already been taken by September when a third division was moved to the delta. But we felt that additional measures were needed, particularly the consolidation, rather than the further spread, of strategic hamlets; the elimination of many fixed outposts; better hamlet defenses; and more trained hamlet militia. We also felt that the regular Republic of Vietnam Army units should be reserved for use in mobile actions and for "clear and hold" operations in support of the strategic hamlet program.

With these further measures in view, we felt that a start could be made in reducing the number of U.S. military personnel in Vietnam as their training missions were completed. Accordingly, we announced that about 1,000 men were to be withdrawn by the end of 1963 and expressed the hope that the major part of the U.S. military task could be completed by the end of 1965, although we recognized that there might be a continuing requirement for a limited number of U.S. advisory personnel.

In this connection, we must recognize that the U.S. advisory effort cannot assure ultimate success. This is a Vietnamese war, and in the final analysis it must be fought and won by the Vietnamese. To leave our advisers there beyond the time they are truly needed would delay the development of Vietnam's initiative. Therefore, it has been our policy to transfer U.S. responsibilities to the Vietnamese wherever this can be done without impairing the total war effort.

Unfortunately, the Diem government did not choose to follow the advice we offered. In November that government was overthrown and replaced by a new government made up of military officers and civilians. The Vietcong was quick to take advantage of the growing opposition to the Diem government and the period of uncertainty following its overthrow. Vietcong activities were already increasing in September and continued to increase at an accelerated rate in October and November, particularly in the delta area. And I must report that they have made considerable progress since the coup.

The new Government, however, has considerably more popular support than its predecessor and the military revolutionary committee is beginning to take action to intensify military operations and to improve civil administration. The strategic hamlet program which had been overextended in the delta area is now being built more solidly. And the new Government is now applying "clear and hold" tactics in that area.

We hope that, with our full support, the new Government can take hold and eventually suppress the Vietcong insurrection. The dry season will give us a firmer basis for this judgment. However, the survival of an independent government in South Vietnam is so important to the security of all of southeast Asia and to the free world that I can conceive of no alternative other than to take all necessary measures within our capability to prevent a Communist victory. We must prove that Communist aggression cannot succeed through subversion, but will fail as surely as it has failed in direct confrontation.

14. January 27, 1964, Brinkley on NBC

McNamara said the war in South Vietnam has improved very little, if any, since the new Government took over, and he thought the United States must take all necessary measures to prevent a Communist victory.

15. January 27, 1964, CBS-TV

Cronkite reported that McNamara's progress report on the war against communism in Vietnam was far from optimistic. He confirmed reports that the enemy had successfully taken advantage of the change in regimes there.

McNAMARA [in film clip]: I think we should go back to the period immediately following the coup. As you might have expected, there was a period of insta-

bility during the reorganization of the Government. The Vietcong, the Communist insurgents, took advantage of that period of instability, increased the rate of their attacks and greatly increased the pressure they were putting on the South Vietnamese, particularly in the rice-rich delta area south of Saigon.

That period of increased Vietcong pressure endured both through November and December. Since that time, however, Government forces have been greatly strengthened, and we're seeing a reversal of that situation today. Much remains to be done.

16. January 28, 1964, Pentagon press conference

QUESTION. Could you expand a bit on your statement about the war in Vietnam which you made to the House committee yesterday?

McNAMARA. The situation in Vietnam is this: The coup took place on November 2, and at that time the military junta took control of the political administration of the country, and there was what you might have expected—a period of turmoil and instability, uncertainty, as the responsibility for the Government shifted.

The Vietcong took advantage of that, as you would have expected they would. They increased the intensity of their attacks, increased the number of their attacks several fold, and particularly in the area south of Saigon, the delta area, major portions of which had been under the control of the Communists for more than 20 years, way back into the early 1940's.

The Communists moved in, and never at any time since roughly 1940 have major areas of the delta been under the control of anyone other than the Communists. In any event, the Vietcong, expanding from those Communist bases, those long-held Communist bases in the delta, raised the intensity of their attacks, and had many successes during the period of November and December as the new Government formed and consolidated its activities.

The Government was made up of military leaders primarily, as you know, excluding the Prime Minister To, who was a civilian. But General Don, General Minh, General Dinh—all of the others that are members of that committee—in effect held dual roles. They retained their responsibility for direction of military operations while at the same time they assumed this additional responsibility for the administration of the political and economic institutions of that country, a country under severe attack from the Communists.

You can imagine, therefore, that something suffered, and I think that what suffered was the military administration or the administration of military operations, as their attention was forced onto these political and economic problems. They took action, as I remember, toward the latter part of December or early in January, to divide their responsibilities, appointed additional military commanders, sorted out the responsibilities so that greater concentration on military problems was possible, and there has been a very noticeable improvement in the operations as a result.

The Vietcong attacks have decreased in intensity and number and the Government successes have increased. The situation in the delta remains grave, but I am encouraged by the progress of the last 2 week.

17. February 3, 1964, Joint Senate Armed Services-Appropriations Committee

QUESTION. Would you make a few comments about the new South Vietnamese Government?

McNAMARA. I can't speak with any real authority on it. I spent considerable time with General Khanh during my visits to Vietnam. He has impressed me as a very intelligent, articulate, courageous, aggressive, determined army commander. I felt that before he entered the Government last week and I feel it today. But I speak of him in my association with him as an army commander, not as a Chief of State. I am not prepared to evaluate his qualities in that latter role, although I think that many of the characteristics that I have observed in him as an army commander will stand him in good stead in his role as Chief of State.

* * *

McNAMARA. Last fall I was not as optimistic perhaps about the course of the war as I was about being able to bring back our personnel in certain numbers by the end of last year and also in increments. I still am hopeful of doing that. We did, of course, bring back a thousand men toward the latter part of last year. I am hopeful we can bring back additional numbers of men. I say this because I personally believe this is a war the Vietnamese must fight. It is a guerrilla war that must be fought by Vietnamese counteracting the local Vietcong guerrillas. I don't believe we can take on that combat task for them. I do believe we can carry out training. We can provide advice and logistical assistance. But after

all, the training, by the very nature of the work, comes to an end at a certain point. We will have started this expanded training program and carried it out for a period of 4 years, by the end of next year.

I don't believe we should leave our men there to substitute for Vietnamese men who are qualified to carry out the task. This is really the heart of our proposal. I think it was a sound proposal then and I think so now. I don't in any way wish to minimize the difficulties we face in Vietnam. I think they are great but I do believe we must count on the Vietnamese to carry the burden of the war, particularly in terms of supplying men to carry out the combat tasks.

QUESTION. How about the new leaders in South Vietnam? Do they have any more appeal to the local people than their predecessors?

McNAMARA. I don't know. I can't really speak to that other than to say that in the 2d Corps area, which was General Khanh's corps, I was very impressed by what little a Westerner could observe of the relationship between the commanding general of the corps and the local people. I visited numerous hamlets and villages with him during various trips to South Vietnam in his corps area and everywhere he was very well received by the local people. Whether that condition will carry on in his present role, I can't say.

18. March 5, 1964, Pentagon press conference

QUESTION. How are we doing in South Vietnam?

McNAMARA. During [the past 4 months] the country has had three Governments, each of the new Governments has changed Cabinet members, each of the new Governments has changed provincial governors, and each of the new Governments has made changes in the senior military leadership. The Vietcong have sought to take advantage of the resulting period of confusion. They have substantially increased their rate of incidents, their terror attacks, their harassments, and their military attacks upon the Vietnamese. That level of attack is higher to day than it was 6 months ago, it is lower today than it was at some times within the past few weeks, and it is lower today than it was in November and December. What the future holds, I can't say.

19. March 6, 1964, planeside at Hickman AFB

QUESTION. You were quoted yesterday as saying that the situation now in Vietnam was grave. Is that a correct summing up of your views?

McNAMARA. Yes, I think so.

20. March 17, 1964, White House release

Secretary McNamara and General Taylor today reported fully to President Johnson and the members of the National Security Council [on the situation in South Vietnam].

Comparing the situation to last October, when McNamara and General Taylor last reported fully on it, there have unquestionably been setbacks. The Vietcong have taken maximum advantage of two changes of Government, and of more long-standing difficulties, including a serious weakness and overextension which had developed in the basically sound hamlet program. The supply of arms and cadres from the north has continued; careful and sophisticated control of Vietcong operations has been apparent; and evidence that such control is centered in Hanoi is clear and unmistakable.

To meet the situation, General Khanh and his Government are acting vigorously and effectively. They have produced a sound central plan for the prosecution of the war, recognizing to a far greater degree than before the crucial role of economic and social, as well as military, action to insure that areas cleared of the Vietcong survive and prosper in freedom.

[The details of the plan were outlined.]

Secretary McNamara and General Taylor reported their overall conclusion that with continued vigorous leadership from General Khanh and his Government, and the carrying out of these steps, the situation can be significantly improved in the coming months.

21. March 24, 1964, House Appropriations Committee

The situation as we find it is as follows: We believe that the military tools and the concepts which the Government of South Vietnam and the United States have employed are generally sound and adequate. We think some improvements are required as I will mention in a moment.

We believe that the U.S. policy in reducing U.S. military personnel in South Vietnam as the Vietnamese become capable of carrying on the logistical training

and other programs which we are presently supplying to them is sound and should be continued.

As to the situation itself, I believe it has been unquestionably growing worse since last September. This deterioration can be measured in a variety of ways.

As another indication of the deterioration, I think that there are large groups of the population today that are showing signs of apathy and indifference. You can measure this in terms of desertion rates or in terms of draft dodging or in terms of the obvious morale or lack of morale of the militia forces.

I think in the past 90 days there has been some noticeable weakening of the Government position.

Another factor affecting the present situation that must be recognized is that the political control structure in a country which extends from Saigon down through the provinces and the districts and into the hamlets has, in certain cases, practically disappeared following the November 1 coup and you can measure the deterioration of the political control structure by such factors as the shifts in the number of provincial governors.

Furthermore, almost all of the major military commands have changed hands twice since the first of November. You can imagine, therefore, the disorder and confusion that resulted because of these administrative changes.

Another factor of importance in the present situation is the very strong, continued support of the insurgency movement by the North Vietnamese. You can measure this in various ways. One of the significant factors we have encountered in the last few months is weapons of higher caliber than we had seen previously—weapons supplied by the North Vietnamese, including 75-millimeter recoilless rifles, manufactured by the Communist Chinese, large stocks of machine-guns and ammunition of Chinese manufacture.

We captured in one attack on the 24th of December 5 tons of ammunition, 90 percent of which was of Chinese Communist manufacture. I think the greatest factor of uncertainty in the present situation, at least when we arrived in South Vietnam, was the untested Khanh government. You recall he took control on January 30. We feared that his control might be weak and subject to change at almost any time. Investigation on the scene, including consultation with all of the leading U.S. representatives, military and civilian, convinced us that General Khanh does have the general support.

On the positive side there are many favorable factors. Khanh, himself, I felt, based on previous trips, is one of the most active, most aggressive, most imaginative, ablest of the senior military leaders in South Vietnam. He is only 37 years old. He has had little political experience, but despite those handicaps, he brings an active, imaginative, energetic personality to the position of head of state. He has already instituted a number of reforms. He has laid out a national mobilization plan. He is taking his story to the people. He recognizes that the defeat of the Vietcong in the long run depends on political and economic action, at least as much as it does on military action.

We discussed with him and agreed upon a program of increased effort by the Vietnamese, and increased support by the United States.

This program would include, for example, increasing the strength of the regular and paramilitary forces. It would include reorganizing certain of the paramilitary forces. It would include changing the composition of some of the forces in order to improve the pay of those who are actually bearing the brunt of the casualties today. It would include substantially improving the Vietnamese Air Force. It would include additional forms and quantities of equipment for both their army and their air and naval forces. It would particularly include action to increase the productivity of their rice farms, by adding fertilizer in quantities above those previously programmed.

22. March 26, 1964, speech at NSIA dinner

When President Diem appealed to President Kennedy at the end of 1961, the South Vietnamese were quite plainly losing their fight against the Communists, and we promptly agreed to increase our assistance.

Fourteen months later, in early 1963, President Kennedy was able to report to the Nation that "the spearpoint of aggression has been blunted in South Vietnam." It was evident that the Government had seized the initiative in most areas from the insurgents. But this progress was interrupted in 1963 by the political crises arising from troubles between the Government and the Buddhists, students, and other non-Communist oppositionists. President Diem lost the confidence and loyalty of his people; there were accusations of maladministration and injustice. There were two changes of government within 3 months.

The fabric of government was torn. The political control structure extending from Saigon down into the hamlets virtually disappeared. Of the 41 incumbent province chiefs on November 1 of last year, 35 were replaced. Nine provinces had three chiefs in 3 months; one province had four. Scores of lesser officials were replaced. Almost all major military commands changed hands twice. The confidence of the peasants was inevitably shaken by the disruption in leadership and the loss of physical security. Army and paramilitary desertion rates increased, and the morals of the hamlet militia—the "Minutemen"—fell. In many areas, power vacuums developed causing confusion among the people and a rising rate of rural disorders.

The Vietcong fully exploited the resultant organizational turmoil and regained the initiative in the struggle. For example, in the second week following the November coup, Vietcong incidents more than tripled from 316, peaking at 1,021 per week, while Government casualties rose from 367 to 928. Many overextended hamlets have been overrun or severely damaged. The January change in Government produced a similar reaction.

In short, the situation in South Vietnam has unquestionably worsened, at least since last fall.

The picture is admittedly not an easy one to evaluate and, given the kind of terrain and the kind of war, information is not always available or reliable. The areas under Communist control vary from daytime to nighttime, from one week to another, according to seasonal and weather factors. And, of course, in various areas the degree and importance of control differ. Although we estimate that in South Vietnam's 14 million population, there are only 20,000 to 25,000 hard-core Vietcong guerrillas, they have been able to recruit from among the South Vietnamese an irregular force of from 60,000-80,000—mainly by coercion and bandwagon effect, but also by promising material and political rewards. The loyalties of the hard core have been cemented by years of fighting, first against the Japanese, then against the French, and, since 1954, against the fledgling Government of South Vietnam. The young men joining them have been attracted by the excitement of guerrilla life and then held by bonds of loyalty to their new comrades in arms, in a nation where loyalty is only beginning to extend beyond the family or the clan. These loyalties are reinforced both by systematic indoctrination and by the example of what happens to informers and deserters.

Clearly, the disciplined leadership, direction, and support from North Vietnam is a critical factor in the strength of the Vietcong movement. But the large indigenous support that the Vietcong receives means that solutions must be as political and economic as military. Indeed, there can be no such thing as a purely "military" solution to the war in South Vietnam.

The people of South Vietnam prefer independence and freedom. But they will not exercise their choice for freedom and commit themselves to it in the face of the high personal risk of Communist retaliation—a kidnapped son, a burned home, a ravaged crop—unless they can have confidence in the ultimate outcome. Much therefore depends on the new Government under General Khanh, for which we have high hopes.

Today the government of General Khanh is vigorously rebuilding the machinery of administration and reshaping plans to carry the war to the Vietcong. He is an able and energetic leader. He has demonstrated his grasp of the basic elements—political, economic, and psychological, as well as military—required to defeat the Vietcong. He is planning a program of economic and social advances for the welfare of his people.

Conclusion: The road ahead in Vietnam is going to be long, difficult, and frustrating. It will take work, courage, imagination, and—perhaps more than anything else—patience to bear the burden of what President Kennedy called a "long twilight struggle." In Vietnam, it has not been finished in the first hundred days of President Johnson's administration, and it may not be finished in the first 1,000 days; but in cooperation with General Khanh's government, we have made a beginning.

23. April 24, 1964. Pentagon press conference

QUESTION. How is the fight in Vietnam going?

McNAMARA. I think you have to examine two activities in Vietnam at the present time. One is the establishment of a strong political institution and the other is the military campaign. I said before and I want to repeat again that I believe the most important single action that can be taken in Vietnam today is the establishment of a stable political institution. Without that, no military campaign can be conducted effectively. When I first met General Khanh a year or two

ago, long before he was head of the Government, I was very favorably impressed by him. He is a strong, aggressive, active, intelligent individual. He is providing strong direction for that Government. But the Government has gone through a very traumatic period since the 1st of November and it is far from the strong government that he wishes to establish. It is much stronger today than it was a month ago. It is stronger today than it was approximately 2 months ago on January 30 when he took over. In the period between November 2 and January 30, the Government has been run by a committee. I don't believe a committee can possibly run a government effectively when that government is under the pressure of Communist attack as Vietnam is today.

So, in the sense that the political institutions are becoming more effective or becoming more unstable, progress is being made. Now during this period, of course, there have been numerous changes in the administration of the provinces. I think I told you before that some 35 or more of the 41 or so province chiefs have been changed at least once in the last 90 or 120 days. In 9 or 10 of those provinces there have been 3 changes. It is as though you had three governments in a State in our country in 90 days. In one of the provinces there have been four changes. All of the senior military leaders have been changed at least twice in the last 90 to 120 days. And there have been corresponding changes at lower levels of both political and military administration.

As you can well imagine, this has created disorder—there has been a vacuum. Into that vacuum the Vietcong have penetrated. Their rate of activity has increased dramatically as has their fatality rate. If I remember the figures, they lost about 650 men killed or taken prisoner during the past week. This is, I think, the highest total than at any other time in the last 2 or 3 years. The Government forces have been under considerable pressure as a result of the increased level of Vietcong attacks. They have also responded with amazing speed and effectiveness. Their fatalities, however, and their casualties, have been high, again, the highest in the last 2 to 3 years.

I think we should expect a period here when the Vietcong will continue to try to take advantage of the disorder and the vacuum that results from the series of very rapid changes of political and military personnel in the last 90 to 120 days.

I think it will be several months before we see any substantial progress. I think I said when I came back in March that it would be 4 to 6 months before any dramatic progress was visible.

24. May 6, 1964, Advertising Council

QUESTION. Please comment on the situation in Vietnam.

MCMANARA. The problem is a very difficult problem. We've had three governments in a period of 5 or 6 months. You may recall that President Diem's government was overthrown on November 2, and the committee form of government that General Minh introduced at that time was replaced by General Khanh's government on January 30. Each of these governmental changes has brought about what you might expect, a period of turmoil in the administrative agencies. There are about 40-odd provinces in South Vietnam. In a sense, these correspond to our States. Of the 41 province chiefs—41 incumbent province chiefs on the 1st of November—35 have been replaced; in 9 of the provinces, there have been three changes in provincial chiefs since November 1, and in one of them there have been four.

Similarly all of the major military commanders have been replaced at least once, and many of them two or three times. And these personnel changes have filtered down into the districts and the villages and the hamlets as well. So that there's been a period of disorder, a period of administrative chaos that has followed these governmental changes. And the Vietcong, the Communist Vietcong, have taken advantage of this, as you might have expected they would. They raised the level of their tax and increased the intensity of their tax. Of course, their casualties, their fatality rates have risen very substantially. The Communist fatality rates have risen very substantially as a result of this increased level of attack. But so have the casualty and fatality rates of the Government forces.

It is a very serious situation there. The first requirement for progress is a stable government. We believe that General Khanh is making progress toward that objective. He's 37 years old; he's had very little formal education, none other than in military fields—he attended our Command and General Staff School, for example, at Leavenworth, Kans.—but he's had no formal education in economic theory, political theory; he's had no real experience in political-eco-

conomic administration, and you can imagine the burden placed on that man when he suddenly catapulted into the position of head of state of a country which is facing the most intense pressure from the Communist bloc, particularly North Vietnam, which is infiltrated with Communist agents who are receiving material and support from outside the borders of that country, a country which has not had a tradition of self-rule, a country which lacks the educated class necessary for efficient administration of both the political structure and political institutions and economic institutions. It's a tremendous burden to place on one man.

Fortunately, he's an active, aggressive, intelligent, decisive individual. Without question, he's the ablest general—in my opinion—among the Vietnamese forces. He's acting with considerable skill and he's doing much to strengthen the political base which, as I say, is absolutely essential if we're to achieve economic and military progress.

I think we'll begin to see signs of that progress in the months ahead. It's going to be slow, however; the war's going to be long; it can't be won quickly—no guerrilla war has ever been won quickly; this one must be won by the Vietnamese themselves. If they're to win it they just have to have a stable political structure within which to operate. We can provide advice; we can provide logistical support; we can provide training assistance, but we cannot fight the war itself.

25. May 14, 1964, planeside interview at Andrews Air Force Base

QUESTION. What is the outlook for the war in South Vietnam?

McNAMARA. As you know, the Vietnamese are fighting an antiguerrilla war and antiguerrilla campaign against the Communist insurgents. It's going to be a long war. It will be a hard war. The path to victory will be long and it will take courage and imagination for both the Vietnamese and for our forces who are assisting them to assure success, but I firmly believe that the persistent execution of the political-military plans which the Government of Vietnam has developed to carry out the war with our assistance will lead to success.

26. May 14, 1964, remarks to White House press

There is no question in the minds of General Taylor and me but what the Communists have stepped up their rate of attack in recent weeks in South Vietnam primarily against the rural population and primarily in the form of tactics designed to harass the rural population, to instill terror in them, to erode away their confidence in the ability of their Government to provide for their physical security.

These attacks have taken the forms of kidnappings, ambushes, murders, terror of every form. They have been directed particularly against the leaders of the Provincial governments, the district governments, the villages. They have kidnapped district chiefs, for example, and literally cut off their heads. They have ambushed the officials of the districts and the Provinces. One of these ambushes took place while we were there.

The rate of kidnappings, murders, ambushes has increased very substantially in recent weeks. It is absolutely essential, therefore, that the Government of Vietnam increase its activity to counter these attacks and that we consider ways and means through increased economic assistance, increased military support to assist the Government of Vietnam in that activity.

We have agreed with them that their regular military forces and their paramilitary forces must be increased in size very substantially and very soon. We have agreed that the number of aircraft in the Vietnamese Air Force must be increased.

* * *

QUESTION. What would be your estimate of how many more U.S. training personnel would be needed in Vietnam?

McNAMARA. I think on balance the number is not likely to increase substantially.

27. May 20, 1964, remarks on CBS-TV after appearing before House Committee on Foreign Affairs

QUESTION. Did the committee members seem reassured?

McNAMARA. They did indeed, as I think they should be. The behavior of U.S. military personnel in South Vietnam carrying out their role of advisers to Vietnam is outstanding. Everyone of us should be proud of it; every citizen of this country should be proud of it. We should be proud of the Vietnamese. They

are fighting for their independence. It is going to be a long, hard war, no question about it. But they are willing to fight and die for their independence. We should be willing to support them to that end. Every senior American I know of, civilian and military, in South Vietnam—the Ambassador, General Harkins, commander of the Military Assistance Command, every other man I talked to—believes that persistent application of our plans will lead to success. I'm certain it will.

28. May 21, 1964, speech before National Industrial Conference Board

I was in Vietnam again last week, as you know. I found some progress in the fight there—progress toward “bottoming out” the difficulties caused by the recent double change in government—but the journey ahead will still be long, difficult and frustrating.

29. July 15, 1964, Pentagon press conference

QUESTION. Would you give us your appraisal of the situation in South Vietnam, particularly whether new directives have been given to cope with the increasing number of ambushes?

McNAMARA. I think the point to recognize is not the few dramatic episodes of the last week or two, but rather, the continued high level of Vietcong incidents, harassment, terror tactics, kidnaping, murder, these Vietcong-initiated activities are continuing at a high level. As long as they continue at that level, the security of the people is in doubt. As long as the security of the people is in doubt, their allegiance to the Government is in doubt. This is the underlying problem in South Vietnam. This is the problem to direct your attention to.

At the same time that I emphasize the continued high level of incidents, I also want to point out two or three very favorable factors and developments in the last few weeks.

We were quite concerned about the high desertion rate or the increasing desertion rate earlier this year. I reported that, I believe, in March and April. Since that time the desertion rate has dropped dramatically, for a variety of reasons; in part, because of the new pay practices. You may remember that this was one of the major recommendations that we made in March. It is one of the reasons why it was necessary to increase our foreign aid, economic and military assistance, to Vietnam, as was done in June. It is having its effect. It is cutting the desertion rate. Not only is the desertion rate dropping, but the recruitment rate has increased substantially, with the result that the total strength of the regular and paramilitary forces in Vietnam is increasing for the first time in many, many months. This is a highly favorable factor. It is due, as I say, in part to the change in the compensation system and in part it reflects, I believe, an improvement in the morale of the people of that country.

QUESTION. On South Vietnam, you mentioned some favorable factors and you mention two: one, the increasing or the reduction in the increasing desertion rate, and the other the recruitment. Was there anything else?

McNAMARA. I don't think we can expect to give day-to-day accounts of the improvement or retrogression in the situation. But I do call your attention again to this one important point: that the rate of Vietcong incidents is high. As long as that rate of incidents is high, and by an “incident” I mean a terror attack. As long as that incident rate is high, it means that the security of the people is low. As long as the security of the people is low in certain areas of the country, their allegiance to the Government will be in doubt. It is that which makes the problem for us. It is going to take a long, long time to overcome it.

30. October 22, 1964, Pentagon press conference

QUESTION. Is the situation in South Vietnam better or worse than it was a year ago?

McNAMARA. I think it is a serious situation today. It was serious a year ago. Today is October 22. A year ago it was 8 or 10 days before the coup that resulted in the removal of President Diem. You will recall that at that time discussions were taking place. General Taylor and I had returned from a trip to Vietnam in September a year ago and at that time we said it was a very serious situation, serious because of political instability. That, of course, is a primary problem today. The Vietnamese are themselves developing a new structure for their Government. They are planning a transition from the current government of which Premier Khanh is head, to a new structure sometime within the next week or two.

When they ask for our advice, we are giving it to them in connection with both the structure and the movement toward that new government. This is an extremely important development in their struggle against the Vietcong.

In addition to the political problems that they face, problems of instability, problems of change of political institutions, the military situation is serious. The Vietcong remain incapable of meeting the regular forces in any formal engagement. The regular military forces have power sufficient to overcome any Vietcong elements that have been placed against them. The Vietcong, therefore, as you might have expected, have concentrated on the terror attacks on the paramilitary forces or in the countryside. These terror attacks have increased in number. They have increased in intensity. They have increased in the number of fatalities and casualties that result therefrom. They are very serious.

Along with the increase in the number and intensity of terror attacks the Vietcong casualties have risen, as have the casualties of the Government forces. The casualties of the Vietcong last week for example, were about twice the level of the previous week, and the casualties of both the Government and Vietcong forces are higher today than they were a year ago.

31. November 10, 1964, press conference, Texas

QUESTION. Would you give us your latest assessment of the chances of winning the war in Vietnam?

McNAMARA. I think that it's important to recognize what our objectives are in Vietnam. Our objectives are not to align Vietnam to the West as an ally of the West; our objectives are not to utilize the soil of Vietnam as a military base of the West; our objectives are to insure the continued independence of that nation and to insure that it remains free from Communist domination. That has been our objective; that is our objective. I believe we will achieve it. I think some progress has been made recently.

During the past year, we've had a series of problems out there, largely political in character, as you are well aware. In 12½ months we've had four governments and in a society that is under as intense pressure as that society is—political, economic, military pressure—you can imagine the instability in all of those fields brought about by the series of changes in government.

At last we have a civilian government, a government that gives some indication of being able to develop a consensus among the power groups in the nation and move the nation ahead to a more effective response to the Vietcong guerrillas that are attacking and harassing the people.

So I think that today, as compared to a month or two ago, we can look ahead with greater confidence. And I don't want to overstate the case, because during the past 12 months, the Communist guerrillas, recognizing that they did not have the power to confront in open conflict the established military forces of that country, have greatly accelerated and expanded the terror attacks upon the political infrastructure of that country. And when I say the "political infrastructure," I mean their attacks upon the political authorities in every echelon, starting at the lowest level, the hamlet, and proceeding up through the village, the district, the Province, and even the National Government in Saigon. These attacks, these terror attacks, have been very successful. I've forgotten the exact figures, but I think these are rough approximations that in the past 12 months the Vietcong have killed about 500 government officials at all echelons of government and kidnapped an additional 500. To put that in perspective, you have to recognize the total population of South Vietnam is on the order of 12 or 14 million and a portion of that is already under the Vietcong control. So if you take the remaining portion and maybe multiply by 15 to make it comparable to this country and then think of 15,000 government officials in this country being murdered or kidnapped in a period of 12 months, it will give you some idea of the very intense pressure that that society is under. And the fact that those people have been willing to continue to fight, to absorb fatalities at the very high rate at which they are absorbing them, and still to retain sufficient capability as a fighting unit to force the Vietcong into covert as opposed to overt operations, I think it's a tremendous accomplishment and I think sometimes we become weary ourselves, psychologically weary, and spiritually weary, when we look at what we've done.

I've been associated with this 4 years; the Nation's been associated with it for 10. We're going to be associated with it for many years in the future. I'm sure, before we eventually achieve this objective that I mentioned. But I personally believe we can achieve it.

32. February 24, 1965, Senate Armed Services and Appropriations Committees

The present situation in South Vietnam is grave but by no means hopeless. On the purely military side there remains a familiar series of problems—the increasing Vietcong capabilities, and the losses of combat experienced South

Vietnamese small unit leaders and soldiers. However, the past year has also brought some encouraging developments. The regular South Vietnamese forces have been considerably strengthened by the continuing flow of new equipment and by the additional training and operational experience. In open battle, the Vietnamese forces have shown encouraging progress in operational planning, in reaction time, and in interservice coordination. The combat performance of regular troops continues to inspire confidence and toward year's end we noted improvements in recruiting and in active duty strength. The approximately 23,500 U.S. military personnel now in South Vietnam continue to carry out their complex advisory and support missions, in headquarters and in the field, with the skill, dedication, and bravery we have come to expect of our Armed Forces.

QUESTION. I believe it was yesterday you reported in public some extraordinary activity on the part of the Vietcong to cut South Vietnam in half. Can you give us the latest report on this situation?

McNAMARA. Well, there has been a very disturbing movement of the Vietcong in the center of Vietnam. In the Kontum area, roads have been cut between the coast and the highlands. The railroad has been cut between Nha Trang and Da Nang. Certain of the roads going north of Kontum have been cut, and the Vietcong have in the Quang Ngai Province and in the province just south of Quang Ngai greatly increased their control of the territory and the population, all this in recent weeks. Exactly what this means and how far it will go we don't know, but it is a disturbing set of actions.

33. March 2, 1965, House Appropriations Committee

QUESTION. As a South Vietnamese war which we have supported, we seem to have been on the overall losing ground consistently, I believe. Would you agree?

McNAMARA. No, I do not believe consistently. If you go back over a period of time, the South Vietnamese with our assistance have strengthened their position in the latter part of 1961, 1962, and much of 1963. The situation has deteriorated, I think, over the past year. Today I would characterize it as grave, but it is certainly not hopeless.

* * *

QUESTION. If we continue our military and economic support of the Government of South Vietnam at the present rate and scope and the Vietcong continue their present level of effort, in your judgment how many more years will pass before a conclusion is reached?

McNAMARA. I really can't say. I think the period of time required to counter effectively a substantial guerrilla effort of the kind that currently exists in South Vietnam is great, and whether it is 1 year, 2 years, or more, I really can't say, but a long period of time is required to reintroduce effectively peace and stability into a nation that has been torn apart as has been South Vietnam.

* * *

QUESTION. Would it be fair to say that we will be sitting here next year talking about this inconclusive, difficult, costly problem of about the same complexity in South Vietnam that we have today? Is that a reasonable position for me to take?

McNAMARA. It is difficult for me to forecast the course of events in southeast Asia, but I want to repeat what I said a moment ago: An effective opposition to a guerrilla campaign requires an extended period of time for the results to be clear. I don't believe that we can be effective in South Vietnam in a short period of time. We expanded our efforts at the end of 1961. We have been there now 3-plus years on an expanded basis. We have been there pursuing these objectives—the same objectives we have today—for 10 or 11 years, and I think that it will be more before we achieve them.

The form of our action in the future, whether it be political, economic, or military, is difficult for me to predict.

* * *

QUESTION. We find ourselves in a situation where two-thirds of the country is overrun by Communists. They have almost cut it in half. The Government is a shell. Do you feel that anything is being done now which can be expected to reverse this situation?

McNAMARA. First, let me say that while the control of the countryside and the population by the Vietcong is substantial, I do not believe it extends to the degree of controlling two-thirds of the countryside. When I say that, I do not wish to minimize in any way the seriousness of the control of the Vietcong over both people and territory. As to whether anything is being done to reverse the situation, the South Vietnamese continue to fight. That is the most important single action that is required. There is a will to resist. If that were lacking, I think the situation would be hopeless. As long as the will to resist continues, the situation is not hopeless.

* * *

QUESTION. Is it true * * * that even those we think are loyal are not loyal to our side to the point of reporting on their fellow South Vietnamese?

McNAMARA. Is it true that we are not receiving intelligence reports from portions of the population who are terrorized by the Vietcong? The fact is that the Vietcong kidnaped or killed about 1,500 hamlet and other government officials in the past 12 months. Multiplying that by 20 to make it comparable to this country, it is just as though 30,000 mayors and council members and other township, city, and State officials were killed in this country in a year. You can imagine the terror that would be affecting our population in areas where that was taking place. In those areas in Vietnam, the people have been so terrorized that we are not obtaining intelligence information such as we obtain in areas where the terror attacks are not taking place.

34. April 7, 1965, House Appropriations Committee

QUESTION. Is our stepped-up effort there, our direct intervention and air strikes, motivated to some extent by the feeling that time is of the essence?

McNAMARA. Our increased effort is motivated by the fact that the North Vietnamese were greatly increasing their infiltration of men and equipment into South Vietnam. We recognized if they continued that they will just overwhelm the nation.

35. April 7, 1965, press statement by McNamara at the White House

The military situation in South Vietnam has become increasingly serious during the past year. During that time the North Vietnamese have steadily increased the number of men and the quantity of material which they have infiltrated into that country overland through Laos and across the border between Laos and South Vietnam, over the sea frontiers of South Vietnam. It is through means such as this that they are continuing to support the Vietcong in their attempts to subvert the established Government of South Vietnam.

36. April 12, 1965, interview in U.S. News & World Report

QUESTION. You spoke of the change in tactics of the Vietcong. Does that suggest that they think they are winning the war?

McNAMARA. No, but it does suggest that they are there in larger numbers today than previously, and that they are better equipped than previously. All the evidence points to this. The evidence that we have from captured Vietcong, the evidence we have from documents we have captured, the evidence we have from enemy equipment—all indicates that the rate of infiltration has increased over the past 12 to 18 months. This increase in infiltration has given them a capability they didn't have before, and that capability has permitted them to operate in larger units and allowed them to increase the level and intensity of their attacks, primarily in terms of greater terror and harassment. However, they still don't have the capability today—on any wide scale—to openly confront the regular military units of the South Vietnamese Government.

QUESTION. Why are the Communists so successful?

McNAMARA. The Vietcong are following terror and harassing tactics: They move in by night. They apply pressure against individuals, particularly the hamlet leaders, seeking to subvert them. When they succeed in subverting them, they remove the power base and the security of the hamlet and cause it to associate with the Vietcong. They then move on, leaving behind cells that control that hamlet. Particularly, they are attacking the local officials. In terms of our own population, it's as though the guerrillas were killing several thousand—perhaps as many as 8,000—mayors and city officials a year. You can imagine what that would do to our local governments if it were occurring here. They're kidnapping civilians by the hundreds, attempting to destroy the morale of the population, turn it away from the Government. By these means, the Vietcong are avoiding the need and the necessity for open attack on the Government units.

There's only one way to counter that, and that's by effective counter guerrilla action involving the political, economic, and military factors within the local hamlet.

QUESTION. Are there any major areas in which the South Vietnamese have succeeded in clearing out the Communists and keeping them clear out?

McNAMARA. Oh, yes. There are many—particularly in and around Saigon. There's a special program underway there at the present time that has that as its objective, and is making progress.

The difficulty, of course, has been that, in the last 18 months, the series of changes in the Government in Saigon has been translated into changes at all levels of government—province, district, hamlet—and translated into changes in the military leadership. It has injected instability into both political and military institutions.

This has made extremely difficult the development of effective counter guerrilla campaigns. Such campaigns are very complex. They involve political, economic, and military operations. They require, for success, a strong political and military leadership, and it's difficult to get that leadership when you have the number of changes we've had in Saigon. In one period there were changes in about 35 of 42 provincial governments in a period of 3 or 4 months. In one case there were nine changes in the government of one province within a period of a few months.

QUESTION. Overall, which way is the trend going?

McNAMARA. The situation has been deteriorating for the past year, and it's a very serious and grave situation today, but far from hopeless.

37. April 21, 1965, planeside at Andrews Air Force Base upon returning from Honolulu Conference

Our attention was directed to the actions in the south. It's there that the war against the guerrillas is being fought, and it's there we must direct our primary attention. I want to mention again the very high level of infiltration of men and equipment into South Vietnam. It has increased in recent months. It is continuing at a high rate.

38. April 26, 1965, Pentagon press conference

I should like to report to you briefly this morning upon our latest estimates of the strength of the Communist forces in South Vietnam, of the support which they are receiving from North Vietnam, and of certain of the actions which we are taking to reduce that level of support.

The clandestine infiltrations of personnel and materiel from North Vietnam into South Vietnam continues to play a vital role in providing the Communist Vietcong with the leadership, with the technical competence, with the weapons, and with the ammunition which they need to carry on their insurgency directed against the established Government in South Vietnam.

Recent evidence both from captured prisoners and from captured documents has increased our estimates of the number of infiltrators to a total of 39,000. Reports to date confirm the infiltration of between 5,000 and 8,000 men in 1964 alone.

In view of the normal timelag between the actual active infiltration and our confirmation of it, I think it is probable that we are in excess of 10,000 men infiltrated from the north into the south during the past year.

Furthermore, recent captures indicate that approximately 75 percent of these men sent from the north to the south were born in North Vietnam. It is clear that the Communists are determined to keep up this level of support despite the drying up of the supply of former southerners, men born in South Vietnam, ordered north by the Vietminh at the time of the 1954 Geneva accords. Many of the recent captives are young draftees called into infiltration units that marched south through Laos in units 500 to 600 strong.

With the changing course, changing nature, particularly the intensification of infiltration both of arms and personnel into South Vietnam, the course of aggression pursued by the government of North Vietnam has grown progressively more flagrant and more unconstrained.

The latest step has been the covert infiltration of a regular combat unit of the North Vietnamese Army into South Vietnam. Evidence accumulated within the last month now confirms the presence in Northwest Kontum Province, that is in the central highland area of South Vietnam, around Pleiku and north of Pleiku, recent evidence which we have received confirms the presence in that Northwest Kontum Province of the second battalion of the 325th Division of

the Regular North Vietnamese Army. It is important to recognize, I think, that the great bulk of the weapons which the Vietcong are using and with which they are supplied come from external sources.

Since 1960 the Vietcong have captured approximately 39,000 weapons from troops of the South Vietnamese Government.

During that same period of time the Vietcong lost to those Government troops about 25,000 of their weapons, and therefore the Vietcong had a net gain of about 14,000 weapons during this 5-year period. Thus they gained only 10 to 15 percent of their overall weapons requirements. The remainder of the weapons, those come from external sources.

Moreover, it appears that the Vietcong main force units, their regular units, are being entirely reequipped and entirely retrained with the newest Chinese Communist family of weapons. For example, 101 weapons were captured recently, 3 weeks ago on the days of April 5 and 6, from elements of the Vietcong regiment in the Chuong Thien Province. That regiment was operating far to the south in the Camau Peninsula. The weapons which are captured are believed to be representative of the weapons mix of Vietcong main force units.

QUESTION. Would you say you have successfully isolated the battlefield and if you have, would you preclude the movement of large forces from the north?

McNAMARA. No; I would not say we have isolated the battlefield. I hope I have not given that impression. We have impeded the progress of men and materiel from North Vietnam through Laos and into South Vietnam. We have not stopped it and we surely have not isolated the battlefield.

QUESTION. In what way were the Vietcong, which are operating in South Vietnam, protected by the airstrikes against North Vietnam?

McNAMARA. In two respects. First, as I say, we have slowed down the movement of men and materiel and this has adversely affected the Vietcong, although I don't wish to overemphasize the degree to which it has affected them so far.

Second, the airstrikes against North Vietnam and also the increased tempo of airstrikes by the Vietnamese Air Force and the U.S. Air Force in South Vietnam have significantly and adversely affected the morale of Vietcong captured within the last 4 to 8 weeks.

39. May 5, 1965, remarks on WTOP-TV

The number of terror incidents has dropped slightly, perhaps 10 or 15 percent, but the number of company-size, battalion-size actions which they initiate has dropped 50 to 60 percent. It's hard for us to say why. We know our attacks on the infiltration routes are interfering with the movement of additional men and equipment into South Vietnam from North Vietnam, but the probable explanation for the falloff in the number of large unit actions initiated by the Communists is their desire to regroup, retrain, rest, and prepare for larger attacks in the future.

40. May 9, 1965, interview in New York Journal-American

QUESTION. You have been to Vietnam a number of times, you are in consultation with the commanders—what is your estimate of the situation there?

McNAMARA. First let me say I think it is perfectly clear that the situation in Vietnam has deteriorated during the past year or a year and a half, both politically and militarily. Following the assassination of President Diem on November 2, 1963, there was a series of new governments—10 or 12—and this could not help but be translated into uncertainty and confusion in both the political and military structure. As a matter of fact, we saw evidence of that in both institutions during that time. There were conflicts among the generals, a series of military coups, a substantial number of changes of both political and military leaders in the field.

QUESTION. How did the Communists exploit this?

McNAMARA. All of this gave the Vietcong an opportunity which they seized upon. They increased the level of their infiltration and they increased very dramatically the level of their terror and harassing attacks on the population. The latter increased by about 100 percent during that period of time. This caused a deterioration of the morale of the civilians in Vietnam. It reduced the security of the peasants and, therefore, made them less loyal to the Government. Many of them accepted Vietcong control of their area and paid taxes to them. The Government lost substantial control, therefore, of both its territory and population during that time.

QUESTION. Has there now been a change for the better?

McNAMARA. I think in the last 8 weeks there has been an improvement. I do not wish to place too much emphasis on it because we are a long way from turning the tide and we certainly have a long, hard row ahead of us. But there is clear evidence of improvement in the morale of both the military forces and the civilian population during the past 8 weeks. This is a reflection of several factors: the airstrikes by the Vietnamese Air Force, the U.S. Air Force, and U.S. naval air forces against infiltration routes, the increased use of air against the Vietcong concentrations in the south—such as the very large attack, 450 sorties, against Tay Ninh base recently, and the introduction of the four U.S. marine battalions into South Vietnam. All of these actions, and particularly these actions taken together, have given renewed impetus to the Vietnamese people in their determination to fight on.

QUESTION. Then you, yourself, are more optimistic?

McNAMARA. Yes, I am, but I don't wish to overemphasize the progress because it has only been a matter of weeks during which this has occurred. It is far too early to state the degree to which it has affected the North Vietnamese either in terms of their morale or their capability.

QUESTION. Did you have any time schedule in mind for achieving your objective?

McNAMARA. No. The President has repeatedly said that we don't wish to widen the war but we will provide whatever assistance the South Vietnamese require to effectively counter the guerrilla actions, and we will provide it as long as they request us to do so.

QUESTION. How much territory does the Vietcong control now?

McNAMARA. It is hard to say because you have to define what you mean by control—day control, night control, control of tax collections, etc.—what exactly is it? I would say they have loose control over perhaps a third of the territory.

QUESTION. There's a report that prior to February 7 the Vietcong were about to make their long-awaited strike to cut South Vietnam in half and that you probably averted that by moving quickly into that area.

McNAMARA. It is possible. We can't say exactly what they were thinking about. But former President Diem, as you know, always worried about the Vietcong cutting the country in half, striking from the central plateau down to the coast, and then moving both ways, north and south. They clearly were building up forces in this area, the full potential of which has not yet been seen.

QUESTION. Did they move units from the south up?

McNAMARA. There is evidence they moved up some units from the south. But there is clear evidence that they used the infiltration of 1964 to build up in this area, and it is in this area that we discovered one of the regular battalions of the North Vietnamese Army.

QUESTION. Why was that battalion moved in?

McNAMARA. The Hanoi-directed Vietcong have lost large numbers of men—89,000 in the past 4 or 5 years. With an estimated 89,000 killed, the Vietcong must keep a constant flow coming in to replace the casualties. It has meant the recruitment of very substantial numbers of men both within South Vietnam and from North Vietnam. The Vietcong simply ran out of individual recruits. Therefore, Hanoi called upon one of their regular units to go into South Vietnam to bolster the Vietcong.

QUESTION. Would that seem to indicate that others may follow?

McNAMARA. I don't want to predict it, but I think it is possible.

41. June 16, 1965, Pentagon press conference

I should like to bring you up to date upon our latest estimates of the strength of the Vietcong forces in South Vietnam, and upon the strength of the U.S. combat forces deployed to that country to assist the Vietnamese Government in combating the insurgency.

According to the latest intelligence information available to us, the number of hard core, that is the number of full-time Vietcong Communists, regular combat and combat-support forces in South Vietnam, totals approximately 65,000 men. In addition to that, there are between 80,000 and 100,000 part-time or irregular guerrillas. The regular and irregular guerrilla forces therefore total about 165,000. In addition, there are approximately 30,000 Vietcong serving in political and propaganda activities in South Vietnam. As I have reported previously, between 1960 and the end of 1964, infiltration of combat personnel into South Vietnam totaled approximately 39,000 men, all of these from North Vietnam. It is probable that the actual figure exceeded that number, but 39,000 represents the number of confirmed infiltrates. In 1964 alone, for example, we

believe that about 10,000 men were brought from North Vietnam to fight in South Vietnam.

In addition, as you know, there is at least one regular North Vietnamese Army battalion in South Vietnam, the second battalion of the 325th North Vietnamese Division. That battalion has been located in the central highland region, in the plateau area around Pleiku and Kontum for some time. We have recent indications that as many as eight additional North Vietnamese Regular Army battalions are also in that highland area.

Moreover, the Vietcong forces have recently been reequipped through the infiltration of new weapons, modern weapons from North Vietnam. The net situation at present is that the ratio of guerrilla to antiguerrilla forces is unfavorable to the Government of South Vietnam. Unfavorable, taking into account the hit-and-run characteristics of guerrilla war, unfavorable taking into account the fact that the mission of the Vietcong forces, the guerrilla forces, is to kill and terrorize the people, whereas the mission of the Government forces is to protect the populace.

It is worth noting, I think, that in addition to large-scale activities which have been reported in the news recently, the attacks by the Vietcong forces on the South Vietnamese forces. As always, in addition to that, there has been a deliberate program of terror and harassment, actions to kill, maim, capture hundreds of South Vietnamese citizens every week.

Today's terrorist bombing, for example, of the commercial airport at Saigon is illustrative of these tactics. The South Vietnamese regular and paramilitary forces facing the Vietcong total something in excess of 500,000 men. They are facing, as I mentioned, about 165,000 guerrillas, a ratio of something on the order of 4 to 1.

That is considerably less than is recognized as required to effectively deal with guerrillas. We have made efforts to improve these ratios. About 100,000 men are currently being added to the South Vietnamese forces. As you know, through the assistance of U.S. forces, we increased the mobility and firepower and the close air support of the South Vietnamese making each of their soldiers more effective as a result. But this has not been enough. Therefore, we are seeking to correct the unfavorable manpower balance by the addition of combat forces from other nations—Australia, United States, and Korea.

The United States has deployed nine battalions of combat troops to South Vietnam. These battalions consist of approximately 13,000 men out of the total of about 53,000 U.S. military personnel now assigned to that country. In addition, six new combat battalions, plus additional logistic and combat support, are now moving to South Vietnam from this country. They will be in place in a few weeks. Their deployments will bring the total number of combat battalions to approximately 15 from the United States.

The total U.S. military strength in South Vietnam will then approximate 70,000 to 75,000, of which number about 20,000 will be ground combat personnel.

QUESTION. Do you have anything further for us on the effectiveness of the U.S. bombing raids?

McNAMARA. * * * So I think the answer is that the attacks have been effective. They haven't stopped the flow of men and materiel. They have reduced the flow, and they have greatly increased the cost to the North Vietnamese of continuing their efforts to support the insurgency in South Vietnam.

QUESTION. The monsoon offensive of the Vietcong has made certain initial successes. Could you give us some assessment of the effect on the morale of the South Vietnamese Army and Government and how do you combat it? Can we hold on before our reinforcements get there?

McNAMARA. We have said previously that the Vietcong were building up their strength throughout 1964. They had built it to a total, we believe, by the end of the year, greater than they had then deployed in combat, and we therefore expected that during 1965, and we so stated publicly, that they would deploy these additional troops after they had been fully trained and fully equipped. We assumed that the deployment of additional Vietcong troops would take place during the monsoon season, which began roughly the first day of May and which extends very roughly through the end of October, depending upon the latitude and elevation of the terrain. Our forecasts proved remarkably accurate.

They did increase the number of troops assigned to combat. They did increase the number of overt actions. They did increase the intensity and level of both their harassment and their overt actions. In the month of May we saw, therefore, a substantial increase in terror incidents, a substantial increase

in the number of attacks, and a very large increase in the number of casualties, both to Government forces and to the Vietcong forces.

The level of casualties absorbed by both the Vietcong and the Government forces far exceeds in proportion to the population the level of casualties U.S. forces have ever absorbed in any war in our history.

Under these circumstances, it is remarkable that the morale of the Government troops is as good as it is. They're fighting well, they are fighting hard, they are fighting effectively.

We continue to see increases in their recruitment. We are continuing to see some increase in their strength, not as rapidly as we would like to see, because the casualty rates exceed those estimated at the time the plans for expanding the forces were developed. But the fact that they can recruit, the fact that the men will fight under these very heavy strains, I think is indicative of the morale in those troops.

QUESTION. If you say that the ratio between antiguerrilla forces and guerrilla forces is unfavorable now, what would you say would be a favorable ratio?

McNAMARA. It is difficult to develop a statistical objective here that relates in any way to the assumed requirement of a 10-to-1 advantage in favor of the antiguerrilla forces. It is difficult because never before has there been as much mobility, firepower, and close air support brought to bear upon the guerrilla units.

Therefore, I don't want to give you a statistical answer. I do want to emphasize, however, that the Vietcong strength has increased to such a degree that it is necessary to expand the South Vietnamese forces, that even taking account of that expansion, which is a very substantial one, that they presently have underway, it will be necessary to still further add to the mobility, the firepower, and the air support which we have been adding to recently, and beyond that it will be necessary to provide combat troops in reserve to take care of the emergency situations where Vietcong in force are about to overrun the South Vietnamese forces. Under those circumstances, our troops will be available to come to the assistance of the South Vietnamese.

42. July 14, 1965, Pentagon press conference

As the President has indicated, I am leaving for South Vietnam tonight, with General Wheeler, the Chairman of the Joint Chiefs, accompanying me, as is Ambassador Lodge. One of the main purposes of my trip is to review the force levels planned for South Vietnam, the number of U.S. troops to be assigned there, the equipment required, the expected consumption of munitions and other products.

What the decision will be based upon after this review, I can't say. But I do draw your attention to the fact that the Vietcong are continuing to increase their forces in South Vietnam; that, as we have reported to you on previous occasions, they currently have in that country forces not yet assigned to combat; that the level of operation and the intensity of operation during the summer has increased as we predicted it would; that we can expect further increases in the Vietcong operations because of the likely commitment of forces not yet committed to combat.

All of these circumstances affect our force levels. If the forces assigned to southeast Asia are increased, almost surely this will require additions to the fiscal 1966 budget.

43. July 20, 1965, planeside statement in Saigon

Overall, the situation (in South Vietnam) continues to be serious. As a matter of fact, in many aspects there has been deterioration since I was here last—15 months ago.

The size of the Vietcong forces has increased. The rate of operations and the intensity of their attacks have been expanded. The destruction of the lines of communication, both rail and sea and road are extensive, and they have intensified their campaign of terror against the civilian population, but the picture is not all black by any means.

The Vietnamese people continue to be willing to fight and be willing to die in their own defense. The Vietcong, as you know, are suffering increasingly heavy losses and U.S. combat forces are adding substantially to the combat power, the military power of the Government.

44. July 21, 1965, planeside at Andrews Air Force Base

QUESTION. You said out there that the situation had deteriorated. Can you be a little more specific about the situation at this point?

McNAMARA. Yes; when I made that remark I was speaking particularly of the deterioration between my last trip a year ago and today. The situation is serious today, I think, in several respects. It has deteriorated over the past 12 months. Vietcong strength has increased dramatically during that period, primarily as a result of the continuing infiltration of large numbers of soldiers—now regular army personnel from North Vietnam. That increased strength has allowed the Vietcong to expand and intensify their attacks on the political structure of South Vietnam and in particular to increase their campaign of terror against the civil population.

But the situation isn't all black by any means. The Vietcong themselves are suffering very high casualties. The South Vietnamese force continue to fight and die in defense of their nation and the increases in the combat strength of U.S. forces, both ground and air, have immeasurably added to the combat power of the South Vietnamese Government. As a matter of fact, the most vivid impression I bring back with me, and I think this view is shared by all members of our party, is an impression of the highest possible morale of American personnel and of the technical competence of those personnel and the magnificent state of their equipment and supply.

QUESTION. There is reference to the presence of three North Vietnam divisions either in Vietnam itself or ready to move in. Is this the reason why we need additional U.S. troops?

McNAMARA. I have heard no reference to three North Vietnamese divisions being in or ready to move in South Vietnam. We do know that there are elements of at least one division in South Vietnam today. I don't think we should put too much emphasis on the fact that there are regular troops there today perhaps where a year ago there were not. We need to emphasize and recognize that this attack on the people of Vietnam, an attack on the Government of Vietnam, is directed, supported, and controlled by North Vietnam. They have infiltrated tens of thousands of men over the past several years to build up a very heavy force of guerrilla competency inside that country. Recently, it is true, they have been infiltrating regular units there. I think this is a sign of the strain upon their society. They have run out of volunteers, in effect, and they have had to draw upon their regular forces, but the important point to remember is that they have about 165,000 guerillas in South Vietnam facing no more than 500,000 regular and paramilitary Government forces, and this is quite an unacceptable ratio of antiguerrilla to guerrilla strength.

45. August 4, 1965, Senate subcommittee on DOD appropriations

At various times in recent months, I have called attention to the continued buildup of Communist forces in South Vietnam. I pointed out that although these forces had not been committed to combat in any significant degree, they probably would be after the start of the monsoon season. It is now clear that these forces are being committed in increasing numbers and that the Communists have decided to make an all-out attempt to bring down the Government of South Vietnam. The entire economic and social structure is under attack. Bridges, railroads, and highways are being destroyed and interdicted. Agricultural products are being barred from the cities. Electric powerplants and communication lines are being sabotaged. Whole villages are being burned and their population driven away, increasing the refugee burden on the South Vietnamese Government.

As I mentioned, in addition to the continued infiltration or increasing numbers of individuals and the acceleration of the flow of modern equipment and supplies, organized units of the North Vietnamese Army have been identified in South Vietnam. We now estimate the hard-core Vietcong strength at some 70,000 men, including a recently reported increase in the number of combat battalions. In addition, they have some 90,000 to 100,000 irregulars and some 30,000 in their political cadres; i.e., tax collectors, propagandists, etc. We have also identified at least three battalions of the regular North Vietnamese Army, and there are probably considerably more. At the same time the Government of South Vietnam has found it increasingly difficult to make a commensurate increase in the size of its own forces, which now stand at about 545,000 men, including the regional and local defense forces but excluding the national police.

Combat deaths on both sides have been mounting—for the South Vietnamese from an average of 143 men a week in 1964 to about 270 a week for the 4-week period ending July 24 this year. Vietcong losses have gone from 322 a week last year to about 680 a week for the 4-week period ending July 24. Most important, the ratio of South Vietnamese to Vietcong strength has seriously declined in the

last 6 or 7 months from about 5 to 1 to about 3 or 3½ to 1; the ratio of combat battalions is substantially less. This is far too low a ratio for a guerrilla war even though the greater mobility and firepower provided to the South Vietnamese forces by the United States help to offset that disadvantage. The South Vietnamese forces have to defend hundreds of cities, towns, and hamlets while the Vietcong are free to choose the time and place of their attack. As a result, the South Vietnamese forces are stretched thin in defensive positions, leaving only a small central reserve for offensive action against the Vietcong, while the latter are left free to concentrate their forces and throw them against selected targets. It is not surprising, therefore, that the Vietcong retains most of the initiative.

Even so, we may not as yet have seen the full weight of the Communist attack. Presently, the situation is particularly acute in the northern part of the country where the Communists have mobilized large military forces which pose a threat to the entire region and its major cities and towns. Our air attacks may have helped to keep these forces off balance but the threat remains and it is very real.

Clearly, the time has come when the people of South Vietnam need more help from us and other nations if they are to retain their freedom and independence. We have already responded to that need with some 75,000 U.S. military personnel, including some combat units. This number will be raised to 125,000 almost immediately with the deployment of the air mobile division and certain other forces. But, more help will be needed in the months ahead and additional U.S. combat forces will be required to back up the hard pressed Army of South Vietnam. Two other nations have provided combat forces—Australia and New Zealand. We hope that by the end of this year others will join them.

The Government of South Vietnam's strategy, with which we concur, is to achieve the initiative, to expand gradually its area of control by breaking up major concentrations of enemy forces, using to the maximum our preponderance of airpower, both land and sea based. The number of "fixed wing" attack sorties by U.S. aircraft in South Vietnam will increase manyfold by the end of the year. Armed helicopter sorties will also increase dramatically over the same period, and extensive use will be made of heavy artillery, both land based and sea based. At the same time our air and naval forces will continue to interdict the Vietcong supply lines from North Vietnam, both land and sea.

46. August 6, 1965, interview with Luigi Romersa in *Tempo Illustrato*

QUESTION. What is your evaluation of the present Vietnamese situation after the numerous Vietcong attacks during the monsoon season?

McNAMARA. At various times in recent months I have called attention to the continued buildup of Communist forces in South Vietnam. I pointed out that although these forces had not been committed to combat in any significant degree, they probably would be after the start of the monsoon season. It is now clear that these forces are being committed in increasing numbers and that the Communists have decided to make an all-out attempt to bring down the Government of South Vietnam. In building up the Vietcong forces for a decisive challenge, the authorities in North Vietnam have increasingly dropped the disguises with which they previously attempted to conceal the nature of this aggression.

QUESTION. Do you think that the number of American forces is sufficient for any eventuality, or do you consider sending more troops into South Vietnam in the near future?

McNAMARA. I cannot speculate on future needs or force structures. We have recently announced that an increase of U.S. forces in Vietnam from 75,000 to 125,000 would take place almost immediately; and that further increases could be expected. I can only say that we intend to stand by our commitment and will take whatever actions we deem necessary in the light of future developments.

QUESTION. In your opinion, what is the number of Vietcong units operating at present? Has their armament been bettered? Have they changed tactics? If "yes," in what way?

McNAMARA. There are 70,000 what we call regular guerrillas, and about 90,000 to 100,000 irregulars, for a total guerrilla force of about 170,000, which, because of its size, is attacking in larger and larger concentrations. The number of battalion-size operations is increasing; the duration of them is increasing; the intensity of the attack is increasing. These Vietcong forces, moreover, have recently been reequipped through the infiltration of new, modern weapons from North Vietnam and Communist China.

QUESTION. What have been the effects of American bombing in Vietnam so far? How can you explain that, in spite of them, the Vietcong units are being constantly reinforced and their military potential increased?

McNAMARA. Our objective is to reduce the capability of the North Vietnamese to infiltrate men and equipment from North Vietnam into South Vietnam, particularly to reduce their ability to infiltrate into Laos and through the roads of Laos into South Vietnam.

Into this area in the southern portion of South Vietnam there are about 22 bridges on the main rail and highway lines. We have destroyed or made impassable 22 of those bridges.

We have attacked the bridges to reduce the flow of men and materiel over the roads and the railroads. We have attacked the ammunition storage depots to reduce the amount of equipment they had to infiltrate. We have attacked the barracks to reduce the flow of men and materiel over the roads and railroads. We have attacked the ammunition storage depots to reduce the amount of equipment they had to infiltrate. We have also attacked their supply depots.

These attacks have been effective. They haven't stopped the flow of men and materiel, but they have reduced that flow, and they have greatly increased the cost to the North Vietnamese of continuing their efforts to support the insurgents in South Vietnam.

47. August 9, 1965, CBS Interview with Rusk and McNamara

QUESTION. Secretary McNamara, can you comment on the military aspect of our operations in South Vietnam?

McNAMARA. Well, first has our policy been successful? I think you have to look at this over a period of years and I would say the answer is yes. For 19 years since the nation was born, or reborn, after the Geneva accords of 1954, it has maintained its independence. It is not dominated by the Communists. And for much of that period prior to the recent expansion of the terror reign directed against it by the guerrillas it did increase its strength economically and politically. As you undoubtedly know, between 1954 and 1961 when the terror reign began to increase in number and frequency, the number of teachers in that country increased threefold. The number of students in schools increased 300 percent, the rice production nearly doubled and, by the way, that happened at a time when the rice production per capita in North Vietnam was declining. The income per capita is 50 percent more than it is in North Vietnam. So I'd say much progress has been made, continues to be made. Last year the Communists guerrillas killed or kidnaped about 1,500 civic officials.

Now, when you recognize that the population under the control of the government is less than a 20th of that in this country, you should multiply those figures by 20 to get an impression of what that would mean in this country. It would mean that we would have lost last year 30,000 mayors, members of boards of education, city managers. And yet despite that tremendous loss and despite a loss of about 10,000 civilians kidnaped, murdered, assassinated, the people are continuing to fight, continuing to resist. They are absorbing fatalities today at a rate greater than we have ever absorbed in our history, twice that of World War I, twice that of World War II, 10 or 15 times that of the Korean war, showing that they are fighting, they do have a will to resist, they are opposed to Communist domination. I think this is the best measure I can give you of the success of the policy.

QUESTION. Would you say, sir, that if they were resisting that their defection rate or their desertion rate should drop appreciably? I understand now there are 4,000 to 5,000 a month, and that recruitment barely keeps up with it.

McNAMARA. Recruitment is in excess of desertions, but I don't want to fail to recognize desertions are at a rate higher than we would like to see, higher than the South Vietnamese Government believes satisfactory, and they have acted recently to increase the pay, take care of the families and dependents of men wounded and killed in battle, and I understand the desertion rate is falling.

It has been higher than we would have liked to have seen, however. But the fact that they continue to recruit, the fact that they continue to fight and die for their country in the numbers that they do, I think indicates their will to resist. And also I should mention that the desertions are not to the Vietcong. The desertions are back to their homes to take care of their ricefields. And also, on that same point, I should emphasize that the defections from the Vietcong are rising. And, further, that there has been no desertion of any important personality and no movement to defect of any group—no religious group, no economic group, no labor group has deserted the Government for the Vietcong, although the opportunities for that have been numerous.

QUESTION. There is an area here that I think affects the confidence in this country in what we are doing, and I think maybe we can dispose of it without

h Vietnam trying to pin either of you down on things you have said before; but for instance, McNamara, as you remember about 18 months ago when we had a conversation, you said to roads of the effect that this is a Vietnamese war, it must be won by the Vietnamese, we cannot win it for them. The kinds of things that administration leaders say are all have changed radically in the last 2 years—is this because you have changed made my your minds that much or is there a possibility that you have even now a more advanced attitude and you are letting the country in on it little by little?

McNAMARA. Let me say, first, that the outlook has changed over the past storage 2 years because the action of the North Vietnamese has changed during that are at period of time. They have vastly increased the number of men that they have and re-infiltrated into South Vietnam. They have vastly increased the amount of e am-e equipment and materiel which they have infiltrated into that country. And this y de-p has temporarily given them an advantage which they particularly have applied y of me in the form of terror and harassment. Today they have, for all practical purposes, a numerical advantage, not absolutely, but relatively in guerrilla war terms. They have about 70,000 regular guerrillas, perhaps 100,000 irregulars, and another 20,000 or 30,000 in political cadre to collect taxes or distribute propaganda, and so on. So, there are some 200,000 Communists acting in guerrilla forces. Opposing them are about 550,000 South Vietnam regular and para-military forces, a ratio something on the order of 3 or 3½ to 1 and somewhat lesser ratio in the form of combat battalions. Quite an unsatisfactory ratio in terms of guerrilla wars of the past, where in Malaya, in the Philippines, in Greece, a 10 to 1 advantage was required to defeat the guerrillas. This increase in the strength of the North Vietnamese occurred in the last 12 months. It requires that we supplement, not substitute for, but supplement the South Vietnam forces; and since our forces will supplement and not substitute for their forces, it remains a South Vietnamese war. They are bearing the brunt of the fighting; they will continue to bear the brunt of the fighting. We will furnish a mobile reserve to come in to assist them when their forces are inadequate numerically to effectively counteract the Vietcong concentrations directed against them.

QUESTION. We have had a few months of experience with increased U.S. forces. How is it going this year?

McNAMARA. The Vietcong did expand their force in the last 12 months and, as we stated during the winter of last year and the spring of this, a major part of this expanded force had not been committed to combat at that time. We could only assume they were holding it for some special purpose or some special period. And we assume that they might be holding it to start operations on an expanded basis following the beginning of the monsoon season. This is the season of heavy rains in the highlands. It is a season when our airpower is somewhat less effective than during the dry period and we assume that the Vietcong would believe it was an advantage for them, therefore, to expand operations under those weather conditions. They did so. They expanded operations in number and intensity, beginning in May, and they increased their control of the area. They began to isolate certain particular portions of the village, isolate them in terms of road transportation, road communications with other parts of the country. This made it difficult to move rice from the storage centers out into certain of the rural areas. It made it difficult to move produce from the rural areas into the city.

The number of South Vietnamese killed in action increased. But while that is true, the number of Vietcong killed in action increased dramatically. It is about 70 percent higher today than it was a year ago. So in recent weeks, recent months, they have had some success. They are paying a terrible price for it. And in the last 30 days, as a matter of fact, there seems to have been some withdrawal on their part. Whether this is for regrouping, recuperation, because some of their battalions were severely mauled, I don't know. It may be a reflection of the fact that larger U.S. forces are beginning to enter the country.

QUESTION. Now, would you give us a view into the future? There are estimates that it might take another \$10 billion a year to carry this on. The military advisers are supposed to have proposed a level of 750,000 men in Vietnam. If there is a failure of bombing of North Vietnam, as there may be, isn't the next logical step ground action into North Vietnam? I wonder if you would develop these points in the perspective of the months ahead.

McNAMARA. First, let me say I can't predict the future with accuracy. I do want to mention one thing about the future, however, that I think is very interesting. Within the last 3 or 4 weeks, Ho Chi Minh looked into the future, and he said it might take 20 years for them to win. So while they have had some temporary success, it is obvious even to their own leaders that this is not going to lead to an immediate victory on their side.

Let me comment on one or two of the points you made.

First, I don't know of any military adviser to our Government who has proposed a level of 750,000 U.S. military personnel in South Vietnam.

Secondly, as to the bombing program in the north, I think it is important that we understand what we hope to achieve by that program. In the first place, you recall, it started in part as a reprisal action for the terror bombings that have been carried out by the Vietcong last year at Bien Hoa Airfield, at Brinks Barracks, and more recently in February, early February this year, at Pleiku. It was necessary to show the North Vietnamese who were directing those activities that this would not go unchallenged, that they would pay a price for the continuation of them. And our bombings started in part to make that clear.

It was also important to begin to raise the price to the North Vietnamese of carrying on this war. It was important to try to restrict—although certainly it was never considered it would be possible to stop the movement of men and equipment to the south. And I think these objectives have in part been accomplished. We never believed and we don't believe today that bombing the north will drive the North Vietnamese to the bargaining table, or force them to cease their terror tactics and harassment and subversion of the political institutions of the south. There is only one thing that will stop that in my view, and that is to prove to them they can't win in the south. And therefore our strategy is directed to that end. How long it will take, I can't tell.

QUESTION. On this question of decisions, aren't they now making themselves, or aren't the Communists making them for us? Really they are the ones who are deciding what shall be the nature and the stature of the war so to speak, and we are responding to that. We are putting in more men because of what they do. Therefore, basically the decision as to what we do in the future is in their hands, isn't it?

McNAMARA. Certainly what we do in the future will be influenced by what they do. The price they are paying is increasing. At some point it will reach a level they are unwilling to pay. At that point they will stop, and they will withdraw. How soon that will come I can't tell you. How much force we must apply before they make that decision I can't tell you.

48. August 11, 1965, remarks over NBC-TV

QUESTION. Today Secretary of Defense McNamara was talking to the House Foreign Affairs Committee and [afterward] he was asked if he agreed there were grounds for cautious optimism. Here is what he said:

McNAMARA. I think it is perfectly clear that the Vietcong forces have increased very substantially in recent months—that as we stated publicly, in the winter and spring, they had not yet committed those expanded forces to combat. And they began to do so after the start of the monsoon season, early in May. That they initially achieved success as a result of the expansion of their combat efforts; that that drive was blunted, however, in June, and fell off materially in July.

During this entire period their casualties were very high. They lost about 7,500 men, for example, in the 3 months of May, June, and July. These fatalities were so high as to cause them to withdraw to recoup and regroup and replace their losses. What they'll do in the future, we can't tell. But there is no question but what at the present time we can be cautiously optimistic, while at the same time recognizing that it's going to be a long, hard conflict.

49. September 16, 1965, news conference at the Pentagon

QUESTION. Could you give us an assessment of our present position in Vietnam?

McNAMARA. I remain cautiously optimistic. I think it is useful now to look back over the summer months to review what has happened. I reported to you earlier this year, as well as late last winter, that the dominating factor in the Vietcong operations at that time was the continual increase in their strength.

Moreover, that that increase in strength had not yet been committed to combat. We estimated that they would so commit their strength at a time favorable to them and we assumed that they would conclude that favorable time would be the monsoon season which started roughly the first of May.

We therefore anticipated an increase in the intensity of their operations and in the level of their operations at that time. As you know, we faced such an increase. The number of large-scale attacks rose substantially in the weeks in May and June. It is very clear, I think, that it was their purpose to dismember the country, it was their objective to cut it in two at the waist, and it was their

objective to maul the Army. They carried on a number of large-scale engagements in May and June. These were very costly to them. They did extend their control over certain areas of the country. They did achieve advances but these advances were very costly. Their fatalities were high. I think it is interesting to see what has happened in the last 8 or 10 weeks.

The number of large-scale attacks has fallen off substantially. It is clear that the fatalities they suffered in May and June were so heavy that they were forced to withdraw their forces, to retrain, regroup, reequip, recuperate. What they will do in the future I don't wish to predict.

But I am very clear in my own mind that the South Vietnamese forces plus the U.S. forces blunted the Vietcong monsoon drive, forced it to terminate earlier than planned, prevented it from achieving its objectives of dismembering the country and destroying the South Vietnamese military forces.

Now this was the result not only of the application of U.S. military forces during that period of time, but also of the release from strategic reserve assignments of certain South Vietnamese forces previously held back for good and valid military reasons, forces which were released as U.S. forces moved into the country and were able to take over their strategic reserve role. I told you before that was one of our primary assignments to U.S. forces. I forget the exact figures but I think it is something on this order. The total number of U.S. military personnel in Vietnam doubled between March 31 and June 30. This increase in strength was timed, of course, to phase in with the forecasted increase in Vietcong activity during the monsoon season.

The number of combat battalions increased even more dramatically than did the total strength. I think the U.S. combat battalions in Vietnam rose from two on March 31 to some nine in June. We have there today, depending on exactly what has been landing in the last few hours, something on the order of 25 or 28.

50. September 30, news conference at the Pentagon

QUESTION. The pattern of the war in Vietnam seems to be changing in that larger and larger Vietcong units are meeting more and more Americans in large numbers. Does this mean a change in our or their tactics? Would you give us some assessment of what is happening out there now since we have increased our strength?

MCNAMARA. Compared to May and June, the number of large unit Vietcong initiated actions has declined, and this we believe is a direct result of the introduction of U.S. combat forces. First, these forces released South Vietnamese forces for combat, South Vietnamese forces that had been held as strategic reserve units; and secondly, they made available for combat U.S. personnel. The result has been that the larger unit Vietcong actions initiated in May and June and selected actions initiated since that time have resulted in very heavy fatalities to the Vietcong, and it appears that for that reason they have moved away from such large unit attacks, withdrawn these forces for retraining, recuperation, regrouping, reequipping.

I can't forecast how they will act in the future. Should they reinitiate such attacks at the level of May and June, I have no doubt but what our U.S. combat forces can defeat them and can impose upon them the same heavy level of fatalities as such attacks resulted in May and June.

This isn't to say there won't be large confrontations between Vietcong and United States or South Vietnamese forces. There will be periodically. But I doubt very much that the pattern of activity which the Vietcong appeared to be following in May and June will be resumed in the future. If it is, we believe we can defeat it.

51. October 13, 1965, remarks to employees of Sperry Gyroscope

The military situation in Vietnam in recent months has been dominated by the continuing increase in the Vietcong strength. Both last winter and early this spring, we reported to the public that this strength increase was occurring. We also stated that the increment in power of the Communist guerrillas had not yet been assigned to operation; it has not yet been directed against the Government forces. We assumed it would be sometime favorable to the guerrillas, and we thought they might select the beginning of the southwestern monsoon season, which begins in May, for their offensive. This they did. I think it was clear that their objective for the summer period, which runs roughly from early May to late October, was to cut the country in half at its narrow waist and to dismember and destroy the regular military forces of the South Vietnamese Government.

This they attempted to do by increasing the number of large-scale military actions and by increasing the intensity of those actions, and they came close to achieving both of those objectives during May and June. Then in that period of time they substantially increased their control of the geography of that country. They inflicted very heavy casualties upon the regular South Vietnamese forces, but they paid a very heavy price for that offensive and they were forced by their own heavy fatalities to withdraw at the end of June into their base areas for recuperation, retraining, reequipment, resupply. They haven't yet resumed the large-scale attacks that they had planned to carry on throughout this period. I think it is fair to say that their monsoon offensive has been blunted and to all practical purposes defeated. There is no chance that they will accomplish during this monsoon period the two objectives that they had set for themselves.

Now, why did this occur and what does it portend for the future? To understand this, it is necessary to look at the relative strength of the opposing forces. The Communist guerrillas have roughly 75,000 men in what is known as their regular forces and about 125,000 armed men in their irregular forces. Roughly 200,000 armed guerrillas, plus 30,000 men in their political cadre—propagandists, tax collectors, conscriptors of youths, et cetera.

Opposing this force of 200,000 Communist guerrillas is the Government's military forces of something on the order of 650,000 men. So there's a relative advantage in favor of the Government in the order of 3 or 3½ to 1. I think any of you who have studied the guerrilla wars of the past—those in Malaya, the Philippines, and Greece—will recognize that this is quite an unsatisfactory balance of power, and it's inconceivable that the guerrilla campaign of aggression could be thwarted, could be defeated, unless something were done to increase the strength of the Government forces.

There are several ways this could be accomplished. We've tried them all.

For one thing, we can increase the effectiveness of each of the individual men in the Government forces. This we sought to do by adding to their mobility. For example, in the month of June we had about 500 helicopters in Vietnam for that purpose.

We sought to increase their effectiveness by adding to their firepower. In the month of June, we ran about 10 times as many combat attack sorties with U.S. aircraft than we did in the month of January.

We sought to add to their strength. The U.S. Government and South Vietnamese Government joined together in a program to substantially expand the regular military forces of the Vietnamese. We're adding roughly 10,000 men a month to those forces.

We sought to increase the number of third country combat troops that are active in South Vietnam. The Secretary of State and I were directed by the President to do everything possible to obtain combat forces from our allies. The result is the Australians have about 1,300 or 1,500 combat troops there today. The New Zealanders have artillery personnel. Most importantly, the Koreans are currently moving in a division, and by the end of this month, will have about 18,000 combat troops there.

Even after these actions were taken, after we maximized the effectiveness of the forces of South Vietnam, after we expanded them to the maximum that their manpower would support, after we obtained the maximum degree of help from third countries, it was still clear that the forces opposing the guerrillas were inadequate to defeat them. And it was therefore necessary early this year to make the decision to add substantially to the number of U.S. military personnel there. This was done. And the number of U.S. military personnel on the ground in South Vietnam doubled between March 31 and June 30, and it was this above all else that led to the defeat of the Vietcong monsoon offensive, because of the additional U.S. military personnel both added to the combat power and also released the strategic reserves of the Vietnamese to be applied to the day-to-day action opposing the Vietcong.

The number of U.S. military personnel has continued to increase. We have, perhaps, 140,000 men there today, and as the President said on July 28 when he announced the decision to further increase our strength, we expect requests for additional personnel, U.S. combat personnel, will continue to come in from our commanders in the field and we'll meet them as they do.

Now, what lies ahead; particularly, what lies ahead for defense expenditures?

I can't really answer that question. Our strategy is to pursue our limited objectives and I should digress here to emphasize that our objectives in South Vietnam are limited. We're not seeking to overthrow the Communist Chinese

regime in Peiping; we're not seeking to destroy the Ho Chi Minh government in Hanoi; we're not seeking to force the South Vietnamese into an alliance with the West; we're not seeking permanent bases on their soil—our objective is only to preserve the right of the South Vietnamese to develop political and economic institutions of their own choosing.

It is a limited objective. We're seeking to accomplish that by proving to the Vietcong that they cannot win their war of aggression in the south, while we're continuing to force them to pay the price of the bombing of their military installations in the north.

How long will it take to do it? I don't know. What will be required? I don't know. Whatever is required, we'll provide. What effect will this have on the defense budget? As I said, I couldn't predict this. We do have an amendment to the fiscal year 1966 budget in August, requesting the Congress to increase that budget by \$1,700 million. This is to provide an increase in the production capacity of our Nation so that if we reach the planned levels of expenditure for ammunition and ordnance—which are really staggering as we look ahead—if we reach those levels, we will have the production capacity to replenish our stock and continue to build those stocks as we have during the last 4 years.

52. October 26, 1965, planeside interview at Strike Command

QUESTION. Recent published reports last week are to the effect that the war in Vietnam has tipped decidedly in our favor. Do you agree with that assessment?

McNAMARA. I think we view the situation in Vietnam with what I call cautious optimism. The Vietcong had as their objective, I believe, for the monsoon season, which began in early May and extends to early next month, the division of the country and the dismemberment of its military forces. That objective has not been gained. Their offensive has been blunted and I think this is a result of the additional U.S. forces which the President deployed to that country.

QUESTION. One of the generals in the field is quoted as saying that he once thought it was going to be a 10-year war, but now he is optimistic and leaning toward 9½ years.

McNAMARA. Well, I wouldn't make a prediction as to the duration of the war. I think it is important to recognize that progress has been made during the summer.

53. November 11, 1965, press interview in Austin, Tex.

Today, I first reported to the President upon the status of military operations in South Vietnam. I believe it's clear that the Vietcong planned during their monsoon period, which began approximately the 1st of May and which is just now ending, to split the country of South Vietnam in two at its narrow waist, and to dismember and maul the military forces of the nation.

The South Vietnamese, with our help, have blunted and defeated that Vietcong offensive, and the Vietcong have paid a very heavy price indeed for their monsoon activities. Their fatalities to date in this year are approximately 100 percent higher than those of the comparable period of last year.

Nonetheless, despite these very heavy fatalities, the military strength of the Vietcong guerrillas continues to increase, and, therefore, we believe it will be necessary to add further to the strength of the U.S. combat forces presently deployed in South Vietnam.

At this time, we have a total of 160,000 men in our military units in that country. The President instructed me to meet the request from our military commanders for additional personnel as they are received.

QUESTION. Can you sum up how the war is going? What is the picture today?

McNAMARA. As I indicated, we believe that the South Vietnamese, with our help, have successfully defeated the monsoon offensive of the Vietcong. The Vietcong are suffering very heavy fatalities. But despite these heavy fatalities, through infiltration and other actions, they are continuing to increase their forces. They remain a very severe threat and a serious threat, indeed.

54. November 25, 1965, planeside interview at Andrews Air Force Base

QUESTION. A major battle with the Communists for control of South Vietnam's central highlands appears to be building up. Will U.S. casualties continue to increase?

McNAMARA. I don't wish to predict the outlook for U.S. casualties. I do want to emphasize, however, the very favorable outcome of the battle that has been

raging in the central highlands during the past 10 days. As you know, the Vietcong suffered fatalities approximating 2,500 during that 10-day period in that single engagement. The United States and South Vietnam forces fought magnificently with tremendous effect.

55. November 26, 1965, planeside interview in Paris

QUESTION. What is the reason for your trip to South Vietnam?

McNAMARA. It's been several months since I was last there. During that period we have nearly tripled the strength of the U.S. combat forces in Vietnam; the events of the summer have, I think, proven the wisdom of that move. The Vietcong monsoon offensive has been blunted—defeated, I think, is the proper term to apply to it. Their fatalities have been very high; no doubt they're looking to the future. We should be, too. I'm going there for that purpose.

56. November 28, 1965, planeside interview in Saigon

It has been 4 months since General Wheeler, the chairman of the Joint Chiefs of Staff, and I were last in Vietnam. During the intervening period the strength of the U.S. combat forces here has been almost trebled. The Vietcong have carried out their monsoon offensive with an obvious effort to divide the country in half, to maul and dismember the forces of South Vietnam. Due to the effectiveness of the South Vietnamese Army, with the assistance of the increased U.S. combat strength, that monsoon offensive of the Vietcong has been defeated. Our purpose in visiting here is to receive a status report on the situation and an appraisal of the outlook for the future.

QUESTION. Will additional action by the United States be required?

McNAMARA. I think it is clear that the Vietcong are continuing to increase their strength, continuing to increase the quantity of materiel, combat supplies, infiltrated from North Vietnam through Laos and other routes into South Vietnam, and clearly this action will require counter action by the South Vietnamese and United States forces.

QUESTION. Were you surprised by the Vietcong reaction to the expansion of U.S. forces?

McNAMARA. I think it was clear that in May and June the Vietcong paid a very heavy price for the advances that they made at that time. Their fatalities, as you know, rose very sharply. Cumulatively for the year to date there has been an increase of over 100 percent in Vietcong fatalities compared to last year. At the end of May and June, they withdrew, regrouped, retrained, reequipped and resupplied their forces. And I must say I was surprised by the intensity and scale of their attack of recent weeks, and I am sure they are surprised by the level of fatalities that they paid for those attacks.

57. November 29, 1965, planeside interview upon departure from Saigon

QUESTION. In spite of everything being done, infiltration is increasing at an enormous rate. Will you comment upon this?

McNAMARA. First, let me say my most vivid impression is that we have stopped losing the war. I think that the increases in the strength of the South Vietnamese forces, which we told you many months ago were planned and underway, and the very substantial increases in the strength of the U.S. forces, the Australian, the New Zealand and Korean forces, taken together have denied the Vietcong the victory that almost surely they hoped to achieve during the summer monsoon period. But despite the fact that we've had that success, they have continued to increase the strength of their forces here that have more than offset the very heavy losses which they have suffered. The level of infiltration has increased, and I think that this represents a clear decision on the part of Hanoi to both escalate the level of infiltration and raise the level of conflict. And I'm sure that decision must be countered by an increase in the forces opposing the Vietcong. I'm told by the leaders of the South Vietnamese they have plans to further increase their forces and I am sure these are required.

QUESTION. Does this also mean a change in our militancy and a change in our tactics?

McNAMARA. The tactics that we follow will, of course, in part be dictated by the actions of the Vietcong. As I mentioned yesterday, considering the fatalities that they have absorbed during the past several months, the dismemberment of many of their key battalions, I was surprised by the frequency of their attacks, the intensity of their attacks in recent weeks. I think attacks of that kind must lead to responses by the South Vietnamese and United States and third-country forces of the kind that you saw at Plei Me. And while I am

speaking of Plei Me, let me say that today in flying over the area and later in visiting with the forces, that participated in the combat—the elements of the 1st Air Cavalry Division—I was immensely impressed by the effectiveness of that division. Not only by the valor and courage which we've come to expect of American combat personnel, but by the degree which the concept of increased mobility and increased firepower on which that division is based, has proven out. I am sure the result will be that we will wish to add another air cavalry division to the forces of the U.S. Army.

QUESTION. Would you comment on the significance of the 5-week campaign at Plei Me?

McNAMARA. I don't think I'm in the best position to do so. I think General Westmoreland, Ambassador Lodge and others here can speak more authoritatively on that than I. I'll simply say that the decision by the Vietcong to stand and fight, recognizing the level of force we can bring to bear against them, expresses the determination to carry on the conflict that can lead to only one conclusion. It will be a long war.

QUESTION. You say Vietcong, but these were regular Vietnam troops.

McNAMARA. Well, when I use the word Vietcong, I was using it to cover both the indigenous forces cadred by North Vietnamese personnel and, as you point out, the regular units of the North Vietnamese Army, of which there are, I believe, now some nine regiments in South Vietnam, and I think it is clearly their intention to add to those units.

QUESTION. Could you tell us—could you state the administration's position on why we have not done something about Haiphong Harbor and why we have not done more about the northeast railway leading from Hanoi to the Chinese frontier?

McNAMARA. Yes, first let me say that there are two arms to the railroad between Hanoi and China. One is the northwestern arm, the other is the northeastern arm. Both of those rail lines have been bombed, as have been the parallel highway lines, just because these are infiltration routes, or routes supporting infiltration. As we said before, the bombing against North Vietnam is directed against military targets and particularly those targets which are a part of, or associated with, lines of communication along which men and materiel flow into South Vietnam. Primarily for that reason, attacks have not been made to date on Haiphong Harbor. We have a limited objective in South Vietnam. We've said this before and I repeat it again today. Our objective is not to destroy the Communist regime in North Vietnam. Our objective is to destroy the insurgency movement in South Vietnam, destroy the Vietcong who are seeking to take away the independence of this nation. Our objective, therefore, is to preserve the independence of this nation. It is not even to assure that this nation will be part of Western alliances or that we will have bases here in the future. We don't need such bases, it is not in our plan to seek them. It is our plan, however, to both achieve the independence of this nation, or help it achieve its independence, and help preserve it, whatever that may require. We do not seek to widen the war or extend the area of conflict, and that is why to date we have not bombed Haiphong Harbor.

QUESTION. Will U.S. forces be expanded?

McNAMARA. President Johnson, on July 28, said that he would send whatever forces were required. He would meet the requests of our military commanders. We have done so, and since the end of June this has resulted in a near trebling of the strength of U.S. combat personnel in South Vietnam and we will continue to follow that policy. We will send whatever forces are required.

58. November 30, 1965, planeside interview at Andrews Air Force Base

QUESTION. Could you give us, tell us the results of your mission to Vietnam?

McNAMARA. Yes, General Wheeler and I are returning from a short but very intensive, and I think productive, visit to our forces in South Vietnam. The most vivid impression I'm bringing back is that we have stopped losing the war. The very substantial increases in the South Vietnamese military strength and particularly those in the strength of the free world forces—the U.S. combat strength, the forces provided by Australia, New Zealand, and Korea—have very clearly denied the Vietcong the victory that they sought to achieve during the summer monsoon season. There is no question in our minds but what during that period they hoped to divide the country in half, and maul and dismember, and in a real sense, defeat the military forces of South Vietnam. They have been defeated in achieving that objective. They've paid a very heavy price for their attempt to do so. But despite their very heavy losses, and they're running well over 100 per-

cent higher this year than they were last, they are continuing to infiltrate men and equipment into South Vietnam. As a matter of fact, they have very substantially raised the levels of that infiltration. They have increased the number of their attacks, they have broadened the scope of their attacks, they have increased the level of conflict. And these actions, I think, represent a clear intention on the part of Hanoi to escalate the level of their effort and to raise the level of their conflict.

QUESTION. Senator Russell said last night that we should bomb Haiphong. Do you agree?

McNAMARA. Our bombing of North Vietnam is designed to attack the lines of communication over which the North Vietnamese are infiltrating men and equipment into South Vietnam. I believe we should continue to emphasize that objective. It's not our objective to destroy the government of North Vietnam; it is our objective to preserve the independence of South Vietnam. And it's consistent with that latter objective to concentrate our bombing on the lines of infiltration. The North Vietnamese today, we believe, have nine regiments of their regular Army in South Vietnam. We believe also they have been infiltrating additional men into that country at the rate of about 1,500 a month during the rainy season and that their level of infiltration will approach 4,500 men per month during the forthcoming dry season. That compares with about 800 a month last year. It's to reduce that level of infiltration and particularly to reduce the infiltration of equipment and supplies to support those forces, that our bombing of North Vietnam is carried on.

QUESTION. Is it reasonable to look forward to 300,000 American troops in Vietnam?

McNAMARA. I don't want to forecast the number of troops that may be required there, but I can say the road ahead will be long and hard.

59. December 10, 1965, press conference at Johnson City, Tex.

QUESTION. You said we have stopped losing the war. Can you tell us where we are at this point?

McNAMARA. Well, I can tell you two things about it. I think that perhaps some of you already know first that beyond any question of a doubt the Vietcong objective for the monsoon period, which began roughly the first of May and ended the early part of last month, was to win the war. Specifically, it was to divide the country in half at its narrow waist, the plains between Pleiku and Qui Nhon, and it was to impose such heavy fatalities upon the South Vietnamese as to force them to lay down their arms. I think it is fair to say that the very rapid increase in U.S. military strength in South Vietnam, which rose from perhaps 40,000 at the end of May to, as I said, about 180,000 today, was a major factor in enabling the South Vietnamese to defeat that Vietcong offensive and the Vietcong paid a very heavy price for their efforts to achieve victory during the summer period. Their losses were heavy. They were forced to retire in July and August, recoup, reequip, retrain. Their fatalities, for example, are more than twice in 1965 the comparable period of 1964. But despite the defeat that was imposed upon them, they have continued to infiltrate very substantial numbers from North Vietnam to South Vietnam. They have not only replaced their losses, but increased their strength and give every intention of raising the intensity of the conflict.

Secretary McNAMARA. They consistently say this: "It is going to be a long war, and we shouldn't think that it will be won quickly. We shouldn't think that it could be won cheaply. We must have patience." What they don't say, but what they all imply is that the lack of patience will vastly increase the cost to us without reducing the time required.

The first statement was made on January 30, 1963, and said, as I have said since, on several occasions, that victory over the Vietcong will most likely take many years.

The last statement was made on December 10 of 1965, and said essentially the same thing. I said in effect that I cannot tell you how long it will take. And I am not trying to be evasive, I just don't know. I think patience will be the key to success. And I am absolutely sure that patience will be the key to low costs in terms of life.

Mr. IRWIN. I don't mean to make our life difficult at all at this point, but I think that we have failed, frankly, to convey to the American people how long and how difficult it is going to be. And every month that goes by they get a little disappointed in how long and difficult it is going to be, and more and more people get disappointed, and then we get into a real problem.

I know we have the responsibility, and I am not going to ask you to do my job.

Secretary McNAMARA. I think I may well have contributed to this problem that you mention when I did make a statement on October 2, 1963. In that statement General Taylor and I said the major part of the U.S. military task could be completed by the end of 1965, although there would be a continuing requirement for a limited number of U.S. personnel there. But that was a training task we were talking about. We thought that that task could be completed by then. We didn't think the war would be over by then. And, moreover, the next paragraph which is never quoted in the press, stated that "The political situation in South Vietnam remains deeply serious. The United States has made clear its continuing opposition to any repressive actions in South Vietnam. While such actions have not yet significantly affected the military effort, they could do so in the future."

A month later Diem was killed. And, of course, that changed the character of the environment we were operating in in South Vietnam, and it changed the actions of North Vietnam.

So, frankly, I cannot predict the future. I think it is going to take a long time to control that subversion in South Vietnam. I think that we will vastly increase our costs and our risks and our dangers and our loss of life if we become impatient and try to shorten that period.

Mr. IRWIN. I appreciate that, Mr. Secretary. I frankly feel that perhaps the greatest battle of all, as far as Vietnam goes, is going to be fought right here in the United States—by our being careful and deliberate about what we are involved in.

I think that is our major responsibility as Members of Congress, perhaps, in dealing with our constituents. I know you will always keep in mind what our problems are.

Secretary McNAMARA. Well, your problems are our problems; they are the problems of the people. There is absolutely no question but what our people are impatient, and they are impatient because they don't understand some of the points we discussed this morning. They don't understand that trying to shorten this period by unwise action will result in the loss of more American lives. We have only lost—I say "only," I begrudge the loss of every one—but it is a fact we have lost only 1,600 lives in 5 years. There were many opportunities in that 5 years to try to shorten the conflict. Every one of them that I know of would have increased the costs in terms of loss of life. We are at a much higher level of activity today; we are losing lives much more rapidly, but they are still at a low level compared to the number that would be lost if we were to adopt some of the proposals the public is now hearing discussed.

Mr. IRWIN. Just to get this on the record. Do you think the fact it might take us 10 years to reach our objectives as we state them today is a lot of time?

Secretary McNAMARA. Well, I don't want to be pushed into it, and I know you are not trying to push me into a specific estimate of the time required. But I will say this, it is my belief that 10 years is a much longer period than will be required to accomplish our objectives.

Mr. IRWIN. I can tell my people it is going to take 10 years, because I would rather come back in 5 years and tell them we have the job done.

Secretary McNAMARA. I must say I wish I hadn't phrased my statement in October of 1963 quite the way I did.

Mr. IRWIN. My colleague reminds me I have got to come back next year, but I have been out of the box once before, Mr. Secretary, and it wasn't too bad. So we will face up to that as the time comes.

One of the things that bothered me about your testimony to Mr. Leggett, I can't understand how you can make a pretty rugged fighter out of a guy that you conscript through terror.

The CHAIRMAN. Seventeen-year-olds, at that?

Mr. IRWIN. I really think you should handle that one. I don't think you should leave it on the record as it is.

General WHEELER. Let me respond to this, if I could.

Up until the recent past Vietcong training period, indoctrination period, was very well done. And the bulk of the people, the bulk of their inductees, were not primarily gotten by terror tactics; they were recruited; they actually had a schooling program among other things, believe it or not. Some PW's said the reason they joined the Vietcong is because they got training in various types of activities. They moved them up slowly from being part-time guerrillas in their own hometown, so to speak, moved them from that into provincial-type guerrillas, where they operated in the vicinity of their homes, but not directly in their homes, and then later on they graduated them into what I would call the main force units, and then would use them throughout any part of Vietnam.

They have changed this. They have been forced to because of the losses that have been imposed on them over the past year. And they are now resorting more and more to this terror tactics. They have abandoned their school system, and their GI bill of rights, in favor of taking these kids, and by the way they are going down to 14-year-olds in some cases, taking these kids, throwing them into their units, and putting them in the main force units directly. And the result is that the caliber of some of the Vietcong main force units is very definitely going down, and the PW's report that the older men, the veterans, are greatly dissatisfied with the type of recruits they are getting now. They don't have the same fighting spirit. They complain that if they ever get the opportunity they will desert. They go back to their own homes or else they desert to the Government.

So again, you are talking about two different types of systems.

Mr. LEGGETT. If these people are forced so badly though, when they are captured why don't they tell us where their hideouts are?

General WHEELER. They do. They sing like canaries.

Secretary McNAMARA. I may have exaggerated the case. It is true a higher percentage of their people are recruited by the application of terror tactics, but it is also true, as General Wheeler pointed out earlier, and still today to a lesser degree, they carry on very effective indoctrination programs, and that, therefore, whether the person was re-

recruited by terror initially or whether he was recruited by other means, he frequently becomes a strong advocate of the Communist program.

The CHAIRMAN. Do they have anything like West Point up in North Vietnam?

General WHEELER. I think they have officers—no, nothing comparable, I don't believe, to West Point. They have an extensive training system, and they have officer's schools, and they have noncommissioned officer's schools and specialists schools.

The CHAIRMAN. Do you know where they are?

General WHEELER. We know the location of some of them.

The CHAIRMAN. Why haven't you bombed them?

General WHEELER. The main one is in the middle of Hanoi, Mr. Chairman.

The CHAIRMAN. You better not go up there, they will fire you, I guarantee you that.

General WHEELER. They also send some of their officers back to various Communist countries to schools.

Mr. IRWIN. Mr. Secretary, I want to thank you. If you watch me signing mail, this is 11,000 answers to a questionnaire I sent out on Vietnam—170,000 of them. The questions were phrased as I chose to pose them. About 20 percent of the people felt we should be doing more than we are. About 60 to 65 percent support the President's policy, and about 5 percent, or perhaps less, feel we should get out.

Mr. HAGAN. How did you frame the question?

Mr. IRWIN. Well, I will let you read that.

The CHAIRMAN. Is that all?

Mr. IRWIN. That is all, Mr. Chairman.

The CHAIRMAN. Are there any other questions of any members of the committee?

Well, Mr. Secretary, we have finished.

We won't have a session tomorrow. You said you were going to meet on Saturday.

Secretary McNAMARA. I am very grateful for your willingness to accommodate us by this extended session this morning.

The CHAIRMAN. Are you going to Honolulu?

Secretary McNAMARA. I think the probability is that we will go.

The CHAIRMAN. How long will it take?

Secretary McNAMARA. I may be gone a day or so, perhaps General Wheeler may stay a day or two longer.

The CHAIRMAN. I hope you have a successful trip.

Secretary McNAMARA. Thank you.

(Whereupon, at 1:55 p.m., the committee adjourned.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Monday, February 7, 1966.

The committee met at 10:08 a.m., Hon. L. Mendel Rivers (chairman) presiding.

The CHAIRMAN. Let the committee come to order.

Members of the committee, we have before us this morning the Honorable Secretary of the Navy Nitze; the Chief of Naval Operations, Admiral McDonald; and the General Greene, Commandant, Marine Corps, who will discuss three matters.

Each member has the documents which support the 1966 supplemental authorization. The top document is a brief statement of the Secretary of the Navy, and below it in order are the backup materials. First is procurement, second is research and development, and third is military construction.

I suggest the most orderly procedure for briefing is that the Secretary complete his statement and then go directly into the black loose-leaf notebook and start with the first airplane and continue through the book.

Mr. Secretary, we will be very pleased to hear from you at this time.

STATEMENT OF HON. PAUL H. NITZE, SECRETARY OF THE NAVY

Secretary NITZE. Mr. Chairman and members of the committee, the Secretary of Defense has explained in detail our requirements for various appropriations categories. I will, therefore, limit myself to a few brief comments.

Combat operations in southeast Asia have resulted in an increase in Naval Establishment costs of about \$3.3 billion over those previously funded for fiscal year 1966. These increases are the result of a general buildup of our Navy and Marine forces, an increase in tempo of operations, and expansion of overseas facilities and installations.

I shall review the major requests of the Navy and Marine Corps, and indicate the capabilities or requirements which they fulfill.

The temporary increase in personnel levels will be used to [deleted] permit better rotation for our personnel, and expand our logistics support. The \$360.3 million we are requesting will provide an increase of 52,212 Navy and 59,707 Marine Corps active duty personnel.

Additional aircraft are needed to [deleted] replace losses, and to expand pilot training. We are asking for [deleted] tactical jet aircraft [deleted] helicopters, and [deleted] trainer aircraft. In addition, for combat and training purposes, we are requesting air-to-ground missiles, air-to-air target missiles, and missile support equipment. Our PAMN request totals \$764.5 million.

For Marine ground forces, we are asking \$516.6 million to procure or modernize [deleted] tanks [deleted] artillery pieces, ground-to-air missiles, ammunitions, and for improvements to tracked vehicles.

The \$52.6 million requested for R.D.T. & E. will be used primarily to finance certain aircraft and ship programs.

Our request of \$254.6 million for military construction will be used for needed port, airfield, medical, and logistics support facilities.

Operation and maintenance funds totaling \$608.6 million for the Navy and Marine Corps, and \$607.5 million for other procurement, Navy, have been keyed to the anticipated southeast Asia tempo of operations and expenditure rates. Included in the operating funds are \$134.6 million to activate, or retain in active service [deleted] ships for naval gunfire, patrol, and logistics.

In formulating these requests we have considered long-range values as well as immediate needs. In the event of termination or substantial reduction in combat activity, many of these assets will be recoverable or of continuing value.

The Chief of Naval Operations and the Commandant of the Marine Corps, with several officers from their staffs, are here with me. We shall be glad to discuss items of special interest to the committee.

The CHAIRMAN. In the statement I notice you revised that [deleted]. Is this because you are going to activate some ships; on the former concept you didn't need more guns, you needed missiles. Is this the reason for that?

Secretary NITZE. No, this is an error in the original statement, it should be [deleted].

The CHAIRMAN. You are reactivating them?

Secretary NITZE. I can give you a list of the ships included. [Deleted.]

The CHAIRMAN. These are activated?

Secretary NITZE. No, some of these are retentions and some are activations.

The CHAIRMAN. We will get to that, Mr. Secretary. Let us go right into the procurement of the first airplane.

Mr. PIKE. Mr. Chairman, could I ask another question on the Secretary's statement?

The CHAIRMAN. Yes.

Mr. PIKE. Mr. Secretary, there is another change in your statement. In the second paragraph of the second page, you have stricken out the word "accelerate" and put in the word "finance." When you do that, does this mean that there are certain procurements in this supplemental appropriation which are being financed but not accelerated?

Secretary NITZE. What I had particularly in mind when I changed the word from "accelerate" to "finance," was in the ship R. & D. there is included \$10 million for the FDL program, which is to finance the program definition phase of the FDL, and which I wouldn't really consider to be accelerating. It is a method of getting that program on a sounder basis.

Mr. PIKE. I would ask you the question more directly: Are there items being procured under this fiscal 1966 supplement which are being financed under the fiscal 1966 supplement but which are not being accelerated?

Secretary NITZE. This FDL one is in that category.

Mr. PIKE. Are there any other items in that category?

Secretary NITZE. I believe not. I think there is an item of some \$27 million with respect to the [deleted].

The CHAIRMAN. If that is a fact, then why put it in the 1966, why not put it in the 1967?

Secretary NITZE. We need it now.

The CHAIRMAN. Why not accelerate it?

Mr. PIKE. If you need it now, and it is not being accelerated, why does it help to put it in the 1966 supplement?

The CHAIRMAN. It just doesn't make sense, unless you are juggling the figures. Was it originally in 1967?

Secretary NITZE. No; it was not. [Deleted.]

Mr. PIKE. You say that was not originally in the 1967 procurement?

Secretary NITZE. I believe not.

The CHAIRMAN. We will get to that.

Mr. PIKE. Let me talk about another airplane, Mr. Secretary—

The CHAIRMAN. Wait, let him get to the airplane first.

Mr. PIKE. All right.

The CHAIRMAN. Let him get to the airplane, and then at that juncture I want you to follow the line of interrogation which you did last week, Mr. Pike.

You go ahead with the first airplane, Mr. Secretary.

Mr. HALL. Mr. Chairman.

The CHAIRMAN. Yes.

Mr. HALL. Again, in the opening statement, does the second change in the opening paragraph mean he concurs in all the testimony given by the Secretary of Defense in the detailed requirements in the appropriation categories, inasmuch as he is not going to comment further?

Secretary NITZE. I haven't gone over it in that detail, Mr. Congressman. But I have no deviation between what I believe he said and what I believe to be true.

Mr. HALL. Mr. Secretary, have you or have you not been over his testimony before this committee last week?

Secretary NITZE. I went over it once rapidly, but I haven't been over it since.

Mr. HALL. You say the Secretary of Defense has explained in detail our—I presume that means Navy-Marine Corps—requirements for various appropriations categories. I will therefore limit myself to a few brief comments.

Does that or does it not mean that the Secretary of the Navy, who has certain constitutional and legal responsibilities concurs in those statements that you referred to by the Secretary of Defense?

Secretary NITZE. I do concur, Mr. Congressman.

Mr. HALL. Will we come to a line item in the black book pertaining to the third paragraph on the second page, wherein you spell out medical and logistic support capabilities, under military construction?

Secretary NITZE. I am not familiar with the black book which you refer to, Dr. Hall.

Mr. HALL. The one that the chairman has asked you to take up next.

You supplied this for us.

Mr. KELLEHER. That is just for aircraft, that particular one. Underneath that you will find the military construction, the bottom one.

Mr. HALL. Maybe counsel could advise me. I certainly don't mean to embarrass the Secretary.

Mr. COOK. Yes, sir; it will be included in the military construction book.

The CHAIRMAN. You will be free to ask any questions you want, Doctor.

Mr. HALL. Well, I will pass it up now in line with your desires, and the same way with the control.

The CHAIRMAN. That comes under construction. We want to follow that procedure.

I suggest taking up first the procurement, R.D.T. & E., and then construction.

Mr. Secretary, go ahead with the first item in the black book.

Secretary NITZE. I have just been given sheets which I believe are the same ones that are in your black book.

The CHAIRMAN. Under A-4E, Skyhawk, is that your first?

Secretary NITZE. A-4E, Skyhawk, is the first one I have here.

The CHAIRMAN. Go ahead.

As of January 1, you had [deleted] undelivered, with 66 supplemented in prior funds [deleted] and this bill you want to buy [deleted].

Secretary NITZE. We want to buy [deleted] additional; that is correct.

The CHAIRMAN. [Deleted] additional.

Now, Mr. Pike, do you have any questions on that?

Mr. PIKE. Yes, sir.

The CHAIRMAN. You go ahead.

Mr. PIKE. Mr. Secretary, when the Navy in the person of Admiral Schoech testified before us 2 years ago on the necessity of procuring the A-7A, he said these words, and I am reading from his statement:

As you know, our present inventory is based on the Douglas A-4 series. The first version of this airplane dates from the late 1940's. And while it has been modified and improved over the years, it does not provide the payload radius capability which our recent studies have confirmed are now required.

The Navy itself at approximately the same time put out a justification on the procurement of the A-7A, and they said among other things this: "The A-4 series has done an excellent job of meeting the original requirements. As originally conceived the A-4 was designed to provide at minimum cost the delivery of [deleted] nuclear weapon. However, in recent years the emphasis for nuclear weapon delivery by light attack aircraft has decreased, while the requirements for Navy action in nonnuclear war has become primary. The A-4 has been modified over the years to improve its capability, the most recent improvement being the A-4E version which uses a more efficient jet engine.

The fact remains, however, that the original concept of the A-4 severely limits its capabilities for nonnuclear war. At the same time, this is 2 years ago—the Secretary of Defense, in his statement to the Armed Services Committee, said this:

Last year we had planned to continue procurement of A-4E light attack aircraft into fiscal year 1966. However, last May the Navy completed an extensive study on the entire sea-based air strike system which indicated convincingly that the A-4 series would not fully meet the Navy's needs. The A-4 has been modified over the years to improve its nonnuclear capabilities, yet the fact remains that its original design characteristics significantly limit its capabilities in that role.

Now, with Admiral Schoech saying this, and the Navy putting out a release to this effect, and the Secretary of Defense having told us 2 years ago that the A-4 series—that their study had convincingly demonstrated the A-4 would not meet the Navy's needs, why is the Navy buying A-4's?

Secretary NITZE. We are buying all the A-7's that can be produced. The production of A-7's is [deleted]. We need our planes rapidly, and the A-4 is the best one that we can get within the time frame. But I prefer Admiral McDonald expand on my answer.

Mr. PIKE. Let me ask a question on what you just stated. You say you are buying all the A-7's—the Navy is buying all the A-7's that can be produced?

Secretary NITZE. Within the time frame that we are discussing here.

Mr. PIKE. Well, isn't the production of the A-7's as far as the Navy

is concerned, being vitally slowed down by the fact that the Air Force has been told they are supposed to procure some A-7's, too?

Secretary NITZE. I believe not, within the time frame we are discussing.

Mr. PIKE. What is the time frame which you are discussing?

Secretary NITZE. Let me just check when these planes will be delivered.

We are buying [deleted] in 1965, [deleted] in 1966, and [deleted] in 1967. I think they will be delivered in [deleted] if I am not mistaken.

The CHAIRMAN. Let me see if I understand the response to your inquiry, Mr. Pike.

Are you saying, Mr. Secretary, because you cannot get something else you will take this plane which the Secretary and Admiral Schoech said did not meet your full requirements? Is this your answer?

Secretary NITZE. I think there are two parts to it. The first one is that the A-4 has done extremely well in combat in southeast Asia, so that it does fulfill an extremely useful role. And (b) that we cannot get the A-7A in increased quantity within the time frame that we are concerned about.

Admiral McDonald, would you like to expand on this?

The CHAIRMAN. It looks to me like what you are saying is exactly what I said. You would like to have the 7's, but you cannot get them so you are taking the 4's.

Mr. PIKE. Mr. Chairman, there is another plane I am going to talk about.

The CHAIRMAN. Let us see what Admiral McDonald has to say about that.

Admiral McDONALD. I would like to, if I may, without trying to preempt Mr. Pike's questions, sort of give a little history of how we got into this.

The CHAIRMAN. Go ahead.

Admiral McDONALD. And then try to be responsive.

The CHAIRMAN. Go ahead. The question is how are you going to get out of it?

Admiral McDONALD. That comes later, Mr. Chairman.

The CHAIRMAN. You go ahead and answer his question.

Admiral McDONALD. We found because of the tempo of operations in South Vietnam, and our losses, we had to have more airplanes—more attack airplanes.

Mr. PIKE. Now, when you say "we found," was this the result of something called an attrition study?

Admiral McDONALD. Yes, it was something called an attrition study, Mr. Pike, and it was also something called rotation. Before we started flying and being shot at, we didn't have to rotate our pilots so much. We needed, as you know, more planes and more pilots to help this rotation.

Mr. PIKE. Was the efficiency study something you conducted or something conducted by the Department of Defense for you?

Admiral McDONALD. I think the attrition study is something we have all conducted, Mr. Pike. Everybody has a study, but we base our figures primarily upon the actual losses that come back from South Vietnam—how many airplanes we have lost per thousand sorties.

Mr. PIKE. Do you have a copy of the study which the Navy made?

Admiral McDONALD. I do not, but I have in my pocket what our present attrition rate out in South Vietnam is.

Mr. PIKE. I don't doubt that for a minute, but I am interested in the study you are talking about. I know the Department of Defense made a study, but I would like to see a copy of the attrition study you say the Navy made.

Admiral McDONALD. We get figures from out there, and we base our facts on those figures.

Mr. PIKE. I didn't mean to interrupt you.

Admiral McDONALD. The point is we needed airplanes, and we needed the type of airplanes that we could absorb.

Now, the airplane that we would prefer to have is the A-7. We have gone through that before this committee, and the others pointing out, as Mr. Pike well did, what Bill Schoech said, as to why the A-7 was the preferred airplane. We couldn't get the number of A-7's in the time frame. Then we said, well, what can we get? The next airplane we looked at was the A-6A, but we couldn't absorb the A-6A because a A-6A needs a lot of shop space aboard the carriers, which we do not have. It is a complicated airplane which requires many more technicians, it requires two people in the airplane instead of one, and it requires quite a period of transition of pilots from one form of attack into that airplane. We usually perform a lot of that transition in what we call the CRAW, which is the combat training wing. We have no training A-6A's, and then we look, and here is the A-4's.

The CHAIRMAN. Who has denied you this training, the Secretary of Defense?

Admiral McDONALD. Nobody has denied me anything yet, Mr. Chairman. I am telling you how the Navy reached our recommendation.

Then we looked at the A-4. Here is an airplane that [deleted] we have been using the A-4 very successfully in North Vietnam. It has a higher availability rate. It has a lower loss rate. We could get the A-4 in time. We had a lot of sailors that were familiar with the A-4. We didn't have to train new technicians. The transition of the pilots would be very simple. We could get some TA-4E's which is the training version of the A-4, and as a result we in the Navy went to OSD and requested the A-4.

Now, OSD said, the A-4 is an obsolete airplane. We are not going to let you buy it. Why don't you get a modified version of the A-6A called the A-6B?

Mr. PIKE. Admiral, I don't want to interrupt you, but would you just give us the time when these different transactions took place? When did you go to the Department of Defense and ask to be allowed to purchase A-4E's, and when did they say, "No, you have got to buy something else"?

Admiral McDONALD. I believe we went about August, and they said "No, you will buy A-6B's in October"—Captain Miller, is that right?

Captain MILLER. That is right, last summer.

Admiral McDONALD. When OSD said why don't you get A-6B's we were faced with the fact we couldn't get support for the A-4's, we

needed airplanes, it looked like all OSD would let us get was the A-6B, so we said, certainly, we will take them.

Mr. PIKE. You haven't even mentioned the A-6B until just now.

Admiral McDONALD. That is right.

Mr. PIKE. Make a comparison, will you, Admiral, between the A-4 and the A-6B, in terms of range, in terms of bomb carrying capacity, in terms of speed, in terms of runway length, in terms of ability to fight at night?

Admiral McDONALD. The A-6B, Mr. Pike, [deleted]. It has a far better all-weather capability. The A-4 is simple. We have pilots who can fly it. We have personnel who can maintain it, and we have the shops aboard all our carriers, including the *Hancock* class, which can operate.

Mr. PIKE. The A-6B could have operated aboard the *Hancock*-type carrier?

Admiral McDONALD. Modified, yes, sir. Modified. But once again we have to transition pilots.

But when the OSD says no A-4's, A-6B, we said, well we will take them if we have to. And as a result of that we had a tentative contract with Grumman then for [deleted] A-6B's.

Now, about the time this contract—

Mr. PIKE. What do you mean by a tentative contract?

Admiral McDONALD. I don't believe there is any contract, Mr. Pike, you can't cancel.

Mr. PIKE. Well, I agree with you, but you did have a contract?

Admiral McDONALD. Well, say a contract.

Mr. PIKE. Making the announcement you were going to procure [deleted] of the aircraft, didn't you?

Admiral McDONALD. We in the Navy hoped we could still get the A-4's.

We came down later with a study, we had developed a study in the Navy which pointed out how, and the only way that we could expand our capability.

We have no more heavy attack carriers. The only way the Navy can expand its carrier capability is to take the *Intrepid*, which is an ASW carrier, give it a modified attack capability, take the *Lexington*, give it a slight overhaul and conversion which will give it a modified attack capability. And if we did that, we could use, from those ships, the A-4's. I don't say we couldn't use the A-6B's, but we could use the A-4's. That convinced OSD that although the A-4 might be obsolete, we had a lot of need, and a lot of further use for that airplane.

Concurrently, we had another program which indicated that we must go from a pilot training rate of 1,800 a year to 2,200 a year, and that the best way to absorb those pilots would be to buy some more of the A-4's, put them in the CRAW, and we could train those pilots through Pensacola, through the CRAW into the A-44, on these carriers.

And as a result of that, then this contract was changed—canceled, if you want to call it that—and we bought the A-4's.

But right or wrong, this was something—getting the A-4 I am talking about—was something which was not forced upon the Navy. That was my decision.

Mr. PIKE. All right. Now, it is your testimony, then, you are going to improve and expand the capability of the Navy by buying obsolete aircraft and training pilots to fly them?

Admiral McDONALD. Using them on obsolete ships, which are the only ones we have, Mr. Pike.

Mr. PIKE. You can put nonobsolete aircraft on your obsolete ships, can't you, Admiral?

Admiral McDONALD. The A-6B, if we had them in time we could, if we had the pilots to fly them.

Mr. PIKE. When you talk about having them on time—you would disagree, then, with the comment in the *Aviation Daily* when they talked—this is December 16, 1965—when they talk about the cancellation of the A-7B's—the A-6B contract, when they said, "Time, the Navy feels, is not that critical."

Admiral McDONALD. I would say time is critical to get airplanes—attack airplanes for the Navy.

Mr. PIKE. How much faster do you get these obsolete A-4E's than you could have gotten the A-6B's?

Admiral McDONALD. I can't answer that.

The CHAIRMAN. When are you going to be in position to take on these A-6B's?

Admiral McDONALD. We aren't going to take on the A-6B's, Mr. Chairman, I don't believe.

The CHAIRMAN. What do you have aboard the *Enterprise*, that will take anything, do you have the 4 series?

Admiral McDONALD. The A-6B is an airplane, Mr. Chairman, that we have never programed to buy, except when we let the contract in October. It was never our intention to buy the A-6B. A-6A, yes, sir, A-6A, which is the best airplane, I guess, flying today in the attack role.

The CHAIRMAN. What about the Phantom?

Admiral McDONALD. Well, that is a fighter. I said in the attack role.

Mr. PIKE. Now, Admiral, as far as your capabilities are concerned, you are asking here for what, [deleted] A-4E's? Which would give you more capability [deleted] A-4E's or [deleted] A-6B's?

Admiral McDONALD. If I had the mechanics to keep the A-6B's in commission, and the pilots to fly them, and if the A-6B would perform as satisfactorily as the A-4 has performed, I would take the A-6B, but it is a newer airplane.

Mr. PIKE. In other words, what you are saying is that all of the testimony which we have heard from Navy admirals, and from the Secretary of Defense, about the fact that this plane is not modern, and that it is obsolete, now we are supposed to forget about that and go on and continue to buy what you characterize as an obsolete aircraft because you haven't got the pilots and mechanics to keep a new aircraft in the air?

Admiral McDONALD. This is like if we wanted to use the *Intrepid*, Mr. Pike, instead of getting a new carrier; any old port in the storm, you have to take what you can get. We certainly don't intend to take any more A-4's than we have to. We hope to get, as you can see in the 1967 budget, we are asking for [deleted] A-7's. This is an interim

until we can get the plane which we told this committee we wanted so bad.

Mr. PIKE. What is the A-7's all-weather capability?

Admiral McDONALD. There is no plane that has the all-weather capability that the A-6A has, and the A-6B wouldn't have it either.

Mr. PIKE. But it would have more than the A-7A?

Admiral McDONALD. Oh, yes.

Mr. PIKE. When you say it doesn't have the all-weather capability, you disagree with the witness that came before the R. & D. subcommittee for the reprogramming for the A-7A the other day, who told us the A-7A cannot perform its mission at night. Would you disagree with that?

Admiral McDONALD. He would have to give me a definition of what he means by performing its mission.

Mr. PIKE. Well——

Admiral McDONALD. You see, usually, Mr. Pike——

Mr. PIKE. The testimony which we got was that neither the A-4E nor the A-7A can perform their missions at night.

Admiral McDONALD. Usually when we say modified all-weather capabilities, I am sure you know we mean it can get from the carrier to the target through bad weather, can conduct its mission over the target if the target is clear, and it can get back through bad weather. It cannot fly in bad weather to a target which is obscured and bomb by radar and get back.

Mr. PIKE. The A-6A could have done that?

Admiral McDONALD. If it has all of its systems working.

Mr. PIKE. Well, that is true of any airplane, Admiral. Good Lord, you can't take off unless your systems are working.

Admiral McDONALD. Mr. Pike, I think the A-6A is the best airplane, as I say, in the world today. But the fact remains, you should know that one thing, that made us shy away from this. This whole A-6A, A-6B, is a new affair. It is a new affair. And although our A-6A's are wonderful, and doing a grand job, the fact remains that today we are having to spend [deleted] man-hours for every hour the plane flies, when we expected to spend [deleted].

Now, we don't want to get into this too fast, as we will really be in trouble.

Mr. PIKE. When you talk about all systems operating when you get on target, this is something I know a little something about, too. Do you have all the systems operating on any other plane when they get on target?

Admiral McDONALD. Yes, sir, we do in the A-4, because it is really just two systems, you know, that is the eye and the telescope. That is the easy part about it. But I think we will admit the old propeller A-1, which is quite obsolete, is doing a good job in South Vietnam. Something else can do the job better. And that is what we have really in the A-4. The A-7 can do it better, but until we get it we want to use these that we can use the fastest with the people we have.

I can't emphasize this too much.

Mr. PIKE. Admiral, what people do you have to handle the A-7A?

Admiral McDONALD. Mr. Pike, we are getting the A-7A in numbers, and we are training the people now, and this is another reason that we aren't going for the A-7A so fast, so that we hope we will have

those people quite ready. And the A-7A from a technical point of view is a very simple airplane compared to the A-6's—very simple.

Mr. PIKE. Well, Admiral, isn't it true any plane that can't perform its mission at night is likely to be less technically complicated than one that can perform the mission?

Admiral McDONALD. Oh, yes, and of course we take a loss.

The CHAIRMAN. The Navy can't digest the 6-B but the Air Force can.

Admiral McDONALD. Well, you will have to ask them. They aren't getting any.

The CHAIRMAN. The Air Force is getting some, the Air Force is getting the 6-B.

Mr. PIKE. That is the A-7A.

The CHAIRMAN. Why can't the Navy absorb the new airplane? This is ridiculous.

Admiral McDONALD. Oh, we are absorbing new airplanes, Mr. Chairman, all the time. The A-6A is a new airplane we are absorbing. The A-7, we are going to absorb it, but now you can only absorb so many.

The CHAIRMAN. In other words, if you don't go to the 7, you will not be in position to absorb the 6-B.

Admiral McDONALD. We are going to the A-7's, oh, yes, sir.

The CHAIRMAN. The A-7 is a better step than going from the 4 to the 6, to go from the 4 to the 7?

Admiral McDONALD. They are entirely different airplanes, Mr. Chairman.

The CHAIRMAN. They will be in position to take over the new 6-B?

Admiral McDONALD. There is no such thing as a 6-B, Mr. Chairman. They would have built one, but the 6-B has never been built, and this was a modified version, really, of the A-6A. They were trying to help us out when it looked like we were really in trouble, and Grumman came up with this in their effort to help us. That is what it is all about.

The CHAIRMAN. How about the A-6A, how do they compare with the 7?

Admiral McDONALD. Much more complicated, but much more capable, it is a marvelous airplane [deleted].

The CHAIRMAN. It is in production?

Admiral McDONALD. Yes, sir. The first was deployed abroad the *Independence*, now they are on the *Kitty Hawk*.

The CHAIRMAN. Are you capable of getting the training on schedule for this airplane?

Admiral McDONALD. With the production schedule we now have, we have the production schedule made out in coordination with the training of our pilots and of our mechanics for the systems in the aircraft. That is the difficult part. We must tie the training of pilots and technicians to the production schedule, and we are capable of taking the A-6A's in accordance with our planned operations.

The CHAIRMAN. Nobody has limitations prescribing your program?

Admiral McDONALD. Not to date.

The CHAIRMAN. What about in the future?

Admiral McDONALD. I cannot answer that in the future, sir. In other words, there have been no budgetary limitations placed upon what we have asked for to date.

The CHAIRMAN. Go ahead, Mr. Pike.

Mr. PIKE. Admiral, has the Navy ever asked for any additional A-6A's which the Department of Defense has turned them down on? Admiral McDONALD. I don't think so.

This is a point blank question. I do not think we have, but I am not—

Mr. PIKE. When the Department of Defense crammed these A-6B's down—

Admiral McDONALD. I understand there were some for the Marine Corps that were denied.

Mr. PIKE. Thank you.

Was the Department of Defense cramming these A-6B's down your unwilling throat—when they did that, did you complain to the Department of Defense that you couldn't train the people for these airplanes?

Admiral McDONALD. Yes, we pointed out why we wanted—

Mr. PIKE. In what form was that communication made?

Admiral McDONALD. Our request went down in the form of a piece of paper for the A-4's, and the complaint was made—I hate to put it on somebody else—but in the person of Captain Miller.

Mr. PIKE. Was that complaint in writing, or was the complaint oral?

Admiral McDONALD. I think the fact we couldn't absorb the pilots was oral. The fact we wanted A-4's was written.

Mr. PIKE. What was the date of that written communication?

Admiral McDONALD. Late summer.

Mr. PIKE. Would you produce it for the record, please?

Admiral McDONALD. I would be glad to, yes.

(The following information was received for the record:)

May 18, 1965.

Mr. PIKE. That is all I have at this time.

The CHAIRMAN. Mr. Bates.

Mr. BATES. Admiral McDonald, when you mentioned a few moments ago, any old port in a storm, we recall about the TFX or the FB-111 hearing, and their prediction then, as I presume yours is now, this is the best we can do under the circumstances. In other words, to say any old port in a storm. I remember a long time ago when Admiral Pirie used to come up here and ask for more planes, he used to be sick after the hearings were over. I talked to him on some occasions, but here we are in two specific situations now discussing the so-called AMSA, which we are putting off maybe forever, but in any respect adopting the TFX, which is not as good as the B-52 G to H series, which you discontinued in 1962. We are doing the best we can under the circumstances. We are improvising.

Here is another situation where we are improvising, taking something that is not as good as we would like to have, but the best we can have under the circumstances. Here are two combinations that bother me.

Now I see also a lot of ships lined up from Pearl Harbor to Saigon that cannot be unloaded. The question that bothers me in all of these

hearings conducted, the kind of planning. It seems our inventories are depressed, we are unable to advance with the times. We have to remember that these planes here might fight the latest that somebody else might have, and we cannot fight a compromise airplane against a noncompromised airplane. If the situation should change overnight in Vietnam, so that we would have other planes against us, this is what we have to be ready for, not whether or not they are going to knock us down with small arms fire. This is what disturbs me. This is the pattern which I see developing this year.

I don't know whether it has been just the budget limitations, or what, but we are moving ahead in 1966. We are coming up with planes, in the case of the Air Force, bombers that aren't as good as those we discontinued in 1962. Here we are now with the A-4—how old is that?

Admiral McDONALD. What is that?

Mr. BATES. The A-4.

Admiral McDONALD. In the middle 1950's, but I feel, Mr. Bates, airplanewise, as far as the Navy is concerned, we are, as far as modernization, in excellent shape. We just aren't getting them fast enough. In other words, with the F-4, with the A-6A, with the A-7A, with escalation, I believe you would call it, of the war in South Vietnam, on our light attack we are just about a year ahead of time. But we got the A-7, I believe, as quick as we could, that is to this committee, where you put it in the program or we wouldn't have had that quickly.

Mr. BATES. Yes; you have been able to get it. Here we are in a position where you wish you had the best. This bothers me. You cannot get the best.

Admiral McDONALD. We like the A-4 out there.

Mr. BATES. Under the present circumstances?

Admiral McDONALD. Yes, sir. [Deleted.]

The CHAIRMAN. Suppose if you ran into some MIG-21's, you would have to have some escorts, wouldn't you?

Admiral McDONALD. [Deleted.]

The CHAIRMAN. They wouldn't be sitting ducks going in over the target?

Admiral McDONALD. No, sir.

Mr. BATES. It is this wide range of planning which disturbs me. A year ago we had the Department down here. I asked them then about the program; I asked about helicopters, I asked about ships, and everything was just fine. Inside of 3 or 4 weeks we come up with \$700 million, and then an additional \$1.7 billion, and now here is another \$12 billion. It just doesn't seem to me that we have the long-range planning necessary to take care of contingencies, but we are working our inventories on a peacetime basis. We say next year is going to be the same as next year. I think the Secretary indicated the other day the escalation of forces there now in Vietnam would probably require \$12.3 billion now. I think we are planning things too close to the stomach.

There was a time when we thought the more we could get, the sooner we could get them, was the best philosophy to follow during the war. Nobody knows what is going to happen. We could have a problem in Korea tomorrow. If we are fighting against half of Vietnam, how

are we going to take care of the situation if it arises in Korea? This is without anything happening in Europe or anywhere else.

That is all I have, Mr. Chairman.

The CHAIRMAN. What is the next item, Admiral, or Mr. Secretary? Secretary NITZE. The next is the A-6A, Mr. Chairman.

Mr. GUBSER. May I ask a question, Mr. Chairman?

Admiral, I would like to explore one of your answers to Mr. Pike just a little bit further. I believe you said the Marines had requested A-6A's, which were turned down by the Department of Defense. Could you give me the number requested, and approximately the time they were requested?

Secretary NITZE. I think perhaps General Greene might answer this question.

General GREENE. The Marine Corps requested [deleted] A-6A's, at [deleted] each. The Office of the Secretary of Defense deferred approval of this request. These aircraft were scheduled for delivery to the 4th Marine Aircraft Wing. The deferral was based on the lack of [deleted], the unit cost, and the availability of the A-4 B and C, for this wing. These would have been assigned to the 4th Marine Aircraft Wing. That is our reserve wing which is not actually on active duty at the present time.

The CHAIRMAN. You could have absorbed those planes if you had been permitted to buy them, though. Somebody told you you couldn't get them, didn't they?

General GREENE. Yes; we could have absorbed them, if we had been able to get them.

The CHAIRMAN. They just told you you couldn't have them, so you could get something else. That is the sum and substance of it, isn't it?

General GREENE. Well, they based it on the fact there was [delete]. The approval was actually deferred, Mr. Chairman.

The CHAIRMAN. Deferred?

General GREENE. Yes; that was the term used.

The CHAIRMAN. Deferred means denied, doesn't it?

General GREENE. Well, it could be disapproved, which would be pretty definite.

The CHAIRMAN. You didn't get the airplane, did you?

General GREENE. No, sir; we did not.

The CHAIRMAN. What did you get in place of it?

General GREENE. We are hanging on to the A-4.

The CHAIRMAN. What about that, Admiral McDonald?

Admiral McDONALD. They could have absorbed them because they are going to the reserve wing which is not an active group and they could have absorbed them all.

The CHAIRMAN. What about deferring them?

Admiral McDONALD. If they defer them until [deleted] or if they aren't going to put the 4th Division into combat, I don't make those decisions; if they are going to defer the callup of this group, I guess it makes sense.

The CHAIRMAN. You don't like that word "reserves," do you?

Mr. GUBSER. Mr. Chairman, may I finish?

The CHAIRMAN. Go ahead.

Mr. GUBSER. What concerns me is, if you are ever going to introduce a new aircraft, obviously you have to undergo some experience with

it. And here was an opportunity to undergo some experience with the A-6A, and perhaps speed up the day when it could be brought into the fleet in quantity.

Admiral McDONALD. Mr. Gubser, we have the A-6A.

Mr. GUBSER. It keeps striking me that we defer the deployment, or the purchase of a new aircraft, to improve our capability, hoping we will get a better airplane someday, and meantime we go further and further back into obsolescence. That is what we are doing.

Admiral McDONALD. No, our desire is, and always has been, to have in the attack role, the light attack role, A-6A's, and A-7's. Now, until we can get the A-6A's, and the A-7's in the numbers we want, we are using A-4's, and that was the only thing. The A-6B was going to be a fill-in. So we are getting A-6A's.

Mr. GUBSER. You have to acquire some experience with any new aircraft you have ever put into the fleet inventory?

Admiral McDONALD. Yes.

Mr. GUBSER. If you don't start acquiring that experience you never get yourself in position where you can absorb those aircraft?

Admiral McDONALD. I don't buy a new one to gain experience, only to get rid of it tomorrow.

Mr. GUBSER. Why was it requested?

Admiral McDONALD. It wasn't.

Mr. GUBSER. Even for the Reserves?

Admiral McDONALD. That is a different airplane, that is the A-6A. That is entirely different from the A-6B. We like the A——

Mr. GUBSER. Is this the aircraft which has the all-weather capability which you would like to have?

Admiral McDONALD. And we are getting it. We have never been denied it.

The CHAIRMAN. But the Marines were.

Admiral McDONALD. That is right.

The CHAIRMAN. What is wrong with the [deleted]?

Admiral McDONALD. [Deleted.]

Mr. PRICE. This has come up several times.

The CHAIRMAN. Yes, let's go into [deleted] General Greene.

Are you in charge of the request?

Admiral McDONALD. We buy them. It is under the Secretary, but General Greene and I work together on this.

The CHAIRMAN. What is wrong [deleted] that they did not approve it, General Greene?

General GREENE. I cannot give you the details on that, Mr. Chairman. [Deleted.]

The CHAIRMAN. You didn't know that before? You thought they were pretty good, didn't you?

Admiral McDONALD. I might make just one comment, Mr. Chairman. We deployed the A-6A last summer on the *Independence* about 9 months earlier than we would normally have deployed that airplane. We did it because of its potential capability, and in order to keep those planes flying. Grumman Aircraft could put on board the *Independence* rather large numbers of civilian technicians. We in my office took an experienced naval aviator captain and said, "Your only job is to ride herd on this airplane, and get spares out. [Deleted.]

The CHAIRMAN. Are you capable of absorbing them now?

General GREENE. The Reserve wing would be capable of taking [deleted] A-6A's that we requested, yes.

The CHAIRMAN. Are they in this budget?

General GREENE. They are in the supplemental budget. I mean the approval was deferred, so the money was not in this budget request, Mr. Chairman.

The CHAIRMAN. Did you sign any agreement not to ask for anything other than what is in this budget?

General GREENE. No, I didn't sign any agreement.

The CHAIRMAN. Did you?

Admiral McDONALD. No, sir.

The CHAIRMAN. Would you like to have them?

General GREENE. We would still like to have them; yes, sir.

The CHAIRMAN. Somebody sent me this, talking about an airplane that does everything. Here is the SV-111, VSTOL, the RF-111, the F-111, DC-111, the KC-111, the H-111 helicopter, the high-speed research 111, that is the X-111, the B-111, and the troop carrier C-111.

That is pretty good, isn't it? That is what I call a real versatile airplane. That helicopter looks pretty good.

Mr. PIKE. Mr. Chairman, are we on the A-6A, or are we wrapping up on the A-4E?

The CHAIRMAN. We are on the A-6A.

Go ahead, Mr. Pike.

Mr. PIKE. Admiral McDonald, when you talk about [deleted] the number of man-hours it took to keep it up in the air, and so forth, would you disagree with this statement? I was in Vietnam late in June—early July—from there I went on board one of our carriers, talked with the crews that were flying the A-6. It has performed magnificently well. It is the backbone of our all-weather capability from the carriers operating day and night against particularly the important military targets in North Vietnam. Would you disagree with that statement?

Admiral McDONALD. Mr. Pike, that sounds like it was probably written by probably the air group commander, the squadron commander in charge of those airplanes. I, too, was out there, I was aboard the *Independence* in September, watched the airplane operate, talked to the air group commander. I am very happy to say that our squadron and air group commanders are real enthusiasts. They are going to make these systems work, regardless.

I think this is a very favorable report.

Mr. PIKE. Well, I am glad you think so, because I don't know who wrote that statement, either, Admiral McDonald, but it was delivered by the Secretary of Defense on October 12, last year.

I think it is interesting to note the way language can change as to a plane's capability, depending on what we want to buy, or not buy, at any given moment. The words which I just quoted were from a speech by Secretary McNamara.

Mr. HARDY. You wouldn't disagree with that?

Admiral McDONALD. I am a little bit biased, Mr. Pike, because I was the head of the Navy's Air Warfare Division, which was our requirements section. When we drew up the requirements and spec-

ifications for the A-6A, I kind of think it is my baby, and I am very fond of it. [Deleted.]

Mr. PIKE. Now, we are on the item of procurement of the A-6A, in the supplemental procurement for 1966. How many planes do you plan to procure in the supplemental procurement for fiscal 1966?

Admiral McDONALD. [Deleted.]

Mr. PIKE. How many planes do you plan to procure in fiscal 1967?

Admiral McDONALD. [Deleted.]

Mr. PIKE. Are you accelerating the procurement of the A-6A based on the supplemental procurement of [deleted] in fiscal 1966?

Admiral McDONALD. Getting the [deleted] in the supplemental, will make it possible for us to accelerate should we need to, but to date we haven't taken any steps to accelerate.

Mr. PIKE. You could throw everything in the 1967 budget, in the 1966 supplement, and say it would make it possible to accelerate.

How many planes were you originally planning to procure in the fiscal 1967 budget?

Admiral McDONALD. [Deleted.]

Mr. PIKE. So what you have done is taken the exact number of airplanes out of your fiscal 1967 budget and put it in the 1966 supplement; is that correct?

Admiral McDONALD. If you were to say, Mr. Pike, what has been done, you inferred that I did it—I didn't.

Mr. PIKE. What has been done, has been to transfer the regular 1967 procurement of A-6A's to the fiscal 1966 supplement without any acceleration of the aircraft; is that correct?

Admiral McDONALD. That is correct.

Mr. PIKE. Mr. Chairman, this is the point which I tried to make on Friday.

The CHAIRMAN. You made it.

Mr. PIKE. This is the first acknowledgment.

The CHAIRMAN. Let me ask that question I asked you.

What statements have you been asked to sign, Admiral McDonald, concerning the adequacy of the budget for your service, and the adequacy of logistic support for your service? Have you been required to sign two statements in this regard, and what did you certify to?

Admiral McDONALD. I am checking. I don't believe I signed a thing in the world on this supplemental, Mr. Chairman.

The CHAIRMAN. What did you sign it on?

Admiral McDONALD. On 1967.

The CHAIRMAN. On the 1967?

Admiral McDONALD. That is right. I don't believe we signed anything or discussed anything at all on the budget we are talking about today.

The CHAIRMAN. That was on the 1967?

Admiral McDONALD. Yes, sir.

The CHAIRMAN. Well, we will get to that. We will ask you about that later. But you did sign something for 1967?

Admiral McDONALD. Yes, sir.

The CHAIRMAN. What do you call that, certificates of adequacy?

General GREENE. Certificate of material readiness.

The CHAIRMAN. You had to sign that?

General GREENE. We signed the certificate; yes, sir. This one I have at hand covers the fiscal year 1967.

The CHAIRMAN. Who told you to sign that?

General GREENE. I wasn't told by anyone, sir. I was asked to sign a statement as to our material readiness, which went forward to the Secretary of the Navy, and he in turn consolidated the certificates of the Navy and Marine Corps, and that went forward to the Secretary of Defense.

The CHAIRMAN. When they handed you that you grabbed the page and said "I will be glad to sign," or did you look into it?

General GREENE. Well, I looked into it. I wasn't told what to sign. I was asked to make a statement as to our material readiness which I was quite willing to do, Mr. Chairman.

Mr. BLANDFORD. Did you sign two statements this year, General?

General GREENE. I signed one covering fiscal year 1967, which I believe also covered fiscal year 1966 and prior years.

Admiral McDONALD. I believe we did, Mr. Blandford.

Mr. BLANDFORD. Isn't this the first time you have ever been asked to sign two statements?

Admiral McDONALD. I believe we have signed only one each year. We signed one last year, something on logistics this year.

Mr. BLANDFORD. What Bureau chiefs were also asked to sign certificates of material readiness?

Admiral McDONALD. I don't know that.

Mr. BLANDFORD. Mr. Secretary, were all the Bureau chiefs asked to sign those certificates?

Secretary NITZE. I think my recollection is those who supplied the details for me, the final certificate that I signed, I asked to sign, to certify as to the accuracy of what they gave me.

Mr. BLANDFORD. Adequacy or accuracy?

Secretary NITZE. Adequacy.

Mr. BLANDFORD. Were they asked to sign certificates of adequacy?

Secretary NITZE. This certificate I signed does deal with adequacy, with exceptions noted. What I wanted from everybody were the proper exceptions.

Mr. BLANDFORD. How many of the Bureau chiefs signed certificates of adequacy, noting exceptions?

Secretary NITZE. I would have to get that for you.

Mr. BLANDFORD. Could you furnish for the record the Bureau chiefs' exceptions that were made to their certificates of adequacy?

Secretary NITZE. All those exceptions were conveyed in my certificate as well.

Mr. BLANDFORD. Could you furnish us a copy of the certificates and exceptions you made to the certificate that you signed?

Secretary NITZE. Yes, I believe I have that.

(The following information was received for the record:)

The term "certificate of adequacy" is in error and probably refers to the "certification of materiel readiness" submitted by the Secretary of the Navy to the Secretary of Defense on December 27, 1965. In the preparation of this certificate, the Bureau chiefs were not requested to sign either the eventual certificate or any portion thereof. This certificate was prepared by the working staff of the Navy bureaus and OPNAV for the Secretary of the Navy and coordinated by the Assistant Secretary of the Navy (I. & L.)

Admiral McDONALD. There are a lot of exceptions.

Secretary NITZE. There are a lot of exceptions.

Mr. BLANDFORD. This is the only way the committee can determine what consideration was given to the requests you submitted to OSD. If we don't know what to ask for, Mr. Chairman, we don't know what to look for. It is perfectly obvious you had reservations about certain things, but we don't know what you had reservations about unless we find out what the exceptions were. If we can have that, I think it would be very helpful.

The CHAIRMAN. You furnish us that.

Mr. Hébert.

Mr. HÉBERT. I want some additional information, about signing these certificates. It was only done in the last 2 years, I understand.

The CHAIRMAN. Is this unusual?

Secretary NITZE. I certainly recollect signing one last year. I thought I did the year before, too—that is my recollection.

Mr. BLANDFORD. This is the first time two certificates were signed.

Mr. HÉBERT. What I am trying to find out, is this a prohibition given to you, justifying what you want?

Secretary NITZE. No, I don't believe that is the reason at all. I believe the reason is the Secretary of Defense wanted to be sure we had asked for enough, for instance, in ordnance, and that he knew that we had made clear where we felt there was a deficiency, and why.

Mr. HÉBERT. Wait a minute. What you asked for, you certainly asked for more than you got. So, in effect, as I understand it, what I am trying to clear up, these papers are signed inhibiting you, or the chiefs, from coming before this committee and from going beyond the signed statement?

Secretary NITZE. I don't believe that is correct. Really, the process here is that the Secretary of Defense has indicated logistic guidance to us, that we should have enough ammunition, enough expendable ordnance, things of that kind, to meet these guidelines. And if we will not certify we are funded in order to procure that amount, then he insists that we make that clear and the reasons why. And in working up this certificate, when we went through certain of the items, and demonstrated that we could not say, for instance, that the Marine Corps had all the things that were necessary in order to meet the logistics guidance, the Marine Corps did get additional money in order to cure a number of the deficiencies which it was possible to procure with additional sources.

There are certain deficiencies which are not just resource dependent, because the production line isn't there, or it may be a new item or something like that, where you cannot, with this money, spend it in time to get the item.

But where we needed the money to get the item, we got it, isn't that correct, General?

General GREENE. We have one item under recall here right now, under analysis by the Office of Secretary of Defense. That has to do with our preposition war reserves. We haven't received a final decision on that. And, actually, this is the only major item in which we have a vital interest.

Mr. BLANDFORD. What other officers, General Greene, of the Marine Corps were asked to sign certificates of material readiness? Were you the only one?

General GREENE. I was the only one.

Mr. BLANDFORD. How about in the Navy, Admiral? I believe several Bureau chiefs were requested to sign certificates of readiness?

Secretary NITZE. None were required to sign a certificate of readiness or adequacy.

Mr. BLANDFORD. I think Mr. Hébert's question has not been answered yet, and that is, what is the purpose of the certificate? If you just say we think we are doing fine, but we need the following items, that is one thing, but why is a man asked to sign a certificate to the effect: "I certify that everything I have asked for gives me all the material readiness I need with the following exceptions?" Is that the way it goes?

Secretary NITZE. The certificate isn't quite that way.

Mr. BLANDFORD. I have never seen one, that is why I am asking.

Secretary NITZE. We have funded in prior budgets, and in the budgets under submission, everything that is required to meet the logistics guidance which has been given us by the Secretary of Defense, with whatever exceptions, and to note the reason for the exception. And this, I think, is a very orderly procedure.

It really has forced us to look at, with detail, the guidance, and what it is that we had funded in previous budgets, and the one that is going forward, to see that we have in fact gotten everything necessary to meet that guidance. This comes in part from the fact Mr. McNamara wanted to see to it that we did have enough ordnance, enough of the things that sometimes one puts aside because one is more interested in the major weapons systems, and he wanted to be sure we had this support for those weapon systems, and not just the new weapons system.

Mr. HÉBERT. Yes, but I am trying to point out, why is it necessary to try to state, in effect, this is what I want, and you could be confronted with that piece of paper and you could be told you signed it. Suppose you didn't sign it, what would happen to you? Suppose you refused to sign?

Secretary NITZE. Nobody is telling us what to put in these certificates.

Mr. HÉBERT. No, it is put in for you, then you sign it?

Secretary NITZE. No, no, we got up the answers, we got up all the exceptions. We were given the guidance as to what standards we were to meet, and to fund for.

The CHAIRMAN. What do you mean by guidance? You can have a amount of money, not what do you want to do with it?

Secretary NITZE. No, we were told we were to have enough for a number of sorties.

The CHAIRMAN. How many sorties, then?

Secretary NITZE. And then do we have enough really to carry out that number of sorties.

The CHAIRMAN. Suppose you say they didn't give you enough sorties, we want double the amount of sorties?

Secretary NITZE. That was subject to argument, and we did discuss that. I think we were pretty well satisfied.

The CHAIRMAN. Who would advocate the sorties, a military man or a civilian?

Secretary NITZE. I think the guidance was settled by Mr. McNamara.

Mr. HÉBERT. Who is a civilian?

Secretary NITZE. Who is a civilian, but he had the advice of the Joint Chiefs of Staff in arriving at that figure.

Mr. HÉBERT. Mr. McNamara made the decision—we understand he makes decisions—he made the decision. Was that contrary or at variance with what the military wanted?

Admiral McDONALD. I think at times we were in agreement, at times we were in disagreement, Mr. Hébert. You would have to specify. Right now I believe we are all in agreement with the number of sorties we have been planning for over in South Vietnam because we know the desires of CINCPAC. We know General Westmoreland. We know our capabilities. From those, too, we come up with the number of sorties.

The CHAIRMAN. This comes from your committee that gives the battle plan?

Admiral McDONALD. That is right. Actually, this certificate, it isn't very difficult to sign because if you have differences, the differences would be in the guidance.

Mr. HÉBERT. What disturbs me, Admiral, if you sign this piece of paper it is almost like trying to get the unwilling son-in-law to have a shotgun wedding and sign a piece of paper.

Secretary NITZE. No; I think it is not. We are asked to certify the exceptions to the guidance. This is the way in which you really find out where you are not fully meeting the guidance, and why.

The CHAIRMAN. Mr. McNamara would rather you have too much than too little; isn't that right?

Admiral McDONALD. In one case in fact it wasn't signed up there because of some shortage of marine equipment, where we said we wouldn't sign.

Mr. HÉBERT. Did any Chief not sign?

Secretary NITZE. The question was, all you had to do was certify the exceptions.

Admiral McDONALD. I will say that. We changed the wording of the exception list a good deal.

Mr. HÉBERT. Is anybody supposed to sign that has not signed?

Admiral McDONALD. Pardon?

Mr. HÉBERT. Is there anybody that was supposed to sign that has not signed?

Admiral McDONALD. I initialed or "chopped" the certificate. Only Mr. Nitze was to actually sign it, and he did.

Mr. HARDY. I have one or two other things I wanted to explore here, but there are two questions that have been posed by this discussion that really intrigue me.

We had a discussion the other day in which a civilian took the position that the military didn't know what they wanted, and so they were told about that situation. You remember that, Mr. Bates.

I wonder if we are in the same kind of shape here? You say the guidelines were given. Now, the guidelines were given you by Mr. McNamara, at least that is what I understood; is that correct?

Secretary NITZE. That is correct.

Mr. HARDY. Mr. Chairman, in order for us to understand these things, I think we should have a copy of these items. Will you provide them, or do we have to ask Mr. McNamara for them?

Secretary NITZE. I will consult with Mr. McNamara.

Mr. HARDY. I tell you frankly—

Secretary NITZE. It is his document.

Mr. HARDY. Mr. Chairman, I am not inclined to go too far with this particular bill here unless we get the information we ought to have. That is one thing that I think we ought to have. I think we ought to have a copy of the guidelines.

Mr. BLANDFORD. Mr. Hardy, may I say this? This certificate was not required for the supplemental. The certificate is required for the 1967 procurement, and the reason the question was brought up is that before this committee can act on the 1967 request then we should have the certificate and the exceptions.

Mr. HARDY. The problem about that, however—and this is the real point of my starting out on this question—is that you have transferred a good many items from 1967 into the supplemental. And I wanted to pursue that.

But before I do, I think we ought to have a copy of the guidelines, and one other thing Admiral McDonald just mentioned, that is very intriguing to me.

I understood you to say, Admiral, that you didn't sign the original wording on the certificate, that you changed it.

Now, I think we would like to see the wording that you finally signed, and the wording that was stuck in front of you which you were supposed to sign.

Admiral McDONALD. I think the wording came from our own staff, Mr. Hardy, they took it from last year's, and this year we wanted to change the wording relative to the exceptions a little bit.

Mr. HARDY. Will you provide us with both versions of the language? (The following material was received for the record:)

The "Certification of Materiel Readiness" was prepared by the Assistant Secretary of the Navy (I. & L.) for signature by the Secretary of the Navy, hence the Chief of Naval Operations merely initialed the final draft of the certification. In the development of this certificate, the Chief of Naval Operations initialed a tentative draft without recommending any changes thereto and about a week later initialed off on the final draft of the "Certification of Materiel Readiness" which contained some changes from the tentative draft previously initialed.

Mr. HALL. Will the gentleman yield there?

Mr. HARDY. Yes.

Mr. HALL. I believe the specific question was asked of the gentleman sent to the Subcommittee on Military Airlift, the Navy officer, as to the certificate. I would like to know whether that was encompassed in one of the other bureau chief's certification about strategic and tactical military airlift? It was denied by the officer before the Airlift Subcommittee of this full committee.

Secretary NITZE. I am sorry, I didn't quite understand the question, Doctor.

Mr. HALL. Your office, Mr. Secretary, or the Chief of Naval Operations, sent a man here recently before the Military Airlift Subcommittee. He was a captain or rear admiral, I believe, his name starts with an S.

He was asked the specific question as to whether or not he had been asked to sign the certificate of readiness, or capability, or adequacy, I believe were the three adjectives that were used.

But my question to you is, was he asked to do this, and did not sign it as he said, or is he in one of the Bureaus and was included in his bureau chief's signature of this certificate of capability or functional adequacy, or readiness, or materiel readiness?

Secretary NITZE. No, he was not, but he may have assisted in the staffing of the certificate.

Admiral McDONALD. I think that was Admiral Gillette.

Mr. HARDY. I wish they would provide that.

Just one other question, Mr. Chairman.

Turning back to this A-6a, I was intrigued by the questions Mr. Pike raised, because I had intended to raise similar questions concerning some of the other items.

As I understood Admiral McDonald's testimony it was to the effect we are now asking in the supplemental for exactly the same number of aircraft, at the same dollar value, that was originally in the 1967 budget. I read that correctly, is that not right?

Admiral McDONALD. For the A-6A's and the [deleted].

Mr. HARDY. As I recall it, Mr. Pike posed this question, and it was directed to you, Admiral, and you changed it, and I think you took exception to that question.

It was finally determined that it was changed. What I want to find out—

The CHAIRMAN. He answered the question.

Mr. HARDY. No; he took exception to it. The way Mr. Pike phrased it I think was proper.

The CHAIRMAN. Mr. Pike got his answer.

Mr. HARDY. No; he didn't. That is the point of this. The inference I got was that somebody changed it, but Admiral McDonald did not. Is that correct, Admiral?

Admiral McDONALD. That is correct.

Mr. HARDY. Right now I want to find out who did change it

Mr. Secretary. was it you who changed it?

Secretary NITZE. This was worked out between OSD and the Navy.

Mr. HARDY. Now, let's go back a little bit.

Did you change it or did Mr. McNamara change it or somebody in Mr. McNamara's office change it?

Secretary NITZE. May I complete my answer? It was worked out at the time when it was decided not to go forward with the A-6B, at which time the question arose as to the cancellation problem on the A-6B's. We had contracted \$22 million to Grumman for the specific work on the A-6B's. The problem was would we lose all that \$22 million, or would we not?

I think about \$2 million of the amount is not recoverable unless we subsequently decide that we do in fact again want the A-6B's.

But if the A-6B's are not produced, we will lose, I think it is \$2 million of that \$22 million.

But then we also bought a lot of—or contracted to Grumman, to give them money for long-lead items with respect to the A-6B's, which could also be used in the A-6A's, or the EA-6B's.

It was so we could salvage those longlead items, and also to leave up to us the question as to whether or not it would be wise to accelerate the production schedule beyond the production schedule which had existed. It was proposed and we agreed—

The CHAIRMAN. Let's see if we can't make a little progress now—

Secretary NITZE (continuing). To put this money in 1967, into 1966. I think that is the way it was done.

Mr. HARDY. Let me boil this down. I understood the admiral to say there had been no acceleration in the production of the A-6A.

Secretary NITZE. I think what I said was it was proposed and we agreed it would be wise to put this 1967 money into 1966 so that we in the Navy could work out what the optimum production schedule would be.

Mr. HARDY. Well, there has been no change in it. Now you haven't worked out anything because of this chance, because of the shift?

Secretary NITZE. We have not as yet worked out anything.

Mr. HARDY. The second point I think you made, and I want to be sure I understand this, there were considerations of salvaging something from the A-6B contract which caused you to accelerate the contract for the A-6A?

Secretary NITZE. This was one of the considerations.

Mr. HARDY. Admiral McDonald doesn't seem to agree. Did you save any money Admiral McDonald by moving this—do we save any money on the A-6B contract by shifting this from the 1968 to the 1967 supplement—I mean from the 1967 to the 1966 supplement?

Admiral McDONALD. The procurement people will have to answer that, Mr. Hardy, but I don't think so.

Mr. HARDY. Thank you, that clears that one up.

Mr. Chairman, I am going to ask similar questions as to every one of these that have been moved from the 1967 budget to the 1966—

The CHAIRMAN. [Deleted] you need that pretty bad, don't you?

Admiral McDONALD. We need the [deleted] yes, sir. The point is if you move this ahead, we can't lose. If something should happen and we had to accelerate, we could do it.

The CHAIRMAN. That is right.

Admiral McDONALD. We might not gain anything, but we can't lose.

The CHAIRMAN. You get moving on that, and we would be glad to praise you for it.

Admiral McDONALD. Right.

The CHAIRMAN. I really can't criticize you for that, because that is a vital thing to have that put in.

How long will it take to put that in?

Admiral McDONALD. [Deleted.]

The CHAIRMAN. You better get started.

What is the next thing, A7-A?

Mr. PIKE. Mr. Chairman, before we leave the [deleted] want to get something very clear on the record on this one.

Admiral McDONALD, how many planes are in your 1966 supplement for the [deleted].

The CHAIRMAN. [Deleted.] It says that on here.

Admiral McDONALD. [Deleted.]

Mr. PIKE. [Deleted] in the 1966 supplement?

Admiral McDONALD. You said were or are now?

Mr. PIKE. Are.

Admiral McDONALD. [Deleted.]

Mr. PIKE. How many are in the 1967 regular procurement?

Admiral McDONALD. [Deleted.]

Mr. PIKE. So once again we have taken the 1967 procurement and put it in the 1966 supplement for this airplane.

The CHAIRMAN. Well, you have accelerated the authorization.

Mr. PIKE. Yes, but have you accelerated the procurement of the [deleted] aircraft, Admiral McDonald?

Admiral McDONALD. We haven't yet, Mr. Pike, but we do have that option.

Mr. PIKE. You would have the option to accelerate everything if you put everything in the 1966 supplement, wouldn't you?

Admiral McDONALD. Yes, sir.

Mr. PIKE. Thank you.

The CHAIRMAN. All right, what is the next one?

Secretary NITZE. The A-7A.

The CHAIRMAN. Are there any questions on that?

Mr. PIKE. Yes, sir, Mr. Chairman.

The CHAIRMAN. Go ahead, Mr. Pike. Do you want to ask the same questions on that?

Mr. PIKE. Yes, I do.

You told us earlier, Admiral McDonald, that you couldn't accelerate production of the A-7A because it is going full-blast already. Are you accelerating the production of the A-7A with this 1966 supplement?

Admiral McDONALD. I don't believe so, Mr. Pike.

Mr. PIKE. So you are not getting the [deleted] aircraft which are in this 1966 supplement any faster than you would have if you left them in the 1967 regular procurement, isn't that correct?

Admiral McDONALD. Well, I am not sure—I am not sure.

Mr. PIKE. Well—

Admiral McDONALD. I am not sure, because we are most desirous of getting this, and I believe that we will get them quicker than we would have.

Mr. PIKE. Have the production schedules for the A-7A been changed one iota based on this 1966 supplement?

Admiral McDONALD. I will have to furnish that for the record. I don't know.

Mr. HARDY. If it hasn't, you wouldn't get them any quicker.

Admiral McDONALD. I am sure we will get them quicker, Mr. Hardy, but I don't have that with me.

Mr. PIKE. Then what you told us about it earlier, that it was impossible to accelerate the production line because it was going full blast, isn't correct?

Admiral McDONALD. The way you are putting it now, Mr. Pike, is a little out of context, I believe. What I talked about is that we could not accelerate the A-7 sufficiently to take care of our needs, and that is the reason we are buying A-4's.

Mr. PIKE. And you can't tell us now whether you are accelerating the A-7 or not?

Admiral McDONALD. I can't tell you how much now; no, sir.

Mr. PIKE. Admiral, one of the things that concerns me most of all is the ability of the Navy to make a plane make good when they want to buy it, and make it look lousy when they don't want to buy it.

Would you look at the statistics which you have given this committee on the subject of the combat radius of the A-6A [deleted] and the A-7A, and tell me whether those are accurate statistics or not?

Admiral McDONALD. Assuming the figures that are in your black book are what the Navy gave you?

Mr. PIKE. Well, I am assuming the figures in our black book are what the Navy gave us, yes. Aren't they what the Navy gave us?

Admiral McDONALD. I don't know.

Mr. PIKE. Well, I don't know—

Admiral McDONALD. I am informed here that they are.

Mr. PIKE. It says backup material.

Mr. KELLEHER. It was furnished by the Navy, Mr. Pike.

Admiral McDONALD. I hadn't seen this book until I got here this morning.

Mr. PIKE. They show a range for the A-6A, combat radius, of [deleted] nautical miles.

They show combat radius for the EA-6B of [deleted] nautical miles. And a combat radius for the A-7A of [deleted] nautical miles. Is that correct?

Admiral McDONALD. I don't believe so.

Mr. PIKE. I don't believe so either.

Admiral McDONALD. No. If you were to ask me right off, I would have said what we have on the A-7 is only half of that [deleted].

The CHAIRMAN. Let's get the ball rolling.

Can you answer the question, Admiral?

Mr. PIKE. What is the actual radius of the A-7A, Admiral—the combat radius?

Admiral McDONALD. Mr. Pike, I thought it was about [deleted] miles. I don't want to put that in the record until I am sure.

Mr. PIKE. [Deleted.]

When you make it read [deleted] it sure makes that plane look good, doesn't it?

Admiral McDONALD. Well, you are asking me some questions, I am sorry, I am not embarrassed, but when we get into the thing how high they are going to fly, what is the weight of bomb, how far they are going, I've got to have more information. I do think that what they have in here, I would have said is too large, Mr. Pike.

Mr. PIKE. Just as a generalization would you say on the prettiest, the sunniest day that has ever shown, the A-7A had a greater combat radius than the A-6A?

Admiral McDONALD. Oh, no.

Mr. PIKE. That is what the book shows.

Admiral McDONALD. No. The purpose of the A-7, as this committee will remember, was so we could stand off [deleted] miles from the coast and hit a target [deleted] miles inland. I remember that.

Mr. PIKE. That is all I have on that one.

The CHAIRMAN. All right, let's go to the next one. This is in connection with the 4-B.

Admiral McDONALD. Mr. Chairman, I would like to say I will certainly check these figures, and supply particularly Mr. Pike with any corrections.

Mr. HARDY. All of us would be interested in those, Mr. Chairman.

The CHAIRMAN. I think so. I would like for you to put them in the record, what you mean by combat radius.

Admiral McDONALD. Yes; that is right.

The CHAIRMAN. We want to have some kind of uniformity.

Admiral McDONALD. If you are comparing two planes, you have to give them the same combat load, the same altitude and the same everything.

The CHAIRMAN. Certainly. Don't you remember the fight we had here when Admiral Schoech came here. He gave an awful lot of help to the committee. You remember that, don't you?

Mr. BRAY. Mr. Chairman, would you yield?

The CHAIRMAN. Yes.

Mr. BRAY. I think that should be furnished later for the record. I think that is very important matter, and maybe later put it in the record, but we would not have time to see it before we got on the floor.

The CHAIRMAN. Can you get that here tomorrow, Admiral McDonald?

You get that thing here tomorrow.

Mr. BATES. Mr. Chairman—

Admiral McDONALD. I will do that for you.

Mr. BATES. Can Admiral McDonald indicate whether or not putting these A-7 planes in the supplemental would not or would expedite the procurement?

Admiral McDONALD. What plane?

Mr. BATES. The A-7A.

Admiral McDONALD. I think it will, Mr. Bates.

Mr. BATES. They have those that they are working on now. Are they changing the production schedules to accommodate the new buys?

Admiral McDONALD. I don't know.

Mr. BATES. I wonder if we can get that in the record, Admiral; do you know?

The CHAIRMAN. Mr. Secretary, get somebody to put that in the record, what the schedule is, and we will have that action by the committee on the supplemental.

Mr. BATES. I would like to get that with respect to the other planes originally in the 1967, and now put in the 1966 supplement.

The CHAIRMAN. Anything that was changed over from the 1967 to the supplemental, that is what we want.

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

Mr. PIKE. Mr. Chairman, I apologize, but I want to ask General Greene a question.

General Greene—

The CHAIRMAN. Apology accepted, go ahead.

Mr. PIKE. I talked too much this morning, I know I have.

Are any of these A-7A's for the Marine Corps?

General GREENE. Yes; they are, Mr. Pike.

Mr. PIKE. Are you aware that the Air Force is finding it necessary to put an afterburner on this plane in order to get it off the ground?

General GREENE. I have heard that report; yes, sir.

Mr. PIKE. Are you concerned about the Marine Corps' ability to fly a Navy version of the A-7A without an afterburner?

General GREENE. We have the SATS system, Mr. Pike.

Mr. PIKE. So in order for the Marines to use the A-7A they are going to have to catapult it off the land bases?

General GREENE. Well, we are prepared to do this at this point; yes.

Mr. PIKE. But this is what you are being obliged to do in order to utilize this aircraft, you have to use the SATS system; is that correct?

General GREENE. I would say no, we don't have to use it.

Mr. PIKE. You are not concerned about this problem which requires—you think the Air Force is wrong in putting this afterburner on?

General GREENE. Well, we haven't been faced directly with this problem ourselves. So I am unable to speak from my own personal experience or observation on this.

The CHAIRMAN. Let the record show I have seen the SATS operation in Spain. That is a part of the built-in velocity of the SATS, you can catapult just about everything loaded off there, don't you, Admiral McDonald?

Admiral McDONALD. Yes. Mr. Pike has a point here, Mr. Chairman. One of the beauties of the A-7 is not having this afterburner. This is one of the beauties as far as the Navy is concerned. It doesn't have the afterburner, and we take care of that by means of catapult.

When the Marines use the Navy version of the A-7, they will either use their catapult or they will use a long runway.

Now, when they operate it ashore, they do not get the same benefit that the Navy does unless they have the catapult.

The CHAIRMAN. I have seen them catapult a 130, everything off. That is part of the SATS system?

Admiral McDONALD. Right.

Mr. PIKE. Admiral McDonald, the Marines don't have any longer runways than the Air Force has, do they?

General GREENE. No.

Admiral McDONALD. No.

Mr. PIKE. So where the Air Force is going to use an afterburner and require an afterburner, even with their long runways, the Marines are going to have to use the SATS system; isn't that a pretty expensive way to get the planes off the ground?

Admiral McDONALD. Yes; but in areas it is an essential way, and it is a way we wish we had more of in Vietnam right now.

Mr. PIKE. It is an essential way if the Marines can't get off the ground without it.

But when the Navy came to us to buy these A-7A's in the first place, do you recall that one of the essential requirements of the aircraft was that it be a nonafterburning version of the TF-30 engine.

Admiral McDONALD. That was one of the beauties of the Navy's version of this airplane, Mr. Pike, that is what made it as good as it was—one of the outstanding features.

Mr. PIKE. You know it is amazing to me about how you can talk about how good an aircraft is which has never seen combat, is only barely in production, and you haven't got any of yet, if you want to buy. But it is not so hot if you don't want to buy it.

I can't see, quite frankly, why the Marines, or how the Marines can be happy with an airplane which is going to require the use of SATS systems, where the Air Force has got to put an afterburner on the engine.

General GREENE. The advantage, Mr. Pike, if I may speak up at this point, the SATS system is designed, as you know, for a short takeoff of about 4,000 feet. In order to handle this type of takeoff, it is necessary to have a catapult, and that is what we are actually installing at the present time [deleted]. All of our SATS installations will have at least one or two catapults of this type.

Mr. PIKE. What type of runways do you have at [deleted]?

General GREENE. We have 8,000 feet at the present time. That was put in there originally because we had no catapult installation.

Mr. PIKE. In other words, what are you going to do, abandon 4,000 feet of your runway and use a catapult?

General GREENE. No. When the catapult is installed we could, as far as the Marine Corps is concerned, get along with 4,000 feet. However, we have other aircraft from both the Army and the Air Force that are using this field.

Mr. PIKE. Well, wait a minute. You've got the aircraft from the Army and Air Force using the field, and that requires an 8,000-foot runway. What is the advantage of your putting the catapult in there for you to use?

General GREENE. Well, the SATS installation is designed primarily for an amphibious-type operation, involving Marine Corps aircraft.

Mr. PIKE. I know that. But you don't need this if you have 8,000 feet of runway, do you?

General GREENE. Well, the only reason we put in the 8,000 feet, Mr. Pike, was we didn't have the catapult when we had to install the SATS at [deleted].

Mr. PIKE. You have the 8,000 feet now, why put in the catapult?

General GREENE. We will put in the catapult because with certain types of aircraft, with full loads and bad weather, we still have to use the JATO takeoff.

Mr. PIKE. Well, I give up on that one, Mr. Chairman.

The CHAIRMAN. Now we have Mr. Price, who lives in St. Louis.

Mr. Bates, do you want to ask the same question about procurement, changing from 1967 to 1966?

Mr. BATES. Mr. Chairman, I ask is this the same situation?

Admiral McDONALD. Yes.

The CHAIRMAN. Is this a fact it was transposed from 1967 to 1966—

Admiral McDONALD. Which one was that?

The CHAIRMAN. The 8-B?

Admiral McDONALD. Yes [deleted] of them—the F-4J.

The CHAIRMAN. That is the F-4J? What is the "J", Admiral McDonald?

Admiral McDONALD. Well, it is just a particular modification of the F-4, Mr. Chairman.

The CHAIRMAN. With some additional installations?

Admiral McDONALD. Yes, nothing basically changed.

Mr. HARDY. I notice you have [deleted] F-4's and B's. What are they going to be used for, what are they going to replace in the supplemental?

Admiral McDONALD. These were just for attrition. And we asked for more and got this, because the attrition rate on this particular airplane went down frequently.

Mr. HARDY. Was this in the 1967 budget previously?

Admiral McDONALD. I don't believe so, Mr. Hardy.

Mr. HARDY. Let's talk about the F-4J a minute. Do you have any F-4's in the 1967 budget now?

Admiral McDONALD. No, sir.

Mr. HARDY. But the [deleted] F-4J is in excess of what you previously had in the 1967 budget?

[Deleted.]

Admiral McDONALD. Yes, sir.

Mr. HARDY. What does this procurement and the elimination of your 1967 procurement do to your planned F-4 operational picture?

Admiral McDONALD. I believe this closes the Navy's particular buy out at this time, Mr. Hardy, unless the Air Force takes all of the production at that time.

Mr. HARDY. Well, now, that means that the planning that you have done for procurement of F-4's [deleted] you have now ordered the limit?

Admiral McDONALD. It is what, sir?

Mr. HARDY. You don't have it on your books any more.

Admiral McDONALD. That is right for the time being. And this is primarily because of the Air Force requirements.

Mr. HARDY. Well, what is the Navy going to replace them with? Are you waiting for the TFX?

Here you have a program that was an awfully important program last year, or the year before last. You had a planned program for F-4's running on through [deleted]. Mr. McNamara saved \$32.4 million, included in his cost reduction program, by cutting down on some of your F-4's, which you were not permitted to buy last year.

Now you are eliminating all of your 1967 [deleted] buys that you had in your planned program, which has been firm apparently for several years.

Admiral McDONALD. All I can say, Mr. Hardy, is, in the supplemental and the 1967, the Navy is getting what we requested in the F-4J. We are getting all [deleted] in the supplemental instead of the [deleted]. So over the same period of 2 years we are getting this amount.

Mr. HARDY. Is that the same objective that you had over a considerable period of time? Didn't you have programed a total of [deleted] F-4's in operation by fiscal 1968?

Admiral McDONALD. I am not sure of this.

Mr. HARDY. Do you want citation to the document?

Admiral McDONALD. If we do need them, I see nothing today why we couldn't put something back in, in 1968.

Mr. HARDY. But you won't get them in fiscal 1968, if you put them in the fiscal 1968 program. You had an urgent program. Mr. McNamara saved us \$32 million, you had an urgent requirement by the Secretary, as I recall. It was a very appealing statement. Still

Mr. McNamara overrode the thing. But you had a projected program there of having [deleted] F-4H's in operation by fiscal 1968. Now, I take it you have thrown that out the window, and I want to know what you are going to replace them with. I am concerned about the same thing Mr. Bates was concerned about a while ago.

Admiral McDONALD. We have nothing coming on to replace that with unless it is the 111-B.

The CHAIRMAN. We have 111's.

Mr. HARDY. You have 111, the 111 is going to replace the F-4. Do you have the 111 down in a category where the Navy can even use it?

Admiral McDONALD. We hope so, but we aren't sure yet.

Mr. HARDY. You are pretty sure you can't, isn't that right? Hasn't the Navy virtually said they cannot use this thing on a carrier?

Admiral McDONALD. No, we haven't, Mr. Hardy.

Mr. HARDY. One or two others, Mr. Chairman, I will try to get rid of this as quick as I can.

On the F-4's you got [deleted] F-4J's, which is slightly modified F-4H, it is an F-4H, with a letter on it. You have [deleted] in your supplemental, which is [deleted] more than you had in your 1967 program. What are those? Does that take care of attrition also?

Admiral McDONALD. This was the end of a particular buy, Mr. Hardy. [Deleted] instead of leaving them the way they were in the supplemental, and the [deleted] in the 1967, they closed that out by moving the [deleted] into the supplemental, so the Air Force can get the full production in 1967.

Mr. HARDY. When you get the [deleted] will be finished with the whole Air Force program. How many will you have in operation?

Admiral McDONALD. I do not like to say we will be finished, Mr. Hardy. After all, we can put more in the 1968, if we had to have them.

Mr. HARDY. Admiral, you have been making your plans on a 5-year period. I am looking at one here now that terminated in [deleted] which was approved by your office, approved by the Secretary. As a matter of fact, the Secretary at that time wanted to increase it, but now you are telling us you haven't got any program beyond the supplemental part that you are getting in fiscal 1966, and that that is the best aircraft that you have had?

Admiral McDONALD. But I am also trying to say, I am not closing the door completely. I said we could put some in later. We thought we would—

Mr. HARDY. You could put some in if you got Mr. McNamara's agreement to it. But he cut off \$32 million of them last year. He cut them off, and he alleged it was a savings, it is included in his savings, it is just as phony to me as anything I have seen—but, anyway, how many do you need for a squadron? How many F-4's do you need for a squadron?

Admiral McDONALD. [Deleted.]

Mr. HARDY. [Deleted] is that what you said?

Admiral McDONALD. Yes.

Mr. HARDY. When did you reach that decision?

Admiral McDONALD. That is what we have now.

Mr. HARDY. That is what you have now, because that is what Mr. McNamara told you that is all you could get. The then Chief of

Naval Operations agreed with the figure—I do not know whether you were there at that time, or not—but you asked for [deleted] and you had always had [deleted] until Mr. McNamara said “No, you cannot have [deleted].”

Mr. Chairman, I am not going to pursue this now. I am going to pursue it further in my subcommittee.

Are you going to get these [deleted] on time?

Admiral McDONALD. Yes, sir; I hope so.

Mr. HARDY. I am glad to have that hope so. It is nice to have hope. If you said “wish,” I think it would be more accurate.

The CHAIRMAN. Do you understand Mr. Hardy's position?

Admiral McDONALD. Very clearly, Mr. Chairman.

The CHAIRMAN. That takes care of that.

Mr. Schweiker has something he wants to bring up.

Mr. SCHWEIKER. I have a policy question which I think is rather important.

I would like to ask General Greene, I have a photostatic copy of a letter from a Marine veteran in Vietnam, I would like to read a paragraph from it:

“What I mean is, we have an order in our battalion that states we cannot shoot until after they shoot at us. To me this is silly and I for one of many have been told we would be given office hours if we ever fired a rifle at anything. Please excuse the way I write this letter, but when I was in Korea we won our turn, why not here.”

This is from the 1st Marine Battalion over there. Are there orders like that in battalions such as that, that they cannot fire until fired upon.

General GREENE. No, there are not any orders that prohibit a man from firing, unless he is fired upon.

Mr. SCHWEIKER. Would you have any idea why a Marine veteran would say something like this? He has been in service some time. He is not a recruit. He seemed under the impression they would get ostracized if they fired the rifle. There certainly must be something to it.

General GREENE. Well, I would say if he willfully fired the rifle, without a reason for firing it, he might be remanded to office hours, but as far as using his weapon at any time he is required to use it, he certainly has the authority to do so.

I have read a number of those letters that have come through the newspapers, and several that have come through the congressional channels. I have been out there in South Vietnam three times, myself, and while I was on the ground talking to scores of marines I never ran into any objection of this type. In fact, I saw a good many marines going and coming from patrols. I covered all of the perimeters in all three of our own enclaves in South Vietnam, and I have run into no problem such as you outlined in that letter.

Mr. SCHWEIKER. What is the purpose of the 1st Marine Battalion over there? What is their function right now?

General GREENE. I believe you are referring to the 1st Marine Division?

Mr. SCHWEIKER. The 1st Marine Battalion, the 12th Division, over there.

General GREENE. The 12th Marines is an artillery outfit.

Mr. SCHWEIKER. Right. Do you mean they don't have an order like that?

General GREENE. The 12th Marines is an artillery unit which provides combat support to the infantry units operating in South Vietnam. I would be very happy if you will give me the man's name, and his complaint, to provide you with any information that I can get.

Mr. SCHWEIKER. I would like some assurance we don't reprimand a man like this. This letter didn't come to me, it was given to me from another source. He was complaining to his backers.

General GREENE. It is rather difficult to reply specifically to your question unless I can have the name of the individual who says he received the order. I will be very happy to look into it, if you want to provide me with the man's name. You will have to take my word for the statement that the marines out there are in no way inhibited in using their weapons if it becomes necessary to do so.

Mr. SCHWEIKER. Well, would you give me your word, General, he won't be reprimanded or penalized in any way for writing such a letter?

General GREENE. I don't even know who the man is.

Mr. SCHWEIKER. How can I give you the letter if you won't give me that assurance, General? Either we are interested in getting to the bottom of this thing or we aren't.

General GREENE. I will be happy to look into the matter. The man will not be reprimanded or punished in any way that he wrote a letter to you or a colleague.

Mr. SCHWEIKER. He wrote it to someone else who passed it to me. It wasn't intended to come to me at all.

General GREENE. I will be very happy to look into the item specifically on the basis of the 1st Battalion, 12th Marines, if that will help you any.

Mr. SCHWEIKER. Will you assure he will not be reprimanded or penalized?

General GREENE. I can run a check for you without even having the man's name.

The CHAIRMAN. We will meet tomorrow at 10 o'clock. I think we can finish the things in the black book.

We will recess until tomorrow morning at 10 o'clock.

(Whereupon, at 12 noon, the committee adjourned until Tuesday, February 8, 1966, at 10 a.m.)

HOUSE OF REPRESENTATIVES,

COMMITTEE ON ARMED SERVICES,

Washington, D.C., Tuesday, February 8, 1966.

The committee met at 10:08 a.m., the Honorable L. Mendel Rivers, chairman, presiding.

The CHAIRMAN. Let the committee come to order.

When we recessed yesterday we had gotten down in the black book to some of the things our witnesses weren't familiar with. Do you know about the black book this morning?

Secretary NITZE. Mr. Chairman, we have the black book before us. The CHAIRMAN. We had gotten down to the CH-46A/D, which is the helicopter. You have asked for [deleted].

Mr. KELLEHER. [Deleted.]

The CHAIRMAN. [Deleted.] In the supplemental. That would give you in 1966 [deleted].

Secretary NITZE. I think it is [deleted] netted out after the losses that we will have in the interim.

The CHAIRMAN. There is no objection to that. Let us go to the next.

Do you want to ask the same questions?

Mr. PIKE. Yes, sir; I would like to ask the same questions on every one of these items.

Have any of these [deleted] Mr. Secretary, been taken from the regular 1967—fiscal 1967 procurement and put in the 1966 budget?

Secretary NITZE. No, they have not.

Mr. PIKE. Are you procuring any of these helicopters in the 1967 procurement?

Secretary NITZE. Yes, we are procuring [deleted] for \$93 million.

Mr. PIKE. The [deleted] is what has been scheduled for a long time for procurement in 1967, so all of these [deleted] are an additional buy?

Secretary NITZE. That is correct.

Mr. PIKE. Fine.

The CHAIRMAN. Thank you, Mr. Pike.

Now, we go to the CH-53A. You are asking for how many of that?

Secretary NITZE. We are asking for [deleted] Mr. Chairman.

The CHAIRMAN. You are asking for [deleted].

Mr. Pike, will you ask the same questions? Go ahead and ask them.

Mr. PIKE. Yes, sir.

Have any of these Sea Stallions been taken out of the regular 1967 procurement?

Secretary NITZE. I believe not. We are asking for [deleted] Sea Stallions, for \$27 million in 1967.

Mr. PIKE. You are asking for how many?

Secretary NITZE. [Deleted.]

Mr. PIKE. [Deleted] additional in the 1967 procurement. The 1967 procurement had not been dropped from [deleted] it had been scheduled for [deleted] all along?

Secretary NITZE. We asked for even more than that. The Navy asked for [deleted] and we got [deleted] in the 1966 supplemental.

Mr. PIKE. Well, the Navy asked for [deleted] they are getting [deleted] altogether?

Secretary NITZE. We asked for [deleted] in 1966, and we asked for [deleted] in 1967.

Mr. PIKE. [Deleted.]

Secretary NITZE. Yes.

The CHAIRMAN. Mr. Kelleher.

Mr. KELLEHER. Mr. Secretary, I see you have [deleted] of those Sea Stallions at a little over [deleted] dollars a piece, but your total amount of money appears to be only about [deleted] million dollars. In other words, it should be something on the order of [deleted].

Secretary NITZE. We have some advance procurement money in last year's budget, which is a deduction against the [deleted] per plane.

Mr. KELLEHER. That same thing must be true of the previous airplane, too, because the arithmetic did not work out there.

Secretary NITZE. I think that is correct.

Mr. KELLEHER. Thank you.

The CHAIRMAN. Go to I. You have the Iroquois, UH-1E [deleted] Mr. Kelleher?

Mr. KELLEHER. That is right.

The CHAIRMAN. Is that correct?

Mr. KELLEHER. Yes, sir; that is correct.

The CHAIRMAN. Mr. Pike.

Mr. PIKE. Mr. Secretary, is this the improved version of the Iroquois helicopter?

Secretary NITZE. General Greene?

General GREENE. Yes; this is the UH-1E, the improved version.

Mr. PIKE. Didn't General Westmoreland roughly a year ago request something in the nature of an interim helicopter between the existing helicopters and the AAFSS?

General GREENE. I cannot provide that information, Mr. Pike.

Mr. PIKE. What capacity does this particular helicopter have which the prior one did not have?

General GREENE. This UH-1E, Mr. Pike, can lift [deleted] pounds for a radius of over [deleted] nautical miles. It also has more power and can take off much more quickly and efficiently than the UH-1B.

Mr. PIKE. Does it have enough power to be armored?

General GREENE. It has enough power to be armored to the extent that the fuel system and the pilots can be protected.

Mr. PIKE. Mr. Secretary, I will get back to you with my usual question.

Are any of these [deleted] helicopters, or have any of these [deleted] helicopters in the supplement been subtracted from the regular 1967 procurement?

Secretary NITZE. I am sure about [deleted] of them. None have been subtracted, Mr. Pike.

Mr. PIKE. There will be a 1967 procurement of UH-1E's?

Secretary NITZE. No; there will not.

Mr. PIKE. There hasn't been any plans for procurement of UH-1E's in 1967?

Secretary NITZE. There have been no plans for procurement. At one time I think we asked for some, but I do not think they have been planned.

Mr. PIKE. Can you tell me how this particular buy came about, if you hadn't planned to buy any in 1967?

Secretary NITZE. The Marine Corps was in very great need of helicopters. I think this amount was finally worked out.

Mr. PIKE. The Marine Corps had not asked for any in fiscal 1967?

Secretary NITZE. The Marine Corps, I believe, asked for [deleted].

Mr. PIKE. I cannot understand how they happen to be getting [deleted] if they hadn't asked for—if they only asked for [deleted] and they were in great need of it?

Secretary NITZE. I am wrong. The figure is [deleted] \$8 million.

Mr. PIKE. They had asked for [deleted].

Secretary NITZE. For \$8 million; that is correct.

Mr. PIKE. Was that in the 1967 procurement that they asked for them?

Secretary NITZE. In 1967 they asked for [deleted] of them.

Mr. PIKE. What happened to give them [deleted] when they only asked for [deleted].

Secretary NITZE. They asked for many more than 59 in 1966. They asked for [deleted] in 1966.

Mr. PIKE. When was the [deleted]—when and where were the [deleted] the Marines asked for in 1966 chopped down?

Secretary NITZE. General Greene, do you want to answer that?

It is my recollection, Mr. Pike, this was involved in the question of the Army needs. The Marine Corps need for UH's, the availability of the OV-10, and when it was all worked out this seemed to be the best allocation for the Marine Corps.

Mr. PIKE. That is awfully generalized language, Mr. Secretary. I am trying to get at the roots of who chopped down the [deleted] helicopters they asked for that caused them to ask for [deleted] in 1967 and now they are getting [deleted] in the supplemental 1966.

The CHAIRMAN. That came out of Mr. McNamara's office; DOD is where it was cut down.

Secretary NITZE. This was carefully worked out with the Marine Corps present and McNamara's people present.

Mr. PIKE. When?

Secretary NITZE. I haven't got the date here. Do you have it?

General GREENE. We actually asked for [deleted] in this deal.

Secretary NITZE. Can we supply for the record the date when the change was made?

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

Mr. PIKE. Yes; but I want to pursue this a little further.

General Greene, you asked for [deleted]. Did you ask for [deleted] in the regular 1967 procurement?

General GREENE. Yes; we did.

Mr. PIKE. Are you still asking for [deleted] in the regular 1967 procurement?

General GREENE. No; we are not.

Mr. PIKE. So the [deleted] helicopters which you were asking for in the 1967 procurement can now be found in the 1966 supplement; is that correct?

General GREENE. This adjustment, Mr. Pike, also involved the procurement of the OV-10A.

Mr. PIKE. Well, I am sure of that. We will get to that. But are you not asking for the helicopters in the 1967 procurement because you are getting [deleted] of them in the 1966?

General GREENE. I will have to provide that information, Mr. Pike.

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

Mr. PIKE. Mr. Chairman, I think this is obviously another example of [deleted] helicopters having been moved from the 1967 procurement to the 1966 supplement.

Secretary NITZE. Mr. Chairman, no; I don't believe it is, because the Marine Corps asked for [deleted] in 1966, and we got as many—

Mr. PIKE. This happens all the time.

Secretary NITZE. We got as many as could be procured within the time period.

Mr. PIKE. Oh, no, Mr. Secretary. The Bell helicopter, I believe, was the one that last year they were talking about stretching out the program on, and I remember asking whether they were going to save money by stretching out the program on the Bell helicopter, and they certainly weren't getting them as fast as Bell could produce them.

Secretary NITZE. I believe the Army is.

Mr. PIKE. I do not know who is getting them that fast, but I know they were stretching out the program a year ago.

Secretary NITZE. I do not believe this is correct at this time. The Marine Corps originally would have liked to have [deleted] in 1966. This was cut back to [deleted] and also the [deleted] eliminated from 1967.

The CHAIRMAN. General Greene, can you shed some light on the situation?

General GREENE. In regard to the [deleted] originally requested in the fiscal year 1966 supplement, this—

Mr. PIKE. They were originally requested in the supplement?

General GREENE. Yes; that is correct.

Mr. PIKE. This current supplement here?

General GREENE. For the fiscal year 1966 supplement.

Mr. PIKE. This is the second one. We had \$1.7 billion awhile back, but they requested that for this supplement?

General GREENE. That is correct, [deleted].

Mr. PIKE. And it was chopped down?

General GREENE. This [deleted] was to be allocated as follows: We were going to put [deleted] in the 4th Wing, [deleted] for attrition in southeast Asia, and [deleted].

Mr. PIKE. When and where was that approval manifested, and by whom?

General GREENE. This was approved by the Office of the Secretary of Defense.

Mr. PIKE. And at that time did you take your request for [deleted] out of the 1967 procurement?

General GREENE. We asked actually for fiscal year 1967—we asked for [deleted]. As far as the Marine Corps is concerned, we asked for [deleted] and this was adjusted so that we got [deleted] in 1966 in the supplement, and zero in fiscal year 1967.

Mr. PIKE. Then the information you gave us earlier about asking for [deleted] in the 1967 procurement is not correct?

General GREENE. As far as the Marine Corps is concerned in fiscal year 1967 we asked for [deleted], Mr. Pike.

The CHAIRMAN. You asked for [deleted] helicopters?

Mr. PIKE. Let's get back to where the [deleted] were.

The CHAIRMAN. What was your response, did you say you asked for [deleted] in 1967?

General GREENE. [Deleted] in 1967, that is correct.

The CHAIRMAN. Just [deleted] helicopters?

General GREENE. Yes; and we asked for [deleted] in the fiscal year 1966 supplement.

The CHAIRMAN. That is a moderate request for [deleted].

General GREENE. This was to fill out our program through fiscal year 1967.

The CHAIRMAN. Did you get the [deleted].

General GREENE. No; we got [deleted], Mr. Chairman, in fiscal year 1966, in the supplement.

The CHAIRMAN. But none in 1967?

General GREENE. That is correct.

Mr. PIKE. Who asked for the [deleted] in the 1967 procurement?

Secretary NITZE. Navy records show we asked for [deleted] in 1967 on behalf of the Marine Corps.

Mr. PIKE. The Navy records show you asked for [deleted] on behalf of the Marine Corps. The Marine Corps records shows they only asked for [deleted].

Mr. Chairman, I think the record is sufficiently confused at this point so we might as well go on to the next item.

General GREENE. I can supply the complete data on that.

The CHAIRMAN. Let us go to the J series.

Mr. HARDY. Mr. Chairman, could I ask one question?

In this discussion there has been reference made to the OV-10A. I do not see that listed. What is the OV-10A? What does it have to do with this? If there are none in this particular procurement what does it have to do with this? That is not ready yet, is that right?

Secretary NITZE. We have net advance procurement in this 1966 of \$11 million, which is connected with the OV-10A.

Mr. HARDY. When will the first one be available?

Admiral McDONALD. We are asking for [deleted] in the 1967 budget.

Mr. HARDY. Yes; but when are you going to get the first one?

The CHAIRMAN. That is made by North American?

Mr. BLANDFORD. North American; yes.

The CHAIRMAN. When are they going to start flying that airplane?

Admiral McDONALD. They have already flown two of them, Mr. Chairman.

The CHAIRMAN. Get that for Mr. Hardy.

Mr. HARDY. I don't want to delay it, Mr. Chairman, but it seems to me if we are talking about a procurement of a helicopter that is now available and coming off the line, and adjusting for something we aren't going to get, it looks to me like we are out of sorts. That was the purpose of the question.

The CHAIRMAN. Let us go to the next one.

Secretary NITZE. The first production is in [deleted], Mr. Chairman.

Mr. HARDY. You don't know how firm that is?

Secretary NITZE. I think this has been well tested out.

The CHAIRMAN. It has been accepted by the Navy, hasn't it, Admiral McDonald?

Admiral McDONALD. Yes, sir.

The CHAIRMAN. Now, under J, we have the Skyhawk, the TA-4E [deleted], Mr. Kelleher.

Mr. KELLEHER. Correct, sir.

The CHAIRMAN. Are any of these transposed from 1967 to 1966?

Secretary NITZE. None of these are transposed.

Mr. HARDY. We can get these through reprograming, Mr. Chairman.

Secretary NITZE. Thank goodness we did get the approval of this committee to reprogram or we would be in trouble with the TA-4E.

Mr. PIKE. You are already in trouble with that.

The CHAIRMAN. This is made by Douglas Aircraft.

Mr. PIKE. This is that obsolete one we were talking about.

The CHAIRMAN. Mr. Blandford has reminded me of a question that I wanted to ask that I almost overlooked.

Do we have the assurance, Mr. Secretary, that contracts will be let for all of this urgent money for which you are asking authorization before the 1967—beginning of fiscal 1967?

Do we have any assurance you are going to commit this money or are you going to let it hang over and hang over and hang over to the end of 1967?

Secretary NITZE. I do not think we can give you the assurance of every last penny.

The CHAIRMAN. Everything we are talking about here now, you certainly can obligate tomorrow, if you had the money.

Mr. BLANDFORD. The point, Mr. Chairman, is if this is a supplemental for fiscal 1966, I presume the urgency is that the money be committed in fiscal 1966, or else you can put it in the fiscal 1967, and I think the committee should have some indication as to the extent to which you are going to commit the fiscal 1966 funds in fiscal 1966. If not, then why not put them in fiscal 1967? It is as simple as that.

The CHAIRMAN. You come to us with all this urgency. We work day and night. Then you go and do it in an 8-hour day. We want to know how much leeway you are going to have, to get somebody in the DOD to get the urge to get urgent?

Secretary NITZE. I don't anticipate any of this money will be deferred. We would have the authority to commit this. When you commit money you have to negotiate specifics with the contractor.

The CHAIRMAN. This is just a follow on, most of this stuff.

Secretary NITZE. It is hard for me to be sure each contract won't run into some contractual difficulty.

The CHAIRMAN. You are going to get this money probably in 3 or 4 weeks. It will be approved. Haven't you already testified before the House on appropriations?

Admiral McDONALD. No.

Secretary NITZE. We have not.

Admiral McDONALD. We testified before the Senate, Mr. Chairman; but not the House.

The CHAIRMAN. I think they have already started with Mr. Mahon.

If you are going to get this money we want to know how urgent it is when you get it to the bank. It isn't right for us to lose sleep and lose everything else, and have the deferral of committee commitments, if you are not going to be in a hurry why should we?

Secretary NITZE. I am going to say we would not ask for this money unless we would commit this prior to July 1. That is a different thing than giving a firm guarantee that every penny is going to be committed.

Mr. BLANDFORD. Mr. Chairman, may I suggest—

The CHAIRMAN. Let me follow this, then you ask that. Are you going to ask for all the money we authorize here? Are you asking for every nickel of moneys we are authorizing?

Secretary NITZE. We are asking for every nickel that is before you.

The CHAIRMAN. I am talking about the Appropriations Committee.

Secretary NITZE. Yes.

The CHAIRMAN. Mr. Blandford, you go ahead.

Mr. BLANDFORD. I was going to merely suggest I think the situation the Secretary visualizes, I can appreciate he can't say every penny will be awarded between now and July 1, or contracts will be entered into because there might possibly be some reason why they should not. But certainly I think the committee has every reason to expect the Navy and other services to advise the committee, advise by July 1, of the amount of the authorization and appropriation that has been committed prior to July 1, 1966, and then we would have a way of judging the extent to which this money was committed, and I would like to ask that the Secretary be requested to do that, Mr. Chairman.

The CHAIRMAN. Yes, sir; you do that, Mr. Secretary.

Mr. HARDY. In that connection, Mr. Chairman, could I make an inquiry?

These line items we are discussing here right now, are identical with what you are planning to fund after you get the appropriations?

Secretary NITZE. Yes, they are.

Mr. HARDY. Does the total of these line items add up to the totals in this bill?

Secretary NITZE. Yes, they do.

Mr. HARDY. That is not true with respect to your construction bill?

Secretary NITZE. That is not—wait a minute, we are asking for 254 million, as I remember it, or 245—

Mr. HARDY. The question in my mind, Mr. Secretary, is just this: Can we depend on these line items as being the actual line items you are going to procure, or are you coming back in here with some reprogramming, or do you have some latitude here that you do not have to stick to what you are telling us now?

Secretary NITZE. These are the line items we propose to procure.

Now, with respect to the MIL-CON I think a more complicated answer is necessary.

Mr. HARDY. I know there is a more complicated answer there. I wanted to be sure we weren't talking about the same situation here.

Secretary NITZE. No, we are not.

Mr. HARDY. All right. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Hardy.

Mr. Pike.

Mr. PIKE. Mr. Chairman.

Mr. Secretary, the TA-4E is in production at the present time at Douglas; is that correct?

Secretary NITZE. Yes.

Mr. PIKE. And you are now about to buy some TA-4E's, and aren't they coming off the same production line?

The CHAIRMAN. Can you help us, Admiral McDonald?

Secretary NITZE. It is the same production line.

Mr. PIKE. Will not the procurement of the A-4E's slow down rather than speed up the procurement of the TA-4E's?

Secretary NITZE. I think they are competitive for space, but the TA-4E will go into our training and will thereby release A-4's, and the TA-4E is a more efficient plane in the training function and therefore we are better off getting the TA-4E's than we would be getting the A-4's.

Mr. PIKE. We are concerned about when these things are being funded. Is the production line being speeded up in order to turn out these planes so fast that you could use this money, or need this money in this 1966 supplement?

Secretary NITZE. Yes, I believe so. The answer is "Yes."

Mr. PIKE. What production rate were you scheduled for before this supplement came along, and what production rate are you scheduled for with this supplement?

Secretary NITZE. Can we supply that for the record, Mr. Pike?

The CHAIRMAN. Get that for the record if you haven't got it. If you haven't got it, you haven't got it, but get it for the record. You understand the question?

Secretary NITZE. Yes, I do.

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

The CHAIRMAN. Thank you, Mr. Pike. Is that all, Mr. Pike?

Mr. PIKE. Yes, sir.

The CHAIRMAN. Now, let's go to the T-28-C Trojan. That is another trainer. That is made by AVCO.

Mr. KELLEHER. North American.

The CHAIRMAN. AVCO puts out the engine. This is a Lycoming engine, tell us where the Lycoming engine is made; Williamsport, Pa., is where it is made.

Now, the same question about that. This is a new buy; isn't it?

Secretary NITZE. Yes.

The CHAIRMAN. No; I don't think it is.

Admiral McDONALD. It is an increased buy, Mr. Chairman, brought about by the fact that we received authorization to increase our training of aviators, the overall load, from about 1,800 a year to 2,200 a year.

The CHAIRMAN. Admiral McDonald, I am worried about that. I talked to Mr. Blandford this morning about it. I think your training has been cut back unnecessarily. You just are not getting training. You are not training the quality of pilots, and turning out the quality of pilots you would like to turn out?

Admiral McDONALD. We are not turning out as many pilots as we would like to turn out, that is granted. I wish we had moved ahead a little earlier, but this is enabling us to get caught up.

The CHAIRMAN. This is one of the serious mistakes Mr. McNamara has made, cutting back on this training.

One Member of Congress told me he rode on a plane in southeast Asia, in one of the services, and they tried to hit some bridges, they dropped stuff all over the place; when they finished the bridge was standing out there, they missed the mark. The boys are just not trained. This is a serious thing, and it shows up in time of emergency, this calculated risk. That is one of the worst mistakes that the Secretary has made, in my opinion. It worries me. We used to always boast about the Navy spending \$100,000 or half a million or a million taking the boys out to San Diego, and lower California, and giving them pinpoint training. They cut back on it; you know that, yourself. It must worry you, Admiral McDonald, to turn out these boys when you know they are not ready.

Secretary NITZE. I think it is true that the number of sorties required to take out a bridge has been less than the planning factor.

The CHAIRMAN. That is right.

Mr. BLANDFORD. Less or more?

Secretary NITZE. Has been less—less sorties to take out a bridge than the planning factors.

The CHAIRMAN. They ought to do better, they cannot do any worse.

You told us yesterday you couldn't digest the A-7A. That is a shame. It is a shame our services ask for something you cannot use. It is tragic, and it worries me.

I am not blaming the services, because it is not your fault. Mr. Pike developed that thing yesterday. It worried me all night. I came in this morning, and Mr. Blandford and I discussed it this morning.

Mr. PIKE. Mr. Chairman, may I ask a couple of questions?

Are there any T-28C's in your 1967 procurement, Admiral?

Admiral McDONALD. Yes, sir.

Mr. PIKE. How many in the 1967 procurement?

Admiral McDONALD. [Deleted.]

Mr. PIKE. How long have you planned to have [deleted] in the 1967 procurement?

Admiral McDONALD. I think probably for quite some time, Mr. Pike. You know, after all, we hadn't planned on a 1966 supplemental until not too long ago. So I expect—I am not sure of this, but I think we probably had this many in the 1967 allocation, and then when we got authority to increase our pilot training from 1,800 to 2,200 then we needed more training planes, and we tried to push as many in as early as possible. That is my version of it anyway.

Mr. PIKE. Do you know how many that you asked for in your 1967 procurement when you first started preparing your 1967 procurement?

Admiral McDONALD. I don't believe we ever asked for but [deleted] Mr. Pike.

Mr. PIKE. When did you decide to ask for the additional [deleted].

Admiral McDONALD. I believe that was about October.

The CHAIRMAN. Thank you, Mr. Pike.

Now, let's go to this other.

Admiral McDonald, have you checked the figures on these fact sheets as far as the speed and the range? Yesterday we had some questions.

Admiral McDONALD. Mr. Chairman, I would be delighted to make a comment for the record, if I may.

The CHAIRMAN. I wish you would.

Admiral McDONALD. Yesterday, on the A-7 there was on the paper that this plane had a combat radius of [deleted] nautical miles. I said that I felt that was wrong. I didn't believe this plane could go that far.

I was wrong. This was taken from what we call a fact sheet, and it is a fact that the A-7 can carry [deleted]. Now, what made this particular bit of information you received I think wrong was that people could use this fact sheet to compare it with other planes, and if you did that it made—in some cases—a better plane look worse.

Now, to compare the planes that we were talking about yesterday. I said that you would have to use the same kind of a profile with the same load, so here is I think a good comparison of the A-4, the A-7,

and the A-6A when conducting close air support, each plane taking [deleted] Mark 82 Snakeeye bombs, which are 500 pounds.

The A-4 can take them for [deleted] miles. The A-7 can take them for [deleted] miles. The A-6A can take them for [deleted] miles.

Now, yesterday the figures indicated that the A-7A was better than the A-6A. Well, we all know that is wrong and this indicates quite properly that for all practical purposes the A-6A can go about [deleted] farther.

Now, for interdiction, which is of course different from close air support, you can get similar figures which will show that the A-4 can go [deleted] miles. The A-7 can go [deleted] miles, and the A-6A can go a little over [deleted].

The CHAIRMAN. Well, that clears the record a little.

Mr. PIKE. Mr. Chairman, not quite.

When you say that the A-7A can carry this—what did you say it can do at [deleted] miles, was it with [deleted] gallon tanks?

Admiral McDONALD. I said the A-7A with full internal fuel, and [deleted] gallon external fuel tanks, can take [deleted].

Mr. PIKE. When you say take it there?

Admiral McDONALD. And drop it. It can take it there [deleted].

Mr. PIKE. And return to its base?

Admiral McDONALD. That is right, [deleted] and come back to its base.

Mr. PIKE. Now, with the [deleted] gallon tanks, and the Mark whatever it is store, and the full internal fuel, can it get off the ground?

Admiral McDONALD. Mr. Pike, can it get off the ground?

Mr. PIKE. Get off the ground, in Vietnam, yes.

Admiral McDONALD. It can get off the carrier. That is where I am operating my A-7's.

Mr. PIKE. That is not where General Greene is operating his. Can it get off the ground?

Admiral McDONALD. Do you want me to answer that?

Mr. PIKE. Yes.

Admiral McDONALD. I don't know whether it can or not. It would probably take it [deleted] feet if it did.

Mr. PIKE. Thank you, sir.

General GREENE. Mr. Chairman, may I add a comment to yesterday's testimony in regard to the A-7A aircraft afterburner?

The CHAIRMAN. Go ahead.

General GREENE. The question asked by Mr. Pike.

The CHAIRMAN. Go ahead.

General GREENE. Actually, the Marine Corps has been looking into this matter of the simple duct afterburner, Mr. Pike. We have been working with the Navy on this. It seems the afterburner concept for application to Marine Corps aircraft would be feasible. When we have asked that action be taken to increase the performance of the A-7A engine fitted to Marine Corps aircraft, we have asked Secretary of Defense to fund for the development of the afterburner for the A-7A, and we estimate that the development fund will be about \$25 million.

Mr. PIKE. In other words, the Navy version of the A-7A would not be adequate for the Marines, but the Air Force version would be?

General GREENE. Would not be adequate unless we used a catapult, as I told you yesterday.

The CHAIRMAN. Are you finished, Mr. Pike?

Mr. PIKE. Yes, sir.

The CHAIRMAN. I have to go before another committee. Mr. Philbin will take over.

Mr. PHILBIN (presiding). Do you want to make some comments about the next item, Mr. Secretary? Let the committee know what your thinking is.

Secretary NITZE. I think the important point here is we are asking for [deleted] BULLPUPS for \$9 million. None is included in the 1967 budget, and none was ever contemplated for the 1967 budget.

Mr. PHILBIN. This represents an appropriation for the first time?

Secretary NITZE. That is correct.

Mr. PHILBIN. You don't have any problems concerning it? You are going to evaluate it? What is your decision on this?

Admiral McDONALD. We are getting them, Mr. Chairman—we are getting now, we expect to get [deleted].

Mr. PHILBIN. So that will accelerate the program; is that right?

Admiral McDONALD. It will accelerate it. [Deleted.]

Mr. PHILBIN. It is very helpful?

Admiral McDONALD. It is very helpful.

Mr. PHILBIN. You will get delivery some time the [deleted].

Admiral McDONALD. That is correct.

Mr. PHILBIN. But not before?

Admiral McDONALD. Not on this buy, no.

Mr. PHILBIN. What will you be using it for, the same purposes?

Admiral McDONALD. We are going to get some from prior year funding, Mr. Chairman.

Mr. PHILBIN. You are going to get some that were funded before?

Admiral McDONALD. That is correct.

Mr. PHILBIN. Do you have an adequate supply?

Admiral McDONALD. We now have about [deleted] and we expect that after this particular buy we will have about [deleted].

Mr. PHILBIN. I see.

Admiral McDONALD. This is for the Navy portion. The Air Force also uses this same weapon.

Mr. PHILBIN. The Air Force uses the same weapon. In any event, you will have these on order [deleted].

Admiral McDONALD. That is true.

Mr. PHILBIN. Have you had any shortages, though?

Admiral McDONALD. Yes, these come in different sizes, too, Mr. Chairman. This is the [deleted] pound. We have some that are smaller that we use at times.

Mr. PHILBIN. What is the general picture with regard to the weapons you are using out there of similar nature? Do you have on the whole an adequate supply?

Admiral McDONALD. Yes, sir; we do have on the whole adequate supplies, although we are still using some, we call them "bat" bombs. In other words, they are the high drag bombs. When you put those on jet aircraft you cannot take as large a load. Perhaps this is a break in a way, because we are used to utilizing the older bombs. We are using those that we do not have—

Mr. PHILBIN. Do you have any questions, Mr. Pike?

Mr. PIKE. No, sir.

Mr. PHILBIN. Does anyone have any questions?

Mr. PIRNIE. Thank you, Mr. Chairman.

Just one question, you don't intend to buy any more at any time; is that correct?

Admiral McDONALD. No, sir; that is not correct, Mr. Pirnie. We are buying a lot of these, and the Air Force is using a lot of these, too, and I think in some cases you will find on our budget request it is somewhat similar to the helicopters. We will be cut back because somebody else is getting them. We do intend to continue to buy them.

Mr. PIRNIE. Admiral, I was just wondering what was the significance of line 6, where it says yours total anticipated requirement for fiscal year 1971 will be the same as at the end of this supplemental buy.

Mr. KELLEHER. Five and six.

Admiral McDONALD. I think all that means is that we haven't asked for any funds beyond these right here now. It is my personal opinion we will ask for more.

Mr. PIRNIE. Your anticipation is a little inaccurate, don't you think?

Admiral McDONALD. I was anticipating getting more.

Mr. PIRNIE. That is what I thought.

Mr. PHILBIN. We will get to the [deleted]. Would you give us the rundown on that, Mr. Secretary?

Secretary NITZE. I beg your pardon?

Mr. PHILBIN. Will you address yourself to the [deleted].

Secretary NITZE. Yes. We are asking for—

Mr. PHILBIN. Tell us just what the situation is.

Secretary NITZE. [Deleted.]

Mr. PHILBIN. This is a separate request from the 1967 budget?

Secretary NITZE. That is correct.

Mr. PHILBIN. [Deleted.]

What problems do you have with regard to these?

Secretary NITZE. Admiral McDonald will reply.

Mr. PHILBIN. Do you have them now, or is it something you are doing and, if so, how are you doing it at the present time?

Admiral McDONALD. [Deleted.]

Mr. PHILBIN. Are there any questions?

If not, we will proceed. The M-103A2, the 120-millimeter gun tank.

Secretary NITZE. I think General Greene might better address himself to this, Mr. Chairman.

Mr. PHILBIN. General Greene.

General GREENE. The purpose of this request, Mr. Chairman, is to provide at the earliest possible date an economical substitute support stock item for the M-48A3 tank utilized in the initial equipment and required combat support for the 5th Division.

Now, basically, the requirement is for the M-48A3 but by using the M-103A2, which has a 120-millimeter gun, instead of the 90 millimeter, and modifying the engine, and some other items in the tank, we can substitute this satisfactorily as a tank with which to equip the 5th Division. That calls for [deleted] tanks to be modernized at a unit cost of [deleted] or a total request of \$5,490,000.

Mr. PHILBIN. Is that the total?

General GREENE. Yes, sir.

Mr. PHILBIN. How long do you think it will take to have that job done, the modernization program?

General GREENE. I would say to finish the entire program, I estimate about [deleted].

Mr. PHILBIN. Will you have it available before that time?

General GREENE. Well, we have some coming off of the line, but the total is [deleted] tanks.

Mr. PHILBIN. This represents some acceleration also from your 1967 proposal, doesn't it?

General GREENE. Yes. If we don't get an approval on this item for the fiscal year 1966 supplemental, it simply means we will delay the initial modernization for at least 6 months.

Mr. PHILBIN. In other words, it enables you to accelerate the operation by about 6 months?

General GREENE. Yes, sir.

Mr. PHILBIN. That is the purpose of it. That is all there is to this particular item.

Mr. KELLEHER. Mr. Chairman, I might note this is in the bill this year as the result of an amendment of last year. This is the first time we have been called upon to authorize a track combat vehicle.

Mr. PIRNIE. Mr. Chairman.

Mr. PHILBIN. Mr. Pirnie.

Mr. PIRNIE. Before we leave that, is there no item for this in the 1967 request?

General GREENE. We hadn't planned for an item of this type in the 1967 budget, Mr. Pirnie. The reason it is here is that we had this additional infantry division authorized for the Marine Corps, and these tanks are to equip that division.

Mr. PIRNIE. So there hasn't been any request considered either in 1966 or 1967?

General GREENE. No, sir.

Mr. PIRNIE. Thank you.

Mr. STAFFORD. How much would it cost to replace these, if you weren't going to modernize the ones you had?

General GREENE. I am unable to give you the unit cost. I will have to provide that for the record. But I would say it would cost considerably more to provide a new tank.

(The following information was submitted for the record:)

The M-48 tank is not currently in production. The M-60A1 is currently under production. Its unit cost is approximately [deleted] as compared to a modernization unit cost of [deleted] for the M-48, and would require the acquisition and entry into the system of items peculiar to that tracked combat vehicle which are not compatible with the current family of tanks.

Mr. STAFFORD. This is the most expeditious way of equipping your new division with tanks you consider adequate for the present circumstances?

General GREENE. Yes, sir.

Mr. PHILBIN. That will be provided for the record so you may have your answer.

Mr. STAFFORD. General, are you having any trouble in getting tanks and other equipment to your troops that are now on the field in Vietnam, in terms of shipping?

General GREENE. No; we have had no serious difficulties there, Mr. Stafford.

Mr. STAFFORD. Thank you very much.

Mr. PHILBIN. Mr. Evans.

Mr. EVANS. Mr. Chairman, I have one question of General Greene. Is the modernization peculiar to the demands of Vietnam, or is this a general modernization?

General GREENE. This is a typical modernization. Actually we modernized the M-48A3 by putting in a diesel engine. We want to do the same thing with this tank, put in a diesel, which will give us a much longer operating range than we would have with a gasoline tank. This is really the cheapest and most economical way to provide these tanks.

Mr. HARDY. Could I just ask how old these tanks are?

General GREENE. I would estimate 12 to 13 years, Mr. Hardy.

Mr. HARDY. I thought they were at least that old.

General GREENE. They are good tanks, though, and they will do the job we estimate we will have to do.

Mr. CHARLES WILSON. In Vietnam?

General GREENE. In Vietnam, or wherever the tank has to be employed.

[Deleted.]

Mr. CHARLES WILSON. Can you use a tank this heavy in the type of terrain you are committed to in Vietnam?

General GREENE. We are using the M-48 tank out there, which is a lighter tank. We have some difficulties with that tank if we attempt to move inland at any considerable distance, but we have a coastal plain of 8 to 14 miles in our particular area, and we are using these tanks in a good many different types of jobs. For example, we are using them on patrols, along roads in which we have no bridge disability as far as capability to move the tank across the bridge. We are also using them in combat strong points.

[Deleted.]

Mr. CHARLES WILSON. It weighs 128,000 pounds. It is pretty heavy?

General GREENE. Yes, they are heavy, and they would be limited if we were to move them to southeast Asia.

Mr. PHILBIN. Are there any further questions?

We will go to the next item, M-67A2, the flame tank.

General GREENE. Here, again, we have a requirement, gentlemen, to provide flame tanks for the 5th Division. We have a requirement of [deleted] and we are asking for funds in this fiscal year 1966 supplemental request to modernize [deleted] of these tanks. The unit cost is [deleted]. Total request in the supplemental is \$1,100,000.

Mr. PHILBIN. You will get them faster by modernizing them?

General GREENE. Yes, sir; they will be adequate and satisfactory.

Mr. PHILBIN. Are there any questions?

That is all. If there are no questions, we will take the next item.

Mr. KELLEHER. REDEYE is the one we are skipping, sir. We go now behind that to the next item, the LVTH 6-A1.

Mr. PHILBIN. What is the situation on this one, General?

General GREENE. Here again, Mr. Chairman, we have a requirement for a track vehicle, one fitted with little armor and mounting a 105-

millimeter howitzer in the turret. We require [deleted] of these in order to outfit the 5th Division. We are asking for a total of \$1,648,000 in order to do this job.

Mr. PHILBIN. This is a modernization job, too?

General GREENE. Yes, sir; it is.

Mr. PHILBIN. Then you have some other expenditures in the 1966 supplemental of about \$33 million.

General GREENE. The total funding that we asked for was \$1,648,000.

Mr. PHILBIN. I was now thinking of the prior investment you have today. You have the item shown in here.

General GREENE. Our investment to date through the supplemental is \$33,168,000.

Mr. PHILBIN. This provides armored fire support, and so forth. Is this needed urgently?

General GREENE. Sir?

Mr. PHILBIN. Is this something you need quite urgently?

General GREENE. Yes.

Mr. PHILBIN. How long will it take you to get these?

General GREENE. I would make an estimate, Mr. Chairman, of [deleted] for the total job. I can provide the exact data for the record.

(The following information was received for the record:)

Delivery of the first LVTH 6-A1 will commence [deleted] after funding is authorized with a production rate of approximately [deleted] vehicles per month. Modernization of these vehicles will be completed in approximately [deleted] after funding is authorized. Further, additional funds are being requested in the fiscal year 1967 budget to modernize [deleted] more LVTH 6's. Modernization of this final increment of LVTH 6's will be completed in [deleted] giving a total completion time of approximately [deleted] for the entire program.

Mr. PHILBIN. It will be helpful if we know the expected and anticipated delivery date.

Are there any questions?

If there are no questions, we will move along to the next one.

Mr. KELLEHER. The HAWK missile weapons systems.

Mr. PHILBIN. The HAWK missile weapons system. Would you run through that briefly for us, General?

General GREENE. The reason for this request, Mr. Chairman, is, as you know, these missiles and the ground equipment connected with them are very complex electronic equipments, and we want a contract for [deleted]. If we do this, the minimum equipment to activate a fifth HAWK battalion, which has been authorized [deleted] could be met. If this particular item is not approved this would result in a slippage [deleted] for the activation of this fifth HAWK battalion.

Mr. HARDY. May I ask a question, Mr. Chairman?

Mr. PHILBIN. Mr. Hardy.

Mr. HARDY. Did I understand, then, these were originally in the 1967 budget?

General GREENE. No, they are not.

Mr. HARDY. I don't understand where your slippage is going to occur. Had you not anticipated requesting them at all?

General GREENE. Originally, no. Originally, Mr. Hardy, we had only planned on a total of four HAWK battalions. Three in active service and one with the 4th Division wing team. This is an addi-

tional battalion that has been authorized because of the emergency in southeast Asia.

Mr. HARDY. When was the original request for this made, General Greene?

General GREENE. It was made in the 1966 supplemental, Mr. Hardy.

Mr. HARDY. Can you tell me when it was made? It must have been generated back some time ago. This is not brand new; is it?

General GREENE. Well, this was authorized, I would say, in October or November. That is when we originated the request.

Mr. HARDY. All right, it was then in time to go in the 1967 budget.

General GREENE. It would have gone into the 1967 budget if the 1966 supplemental hadn't developed. I mean this is a way of expediting the delivery of this equipment.

Mr. HARDY. Well, actually when you first generated this requirement in October, you were working on your 1967 budget, not on the 1966 supplemental; weren't you?

General GREENE. I have some additional background here which may be of help to you.

On the 6th of November 1965, I addressed a memorandum to the Secretary of the Navy, and pointed out the possibility of a shortage of HAWK missiles in the event that the enemy air effort should accelerate. This memorandum I forwarded pointed out three possible solutions to this problem, one of which was emergency replacement if necessary from Army stock.

The Secretary of the Navy forwarded the memorandum on the 24th of the same month to the Secretary of Defense, and then on December 13, 1965, we received a reply from the Office of the Secretary which asked the Secretary of the Army to join with the Secretary of the Navy in the preparation of a plan for a temporary drawdown or redistribution of Army HAWK missiles in the event such actions were required.

Mr. HARDY. Did the Army agree to that?

General GREENE. Well, a draft of this plan has been prepared, and has been staffed with the Army.

Mr. HARDY. That was back in November of last year?

General GREENE. Well, the plan was finally approved, or concurred in by the Army, on January 28, 1966. The plan is now being formalized by the Department of the Army.

Mr. HARDY. So the Army is going to help out to make these—to fix the Marine Corps up temporarily, so you can get some; is that right?

General GREENE. Yes, sir.

Mr. HARDY. Well, now, the thing that impressed me in the discussion is you are going to save some time.

Then do I understand that you are prepared to contract for these as soon as you get money?

General GREENE. We are; yes, sir.

Mr. HARDY. Do I further understand actually you are going to accelerate the production level? I was looking at the list of subcontractors here. I just wonder whether you do have definitely worked out that this is going to get you your missiles faster than it would if it were in the 1967 period?

General GREENE. We estimate it will result in a faster production, because we can complete the contract with the Raytheon Corp. so that the additional missiles and equipment could commence production on or about [deleted].

Mr. HARDY. Is this acceleration in production going to cost any more?

General GREENE. I will have to provide that answer for the record.

The unit cost of missiles under this planned procurement was originally established at [deleted] each by the Army Materiel Command. The missile unit cost computed from the most recently completed procurement was [deleted]. The difference is due to the reestablishment of the production lines and the fact that a smaller quantity of missiles would be procured. Hence, the greater unit cost. The associated HAWK battery ground equipment will also increase in price, for the same reasons as noted above.

Mr. HARDY. In view of the fact that the Army has agreed to take care of the Marine Corps emergency in this item, is the Army in such a fix you couldn't wait for your normal procurement?

General GREENE. Of course, the agreement with the Army had to do with the missile itself, Mr. Hardy.

Mr. HARDY. And not with the battery?

General GREENE. Not with associated equipment connected with the [deleted] firing batteries and the maintenance flow.

Mr. HARDY. You are going to get them quicker?

General GREENE. We are going to get them quicker; yes, sir.

Mr. HARDY. Thank you, Mr. Chairman.

Mr. NEDZI. Mr. Chairman.

General, I would like to inquire about some of these figures that you had here, and how the total is arrived at.

The record should be a little more clear on that point.

You have [deleted] missiles as of January 1, and [deleted] in the supplemental. Your total comes to [deleted].

Actually, if you add the figures you get [deleted].

General GREENE. We had a note there that there was no subtraction for expenditures attached to this.

Mr. NEDZI. That is all the more reason your figure should be higher.

General GREENE. I believe that difference between the total of [deleted] can be accounted for by the missiles that will actually be expended in training.

Mr. NEDZI. I see.

Here you have also [deleted] missiles, five battery sets, and an [deleted] battery sets. The proportions aren't the same in the two figures.

Would you clarify the record on that point?

General GREENE. Yes, sir; I will. I will have to provide that for the record.

(The following information was received for the record:)

The Marine Corps inventory objective of HAWK missiles is [deleted] for four, four battery battalions. This is based on [deleted] of support for each battalion.

The provisions of missiles for the 5th Marine HAWK Battalion was based on [deleted] support; [deleted] at assault rates, [deleted] at sustaining, for a total of [deleted] missiles.

Therefore, in this instance, an increase of the battery sets by 25 percent (one additional battalion) was not followed by an increase of missiles by 25 percent. Thus the difference in the proportions of battery sets to missiles.

Mr. NEDZI. I have no further questions.

Mr. PHILBIN. If that is provided for the record, do you have any further questions, Mr. Nedzi?

Mr. NEDZI. No further questions.

Mr. PHILBIN. Mr. Wilson?

Mr. HALL. My question is very simple, it is a request for information. Is the horizontal range generally of [deleted] nautical miles for the HAWK missile? Is that [deleted] feet up and [deleted] feet down, which equals [deleted] miles if you multiply it out?

General GREENE. That is correct. The range of [deleted].

Mr. HALL. In other words, you are interested only in altitude, not really in lateral range, is that correct?

General GREENE. We are primarily interested in altitude, although the HAWK is a good weapon for low angles of fire.

Mr. HALL. Then it does go out [deleted] miles at low angle, slant range horizontally before it expends its thrust, is that correct?

General GREENE. That is correct, yes, sir.

Mr. HALL. So it is then [deleted] nautical miles laterally, or horizontal, not just [deleted].

General GREENE. That is correct. If you were firing at a low angle that is the range you could expect.

Mr. HALL. Thank you, Mr. Chairman.

Mr. PHILBIN. Mr. Wilson.

Mr. BOB WILSON. My question refers to an item not in the black book, dealing with the OV-10A.

Mr. Secretary, I wonder if we could have a little bit of a reading as to the progress of the OV-10A? I notice you are asking for \$11 million more for advanced procurement. I understood by this time, at least by the time of the 1967 budget, that we would be actually in production on this item.

What is the progress on the OV-10A?

Admiral McDONALD. The first production is in April of 1967, Mr. Wilson.

Mr. BOB WILSON. Is there an item in the 1967 budget for OV-10A?

Admiral McDONALD. [Deleted] yes, sir.

Mr. BOB WILSON. [Deleted.]

Admiral McDONALD. That is correct.

Mr. BOB WILSON. This is really an advanced supplemental procurement?

Admiral McDONALD. That is right.

Mr. BOB WILSON. Let me ask you: At the hearings last year the Navy agreed to run a test, or run comparative tests with Convairs, comparable models, which they would produce at their own expense. As you know, they ran considerable tests, and then had an unfortunate crash with a Navy test pilot. I wonder if any evaluation of comparative capabilities of those two aircraft has been made based on the tests that were made prior to the crash?

Admiral McDONALD. I can't answer that. I don't think they were complete, but we must have made some up to that point.

Mr. BOB WILSON. Is the Marine Corps satisfied that [deleted] OV-10's are ready to go into—actually you are asking for procurement of them—I guess it is far enough along to determine it is a good type airplane to be used over in that area.

I wonder if General Greene could comment on the Marine Corps attitude toward the OV-10A's?

General GREENE. We are enthusiastic about the prospects of this aircraft, and we are looking forward to receiving it as soon as possible, because we want to place the OV-10A in our VMO squadrons, our observation squadrons. We intend to have a mix of the UH-1E helicopter and this type of aircraft. And we feel with the helicopter, the OV-10A, and our fixed wing we will have a perfect close support combination.

Mr. BOB WILSON. Then by April next year your first ones will be rolling off the production line, or will you have the first ones actually in combat?

Admiral McDONALD. No; will be roll off them.

Mr. BOB WILSON. I see. I think that is a slippage of some several months, though, to what was originally anticipated, isn't it?

Admiral McDONALD. I think it is 3 or 4 months, Mr. Wilson.

Mr. BOB WILSON. All right. Let me ask you, has the Navy been evaluating, or the Marine Corps been evaluating the F-5's that were sent over there for some tests, or is that an Air Force evaluation?

Secretary NITZE. I believe that is an Air Force evaluation, Mr. Wilson.

Mr. BOB WILSON. One further question, and this is all, Mr. Chairman.

You mentioned the SAM sites, Admiral McDonald, and the problems that are created there by our airplanes going into North Vietnam.

What SAM sites are actually targets? Can our pilots shoot any particular SAM site they want, or are some off limits because of their location [deleted]?

What I am trying to find out is who really makes the final determination of what SAM sites are the targets for our airplanes?

Admiral McDONALD. I guess I should answer that by saying the highest authority.

Mr. BOB WILSON. The reason I ask, I would think that would be the case. General Wheeler told us that Admiral Sharp determined which SAM sites were going to be hit in this area. I think it would be a little different, final authority, than what we would normally think of as the prime target in North Vietnam. Does it go beyond Admiral Sharp, do you know?

Admiral McDONALD. Admiral Sharp has authority to authorize attack upon SAM sites if they are in certain specified areas.

Mr. BOB WILSON. I see.

Admiral McDONALD. Under the conditions which exist today, he does not have authority to attack SAM sites in all areas.

Mr. BOB WILSON. The reason I am asking the questions, I was aboard a carrier that just got back from operations out there a little while ago, and I talked to some of the pilots of the airplanes going into North Vietnam. There was a great deal of bitterness on the part of some of them because in one instance one of their buddies was the No. 2 man in the graduating class, and was shot down by a SAM site. The buddies weren't allowed to go back and hit the SAM site. It is really fighting with one hand behind your back when you face up to it. I know you don't like that particular situation, but I think it is a real criticism that we ought to try to solve, because if there is anything that

can destroy the morale of our men, it must be the fact they are being shot at by weapons that they can't even try to eliminate.

Thank you, Mr. Chairman.

Mr. SCHWEIKER. Mr. Chairman.

General Greene, I got your statement here which you gave me on the policy question I had the other day. I wondered if there were any additional remarks you would like to make, particularly whether there was any local regulation or order that might possibly have been misconstrued or misinterpreted?

General GREENE. Well, there is a possibility, of course, of someone misconstruing a regulation. I actually talked with General Walt during the night about your question, and the information I gave you in the memo in substance is the result of our discussion.

Now, this particular outfit, the 1st Battalion, the 12th Marines, is located immediately in front of his headquarters area. It is within the perimeter, and there is a regulation, or instruction, as I outlined in that memo to you, which says that the rifle, for example, will not be loaded unless you anticipate using it. Well, for example, on an interior position like that, if the individual who wrote you the letter, or wrote the letter that you have, the man might conceivably be on an interior guidepost, where although he would have the ammunition in his belt he wouldn't actually have it loaded in his rifle.

Furthermore, he might, if he was in an internal position, such as this battalion is located in, he might also be instructed that he is not to fire on civilians who might be living in the area unless he has some clear indication he is about to be fired on or is fired on.

Mr. SCHWEIKER. OK, thank you very much, General.

Mr. PHILBIN. Mr. Pirnie.

Mr. PIRNIE. We have the question which ties in, as I see it with the answer just given by the general.

Do I understand a SAM site which is known to have fired on our forces cannot be attacked?

Admiral McDONALD. I didn't say that, but that is true in some cases.

Mr. PIRNIE. It is true.

Let me say Admiral, first, doesn't it concern you that our American public is evaluating our Military Establishment in this situation in Vietnam, and may gain an inaccurate impression of our ability to defend ourselves and to prosecute the war by virtue of this limitation?

Admiral McDONALD. I am rather inclined to believe that most of the American public realize that we are involved in action under relatively peculiar circumstances, and certainly heretofore unheard of restrictions.

Mr. PIRNIE. We have been concerned here by the psychological impact of action which is taken militarily upon the enemy.

What I am just wondering is about the psychological impact of inaction on our own people.

Admiral McDONALD. [Deleted.]

Mr. PIRNIE. Thank you.

Mr. HALL. Mr. Chairman, on that point.

Mr. PHILBIN. Dr. Hall.

Mr. HALL. Let me ask the admiral just one additional point.

Does this restriction—I am using that word loosely—maybe I should say direction from highest authority—also limit our strikes to [deleted].

Admiral McDONALD. Not without having specific authority, no.

Mr. HALL. Thank you.

Mr. CHARLES WILSON. Mr. Chairman.

I wonder if I could ask what the status of the Condor program is, Admiral McDonald?

Secretary NITZE. I think everybody is very enthusiastic about the Condor program.

Mr. CHARLES WILSON. Where is it now?

Secretary NITZE. It is in research and development.

Mr. CHARLES WILSON. Do you anticipate buying some or letting some contracts out?

Secretary NITZE. I don't think we are at that stage yet for production. It is still in the engineering-development phase.

Admiral McDONALD. Phase 2 development. We expect that contract to be awarded the third quarter of this fiscal year.

Mr. CHARLES WILSON. It will be that long?

Admiral McDONALD. I think it is way down the road before we can use it.

Secretary NITZE. But if it turns out the way it looks as though it will, it will be a first-class weapon.

Mr. CHARLES WILSON. You are talking about the third quarter of fiscal year 1966: is that right?

Admiral McDONALD. That is correct.

Mr. CHARLES WILSON. We are in that now.

Mr. PHILBIN. Are there any further questions?

If not, we come to the next item, which is the last one in the book, General, on the howitzer—the heavy howitzer. Do you have that one?

General GREENE. Actually, Mr. Chairman, this particular sheet in the black book should show two howitzers involved in the requests in the fiscal year 1966 supplemental.

Now, the first one is the howitzer 8-inch M-110, self-propelled. We need [deleted] of these howitzers in order to equip the 5th Division. Any delay in funding in fiscal year 1966 will just result in a corresponding delay in equipping the 5th Division, which we would hope would be provided with these howitzers by [deleted].

This particular howitzer, self-propelled, replaces an older model, the M-55, 8 inch.

The second weapon is the howitzer medium self-propelled 155 millimeter, the M-109. This weapon provides general support artillery, organic to the marine division, and we need [deleted] of these in order to meet the requirements of the 5th Division. Here again any disapproval of this item would just result in a corresponding delay in outfitting the 5th Division which we would hope could be provided with this weapon by [deleted].

Mr. PHILBIN. Is this the first time this has been included in this bill?

General GREENE. The first time, sir, for the authority to activating the 5th Division.

Mr. PHILBIN. You want to get these items as quickly as you can?

General GREENE. Yes, sir.

Mr. PHILBIN. How much time do you anticipate it will take?

General GREENE. In the case of these weapons we hope to have them available by [deleted].

Mr. PHILBIN. Mr. Price.

Mr. PRICE. General Greene, how many howitzers is this type of division usually equipped with?

General GREENE. They are equipped with the number I outlined here. [Deleted] of the M-109's, and a total of [deleted] of the M-110's. [Deleted] of the 8 inch, and [deleted] of the 155.

Mr. PRICE. How many do you have in inventory right at the present time of the 110's?

General GREENE. We have assets on hand which have been funded and undelivered, a total of [deleted].

Mr. PRICE. Why would you order so few, even though this does take care of the division? You order [deleted] howitzers. Why don't you get enough in the event you expand the Marine Corps [deleted] or put another one into combat, you would have plenty of weapons available. Why do you limit it to such a few number?

General GREENE. Well, the allocation of the 8 inch, for example, would be as follows: We would have [deleted] of these weapons for the four division wing teams, including the reserve division wing team. That is a total of [deleted].

We would have [deleted] assigned various schools and training facilities.

We would have [deleted] allocated to the 5th Division, and in general combat support for all of our units. That is a total requirement of [deleted]. As I said, we have [deleted] on hand, and this requires a supplemental request of [deleted].

Mr. PRICE. We are in a shooting war right now, nobody knows where it is going to lead to. Don't you think we are cutting this awfully close, dealing in such small numbers, in such an essential weapon as this type?

General GREENE. This is our total known requirement, Mr. Price, and I would say—

Mr. PRICE. It seems to me like you are cutting it awfully close, going to the trouble of ordering just [deleted] howitzers to take care of one division's needs. It looks to me like you should play on the safe side and get at least [deleted] or so.

General GREENE. Of course, we are asking for this number in the supplemental budget, and if we see we need more—

Mr. PRICE. If you ask for it in the supplemental, I am not arguing about the [deleted]. I am just concerned about the reluctance to get more than you need, particularly when we are in a shooting war right now. No one knows where it is going to lead, and if it does take time to get these weapons it would seem to me you want to be sure you have sufficient to meet any needs.

I am not arguing about the fact that you need them. As a matter of fact I think the fact that you do need them causes you to order a sufficient amount that you think you will need.

General GREENE. This is an economical buy. Of course, the thing we want to bear in mind is that as of now we have two divisions actually committed. We have the third division which hasn't been committed on the east coast, and then we have the reserve division. Those guns are not being used right now.

The fifth division, when it is activated, will require these guns and then in an emergency, of course, we could pull up to [deleted] addi-

tional guns away from our training establishment in an emergency.

Mr. PRICE. I am not quarreling with the fact you need them, I think you need more.

General GREENE. Yes. Well, this is —

Mr. PRICE. You could lose a few of them in shipment, then you are in a tight squeeze.

I am not quarreling with the fact that you need them, I think you need more. It is such a small item, I would think you could order three times the figure you have in here.

General GREENE. Well, I will reexamine the numbers there. However, my recommendation at this point, sir, would be that for the fiscal year 1966 supplemental that we just confine it to the number that I recommended to you.

Mr. HARDY. Mr. Chairman.

Mr. PHILBIN. Mr. Hardy.

Mr. HARDY. Could I inquire? You spoke about the M-109, 6 inches. Where are they?

General GREENE. The allocation?

Mr. HARDY. Yes. I don't see it referred to here. It is not in here.

General GREENE. I can give you that data right now, sir.

Mr. HARDY. Is it going to go into the book?

Mr. KELLEHER. It should be in there, Mr. Hardy, and it is not.

General GREENE. It was not included —

Mr. HARDY. You ought to have some testimony about it, then.

Mr. HALL. He testified about it.

Mr. HARDY. I understood you said you needed it. But what is the amount involved, General, I think that is all I am interested in at this point.

General GREENE. Do you mean the amount of money?

Mr. HARDY. Yes. You said there were [deleted] required.

General GREENE. In your black book you do not have any sheet covering the 109. We have a cost here, a unit cost, of [deleted] Mr. Hardy.

Mr. HARDY. What is the total?

General GREENE. We are ordering [deleted], so the total cost would be \$2,500,000.

Mr. HARDY. Is that figure taken into account in the figure we have in the bill, or does that mean we are going to have to amend the bill to include this?

General GREENE. That is additional. It is additional to the sheet you have here, but it is in the bill.

Mr. HARDY. It is in the bill?

General GREENE. Yes, sir.

Mr. HARDY. Thank you.

Mr. NEDZI. Mr. Chairman.

General, when do you anticipate delivery of the M-110's?

General GREENE. We would anticipate delivery of the M-110's not later than [deleted].

Mr. NEDZI. When did you find out they were not included in the supplemental?

General GREENE. If they weren't, we would have a delay of at least 3 months.

The point is we want to get the fifth division ready to go, ready to activate on [deleted].

Mr. NEDZI. This would in effect constitute a delay?

General GREENE. Yes, it would; yes, sir.

Mr. NEDZI. Thank you.

Mr. PHILBIN. Are there further questions?

Like Mr. Price, I am somewhat disturbed by the fact the request for the howitzers is so small. I know you have evaluated the situation, and you will reevaluate that as to your needs, but as Mr. Price pointed out we have a difficult situation facing us in the Far East. We don't know where it is going to lead us.

May I ask you in the event now this expanded tomorrow, next week, or next month, which we hope is not going to happen, but would be entirely possible, would you still want to hold to that request for that particular basic weapon, the howitzer, or would you consider it to be adequate?

After you answer that question, General, I would like to ask you to comment on your supplies of other basic weapons, the rifles, or what not, if it is adequate in the kind of engagement we are involved in now, and (b) an expanded engagement that might possibly occur soon. I would like you to comment briefly on those points, if you would, General.

General GREENE. Our estimate of our logistics situation, including weapons, and all other equipment and ammunition, is that we are in acceptable shape for any emergency that may arise as we see it now involving the commitment of the planned forces of the Marine Corps. Actually, the only problem that is facing us right now, Mr. Chairman, is the matter of clothing. We do have a problem here which we are going to meet by a decreased individual allowance, initial allowance of clothing.

Our second problem has to do with prepositioned war reserves. This matter is under study now. The Marine Corps, the Navy Department, and the Secretary of Defense office are studying this now. These are really the only two problems we see now that we have, clothing and prepositioned war reserves.

Mr. PHILBIN. As to the other problem of the howitzers—

General GREENE. I feel they are adequate.

Mr. PHILBIN. Rifles and everything else of that nature, do you have all you want, whether you are considering this engagement or any other type, or don't you need any further?

General GREENE. As of this time, we do not.

Mr. PHILBIN. I believe Mr. Blandford has some questions he would like you to respond to concerning some equipment.

Mr. BLANDFORD. General Greene, we have had some information to the effect you are going to reduce the clothing issued to recruits by one-half or you have reduced the clothing issued by one-half to recruits; is that correct?

General GREENE. We are reducing the issue of clothing to recruits, but in our opinion this is not going to have any immediate serious effect.

Mr. BLANDFORD. Well, for example, on fatigues, and on underclothing, what will the issue be, do you happen to know?

General GREENE. The issue on utilities is three now, and there will be no change on that.

Mr. BLANDFORD. They will get three. How about clothing?

General GREENE. There will be a reduction in other articles of clothing. I have the list right here. There will be a reduction in green uniforms, from two to one.

Mr. BLANDFORD. Two to one in green uniforms. How about the khakis?

General GREENE. Khakis, there will be a reduction in the number of cotton shirts, and also trousers

Mr. BLANDFORD. How about sox?

General GREENE. We are going to substitute brown for black sox.

Mr. BLANDFORD. You are going back to brown. You have excess brown?

General GREENE. We have excess brown, we are going to use those.

Mr. BLANDFORD. How about belt buckles?

General GREENE. I don't think we will run out of those.

Mr. BLANDFORD. There has been some question, General, about the amount of availability of small arms ammunition for recruit training, and for the infantry divisions for practice purposes. Have you had any shortage of small arms ammunition?

Has there been any indication in the reduction of availability of small arms production, as far as recruit training?

General GREENE. We have not had any problem as far as quantity goes. We have had trouble with certain lots in that they were defective, and we had to throw them out and substitute them otherwise.

Mr. BLANDFORD. How about bombs for your pilot training? It is my understanding there has been a reduction in the availability of bombs for pilot training; is that correct?

General GREENE. I have no specific knowledge of that shortage. I would be glad to provide that for the record.

(The following material was received for the record:)

There is no shortage of the training ordnance required for Marine pilots to develop the required level of proficiency in air-to-ground ordnance delivery tactics. [Deleted.]

Mr. BLANDFORD. You are not aware of any other?

How about 105 ammunition, proximity fuse ammunition, proximity fuses, and 8-inch howitzer ammunition? Has there been any reduction in that for practice purposes?

General GREENE. We have had some shortages in 105-millimeter illuminating ammunitions. I checked on that specifically when I was out this last time in South Vietnam. However, although we don't have the levels that we would like, our operations at night using this ammunition have not been restricted. We still had enough on hand. I would say that 105-millimeter illuminating would have to necessarily be used carefully in training.

Mr. BLANDFORD. Well, actually, am I correct that there has been a reduction in the availability of this type of ammunition for training purposes?

General GREENE. That would depend, of course, upon the division commanders. I cannot give you the specific answer.

Mr. BLANDFORD. How about 4.2 mortar ammunition?

General GREENE. We have had a problem there again in 4.2 illuminating projectors.

Mr. BLANDFORD. Where are the other places where we have problems?

General GREENE. I believe the committee in their visits and examination of this problem, as I recall, found six different types of ammunition in which there were indications of shortages. The Marine Corps has not been hampered or crippled in actual operations in South Vietnam in any of these areas.

Mr. BLANDFORD. No, I prefaced it by talking about training. I don't believe the actual operations in Vietnam have been affected. It is my understanding training has been affected. Now, the chairman earlier this morning indicated that he had been told by a Member of Congress who had seen some bombing runs on some targets in southeast Asia that they were all over the lot, and there are some people who attribute this to the fact there are an inadequate number of bombs available for pilots to use for training purposes to learn how to drop them. Whether that is correct, or not, I don't know, but this is the inference.

General GREENE. Well, I would say from my own personal observation of training in our aviation units, as well as ground units, that no one is going out to southeast Asia now, either in an air or ground unit, that isn't adequately trained to use the weapons and ammunition with which the Marine Corps is fitted.

Mr. BLANDFORD. When was this shortage of ammunition first brought to the attention of higher authorities, General?

General GREENE. I will have to provide that date.

(The information referred to follows:)

Marine Corps ground ammunition requirements were first submitted to OSD on July 22, 1965, for inclusion in an amendment to the fiscal year 1966 budget request. An additional list of ammunition needs, [deleted] was submitted on November 28, 1965. Monthly report of selected items of ammunition [deleted] showing current and projected inventory status, have been provided to ASD (I. & L.) beginning with the August 1965 report.

Mr. BLANDFORD. I have no further questions, Mr. Chairman.

Mr. PHILBIN. Thank you, Mr. Blandford.

Thank you very much, General; thank you, Mr. Secretary, and Admiral. Thank you for your testimony.

Are there any further questions?

Mr. HALL. Mr. Chairman, I didn't understand what counsel said about tab B, on the REDEYE.

Mr. KELLEHER. None are being procured at this time, Doctor. No REDEYES are being procured. The sheet shouldn't be in there at all, actually.

Mr. HALL. Thank you.

[Deleted.]

Mr. PHILBIN. The committee will go over until 2 o'clock. At that time we will take up research and development.

Thank you very much, gentlemen.

(Whereupon, at 11:51 a.m., a recess was taken until 2 p.m. of the same day.)

AFTERNOON SESSION

The CHAIRMAN. We can't wait any longer. Let us get started.

Mr. MORGAN. Mr. Chairman, the Navy R.D.T. & E. supplemental totals \$52,570,000.

Dr. MORSE I see is here to justify this request. I would suggest that the members turn to book No. 2, the yellow book in front of them, which is entitled "Supporting Data and Project Listing for Fiscal Year 1966, Southeast Asia Support Supplemental Submitted to Congress," and "Justification of Estimates for Fiscal Year 1966."

Secretary NITZE. I think Dr. Morse can state these items.

The CHAIRMAN. Go ahead, Doctor.

Dr. MORSE. I would be very happy.

The first item on page 1 is the [deleted] aircraft. The request in the supplemental is for \$26.7 million. This will be added to \$5 million which was provided in 1965 from the emergency fund, \$14.7 in 1966 which was derived from our original submission in 1966 plus some reprogramming, which was referred to this committee earlier.

The [deleted] aircraft, I will be very happy to describe just very briefly its missions.

The CHAIRMAN. This is the experimental aircraft, [deleted] on it, that is what it really is; isn't it?

Dr. MORSE. Yes, sir; [deleted].

The CHAIRMAN. Let us take them out of 1967 and put them in 1966, Mr. Secretary.

Secretary NITZE. Our original request was for an additional \$6 million in addition to the \$14.7 in 1966. With some \$24 million in the 1967 budget. We greatly prefer this way of doing it. This will enable us to let the R. & D. contract, I believe in March of this year.

The CHAIRMAN. You will commit for this, is that right?

Secretary NITZE. This we will commit in March of this year.

Mr. MORGAN. Mr. Chairman.

Is this aircraft being used in southeast Asia today, or is it programmed for use during the next fiscal year in southeast Asia?

Secretary NITZE. It is not being used today because these items are still in research and development. [Deleted.]

The CHAIRMAN. You don't have any part of this equipment in your inventory at all?

Secretary NITZE. We have equipment which is not to any degree as sophisticated as the equipment which is being designed under this program.

The CHAIRMAN. Is this right?

Dr. MORSE. Yes, sir. [Deleted.]

The CHAIRMAN. You don't have any trouble operating them?

Dr. MORSE. No, sir; not at the moment.

Mr. BLANDFORD. You do have this onboard aircraft problem?

Dr. MORSE. Yes, we have much of the equipment—

The CHAIRMAN. But you only have one operator?

Dr. MORSE. We have one operator, or else we have it so unintegrated, so to speak, that it is very difficult at this point.

The CHAIRMAN. This will have three operators?

Dr. MORSE. Yes.

The CHAIRMAN. Along with more sophisticated equipment?

Dr. MORSE. Yes, sir; and a much more sophisticated way of interpreting the data.

Mr. MORGAN. May I ask one question, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. MORGAN. [Deleted.]

The CHAIRMAN. You are all talking about the same flying machine?

Mr. MORGAN. That is what I am trying to find out, Mr. Chairman.

The CHAIRMAN. Are you talking about the same equipment?

Dr. MORSE. I think so, yes.

Mr. MORGAN. That is all I have.

The CHAIRMAN. Now, the next thing is, on page 2.

Mr. MORGAN. UH-2A helicopter program.

Dr. MORSE. This is in booklet No. 2, which is the supporting data.

The CHAIRMAN. The UH-2A?

Dr. MORSE. UH-2A is \$400,000 requested. The UH-2A is a helicopter that is now in the fleet, that is used for rescue.

This helicopter is subjected to some very demanding missions, as you know, at night, far from the carrier. We have decided that it would be useful to install a second engine in this. The accident rate early in the deployment of this helicopter was higher than anticipated. The weight of the helicopter, and what it had been asked to do, was more demanding than had been anticipated. This \$400,000 will allow an engineering installation of a second engine in two helicopters, and fully test it. The engines for this back fit, and it will be a back fit in existing helicopters, are already in the inventory from re-engining of other helicopters, and this sum is purely for the engineering of that helicopter.

The CHAIRMAN. You have bought a lot of these helicopters, haven't you?

Dr. MORSE. I think there are about [deleted] in the inventory.

The CHAIRMAN. Why wouldn't the manufacturer spend his own funds to improve the product?

Dr. MORSE. It is my distinct understanding he is spending a good deal of his own funds in this program.

Mr. MORGAN. Mr. Chairman.

The CHAIRMAN. Yes.

Mr. MORGAN. Mr. Secretary, you describe this as a 1-year program to install these two engines, or the additional engines.

Dr. MORSE. The engineering is a 1-year program.

Mr. MORGAN. What about the cost of the installation of the additional engines? Will you require further funds for the installation of the additional engine? In other words, are you seeking funds in addition to this \$400,000 to complete the program, or is this the extent of the program?

Dr. MORSE. The funds are not being sought in the supplemental. That is, the supplemental is to complete the engineering test.

Mr. MORGAN. Are the funds included in the fiscal year 1967 budget?

Dr. MORSE. I assume there are 1967 funds for the backup of these helicopters. I understand the back-fit kit is in the order of \$100,000 or so per helicopter. It is my understanding the program is in the 1967 budget.

Secretary NITZE. An improvement item in the 1967 budget.

The CHAIRMAN. Let us get to the next one on page 3, three missiles, and related equipment. What is this?

Dr. MORSE. Page 3, this is a general support item in our R. & D. budget, air launched guided missile fleet support. We are asking for \$1 million to supplement the program we now have. This includes a great many quick fix items at laboratories, both in airborne, problems that arise in the fleet where we want to send some one directly to a laboratory to work immediately with the fleet, on some improvement. There has been a great increase in this in the past year, and we have developed a very quick response in getting fleet support.

The CHAIRMAN. All you did was expand the existing facilities, didn't you?

Dr. MORSE. Sir?

The CHAIRMAN. Did you expand the existing facilities?

Dr. MORSE. Yes. It really is increased work on the facilities. This is in-house support.

The CHAIRMAN. The SPARROW III, page 4.

Dr. MORSE. The next page is for improvements in the SPARROW III missile, which are listed here. These are in the areas of making the system more reliable, improving its behavior in a very humid environment [deleted], and to put structural mechanisms into the latest model.

The CHAIRMAN. You have contracts on that?

Dr. MORSE. Yes, sir; the basic contractor on this is Raytheon.

Mr. MORGAN. Mr. Chairman, may I ask if this is related to the PHOENIX program, and the problems they have encountered in the PHOENIX missile?

Dr. MORSE. No, sir; this is quite independent of that. These are improvements in the present SPARROW that is now in the fleet.

Mr. MORGAN. There have been reports the SPARROW was under consideration as the missile system for the F-111B.

Dr. MORSE. As a supplement, sir.

Mr. MORGAN. This is not a part of that program?

Dr. MORSE. This is not related to that whatsoever.

Mr. BATES. Not as a substitute?

Dr. MORSE. No, sir.

Mr. BATES. Just as a supplement?

Dr. MORSE. As a supplement.

Mr. HARDY. I raise this one question in connection with it. I notice the supplemental request is almost as big as the original 1966 request. Now, when did the \$200,000 get into your 1967 budget?

Dr. MORSE. You are referring to the SPARROW. Of course, the SPARROW is an existing missile in the fleet, and in rather substantial inventory. These are problems where we see needs of fixes due to the actual increased knowledge of what has happened in southeast Asia.

Mr. HARDY. Well, have you changed the purpose of this particular research? Certainly you had the program standing for some little while. You had \$5 million in 1965. You came in for \$3.8 million in fiscal 1966. And then only \$200,000 in fiscal 1967.

I have a little trouble understanding why you should be almost 100-percent wrong in your estimate on your requirements for fiscal 1966.

Dr. MORSE. Well, I can justify it only by saying that there have

been a great many problems uncovered due to much more intensive testing of the missile because it has been and is being used operationally.

Mr. HARDY. What does the \$200,000 in fiscal 1967 amount to? What is that doing in there? That doesn't amount to anything to speak of. It must have been programed before your \$3 million were put in your supplemental.

Dr. MORSE. I am afraid I cannot comment on that.

Mr. HARDY. Do you know what the \$200,000 is in the regular 1967 budget for?

Dr. MORSE. No, sir; not at this time, I cannot tell you.

Mr. HARDY. I would like, Mr. Chairman, a little better explanation of why are we almost 100-percent wrong on our original estimates for fiscal 1966. I don't think that is unreasonable.

The CHAIRMAN. See if you can answer that question for Mr. Hardy.

Dr. MORSE. Yes, sir.

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

The CHAIRMAN. Let us get to [deleted]. I want to read something about [deleted].

Secretary McNamara's statement to this committee marked "Secret," among the items to be supported, would be the additional funds on the [deleted]. That is a classic example of doubletalk, classic example of doubletalk.

[Deleted.]

Dr. MORSE. I would like to—may I elaborate somewhat?

The CHAIRMAN. That is what I am asking you to do.

Dr. MORSE. [Deleted.]

The CHAIRMAN. Mr. Blandford, you take it from there.

Mr. BLANDFORD. All right, sir.

Dr. MORSE. [Deleted.]

The CHAIRMAN. If you don't have any better story next year I am going to turn you over to Mr. Hardy.

Mr. HARDY. I have a question now on that.

The CHAIRMAN. Go ahead, Mr. Hardy.

Mr. HARDY. How much money do you still have in the 1967 budget for this particular item?

Dr. MORSE. [Deleted.]

Mr. HARDY. That is right.

Dr. MORSE. [Deleted.]

Dr. MORSE. Dollars in the [deleted] program?

Mr. HARDY. Yes.

Dr. MORSE. \$7.1 million; yes.

Mr. HARDY. That is what I want to find out. Is that amount still in the 1967 budget?

Dr. MORSE. Yes, sir.

Mr. HARDY. When did it get in there?

Dr. MORSE. This —

Mr. HARDY. Mr. Secretary, do you know?

Dr. MORSE. To my knowledge, it was in October.

Secretary NITZE. That is what I was going to answer. I thought it was in October.

Mr. HARDY. When did the \$5 million for this supplemental program get in there? I am trying to distinguish between these two facts.

Dr. MORSE. Yes, sir.

Mr. HARDY. You have a \$7 million item in your regular program which presumably has been a more or less continuing thing over a period of time. You had \$7 million last year, \$7 million this year, \$7 million next year. All of a sudden you come in with \$5 million in the supplemental.

What I am trying to understand is, how did the \$5 million get in there extra, and where are you going to get the work done?

Dr. MORSE. All right, sir, I think perhaps I should try to answer first by describing how we have approached the whole R.D.T. & E. question with respect to southeast Asia. There have been many meetings between the services and between the Director of Defense Research and Engineering, and our people, which has gone on for many months—and there are really four different places where we reacted in the budget. One has been in reprogramming internally for the Navy. This has been going on now for a year as we identify urgent needs if we can find means of handling them ourselves.

The other is in emergency funds. In the project proposed, in which the Navy received—

Mr. HARDY. Doctor, you are talking in generalities.

Dr. MORSE. Yes, sir.

Mr. HARDY. You are talking in generalities, and I am talking in specifics. I am trying to understand with respect to this particular one item, when this money got in there, and why it got in there. If you have a regular program going on, and my guess would be that it has been projected over a considerable period of time, your planning is reasonably firm on these things. You have \$7 million a year for 1965, 1966, and 1967. Now you throw a \$5 million additional in there for the supplemental this year. Are you going to really get that in the works in fiscal 1966?

Dr. MORSE. Yes, sir.

Mr. HARDY. Are you going to reduce what you had in fiscal 1967, or are you putting this into a reprogram for something else? Just boil it down to right where we are.

Dr. MORSE. Well, sir, I think one has to answer it as a question of a balance between all of these things. This item is here, and every item in the supplemental was brought up in the context that it had an urgent need; it was a question of priority, and many different items were weighed. That is why it is very hard to say why any given item was put in. It was put in the context of many competing items.

Mr. HARDY. Mr. Chairman, I don't want to pursue this, but this is one thing we are not learning a thing on earth about. It doesn't add up to any sense at all unless we can get a little bit better understanding on this; I don't know how we can act on this.

The CHAIRMAN. You are just going on with your program.

Secretary NITZE. I believe it is perfectly—

Mr. HARDY. If you can tell us what you are doing so it will make a little sense, so we can understand it, instead of generalizing all over creation.

Secretary NITZE. [Deleted.]

You cannot do these things without money. This is money that is being spent. I think the question that Dr. Morse was addressing himself to was the question of why the various parts were put into this 1967 supplemental, because we need the money now, prior to the 1967 budget.

The CHAIRMAN. 1966.

Secretary NITZE. 1966 supplemental, because we need the money and are spending it prior to the 1967 supplemental. This is in addition to the program which was foreseen beforehand. So I think it is a perfectly legitimate thing to have in the 1966 supplemental.

The CHAIRMAN. All right. Could you spend more than this \$5 million?

Secretary NITZE. This is the amount that has been estimated as being the amount that we need. [Deleted.]

The CHAIRMAN. Do you need any more money, or is this enough?

Dr. MORSE. In terms of money that can be spent now, I think this is the ground rule in which this was framed.

The CHAIRMAN. This is all you can suggest at this time?

Dr. MORSE. At this time.

Mr. HARDY. I think what the Secretary has said, after a little bit I understand it, but it still leaves some questions in my mind. For instance, [deleted], maybe you won't need the \$7 million you have programmed for next year [deleted]. Maybe you cannot forecast that.

Secretary NITZE. [Deleted.]

The CHAIRMAN. I think you will find that out, too.

Secretary NITZE. [Deleted.]

Mr. BLANDFORD. Mr. Secretary, this raises a very interesting question with respect to the entire supplemental authorization, and that is, What were the guidelines that were given to you with respect to the development of the 1966 supplemental authorization? And I would like this answer both from you and from General Greene, since Admiral McDonald isn't here.

What kind of guidelines did we use? Was this to fight the war in Vietnam? Is this the extent of the money you feel you need at this time, or just what kind of guidelines did you get from the Secretary of Defense in developing the Navy portion of this supplemental?

Secretary NITZE. My recollection of the guidelines is that this was to cover items where we needed money prior to June 30, 1966, and where it really was urgent that we get the money. Most of it is related to southeast Asia, but not all of it.

Mr. BLANDFORD. No, that is the point. How much of this is southeast Asia, how much of this is not related to southeast Asia; how much of it do you feel you should have more of, who made this decision, and who gave you the guideline?

Secretary NITZE. My recollection of the guideline was as simple as I stated. This is money which we needed urgently to commit prior to June 30, 1966.

Mr. BLANDFORD. Well, now, we raised that subject this morning, and you were a little cautious in answering, properly so, with respect to the money urgently needed before the 1st of July to commit. And you indicated you could not assure the committee you would award the contract. We understand that, because of the negotiation problems you would have. But the implication is all of this money will

be obligated in one form or another between now and the 1st of July, perhaps not to the extent you will actually enter into a firm binding contract where you get into the negotiation problem, but there had to be some guidelines.

Do we understand this to be a supplemental authorization to the war in Vietnam, or is this a supplemental authorization to take care, for example, of 1968 fiscal needs?

Secretary NITZE. No, I think it is not for 1968 fiscal needs. [Deleted.] So not all of that money is necessarily going to be committed prior to June 30, 1966.

Mr. BLANDFORD. I am trying to develop whether these guidelines that were given to you were on the basis of continuing and fighting the war in South Vietnam, or whether there are funds in here that are for purposes other than for the war in South Vietnam.

Secretary NITZE. There are certain funds in here for other purposes.

Mr. BLANDFORD. What portion of the funds would you say are contained in the Navy part of this that are not for the war in South Vietnam?

Secretary NITZE. The only item I can think of is the FDL, \$10 million.

Mr. BLANDFORD. This is the only single item you know of that is not in connection with the war in South Vietnam?

Secretary NITZE. That is my recollection.

The CHAIRMAN. When you have to get underway—

Secretary NITZE. If you improve a weapon system useful in South Vietnam it will be useful elsewhere.

Mr. BLANDFORD. Did the Secretary of Defense, or anyone else, give you guidelines with respect to determining what your requirements were to develop the supplemental authorization and the supplemental appropriation for the remainder of fiscal 1966? Someone must have given you some kind of guideline.

Secretary NITZE. My recollection is it was just as I have stated.

Mr. BLANDFORD. In other words, you name what you need, and we will give it to you?

Secretary NITZE. We come before you with the things which we think we need urgently and you will review it and see which ones of those we can justify.

Mr. BLANDFORD. General Greene, were you given any guidelines?

General GREENE. In our fiscal year 1966 southeast supplemental, no funding is requested in fiscal year 1966 that could be deferred until fiscal year 1967 if planned consumption is to be reported for the Marine Corps. If Marine Corps units are to be adequately equipped. And if an adequate reserve stock for the Marine Corps is to be maintained.

Now, our procurement requirements were computed through fiscal year 1967 based on the best monthly consumption information which was available to us, and requirements for outfitting new units to be activated.

The determination of the fiscal year 1966 funding requirements for the Marine Corps was based upon leadtimes furnished by the contracting agency which in most cases was the Army. And these timing estimates that were made by us were coordinated at the OSD level with defensewide production allocation plans.

Mr. BLANDFORD. I would assume from that answer, General, and Mr. Pike was developing this the other day, that everything you asked for here envisions a procurement schedule based upon a force strength which will be in existence by July 1, 1966, which will pursue the request you submitted as a part of this supplemental?

General GREENE. That is correct. Specifically we are speaking about R. & D. at this time, and I can give you—

Mr. BLANDFORD. I am talking now about the entire supplemental authorization. I am merely trying to establish or trying to determine for the committee what guidelines you received. How did you distinguish between putting this in the 1967 budget and putting it in the 1966 supplemental? That basically is what I am asking you.

General GREENE. It wasn't very hard for us to do that. We simply said to ourselves, we have certain new units that have been authorized and we want to activate them. We need certain equipment. We should get this equipment in fiscal year 1966. And how much is it going to cost? And we put that in our supplemental request based on these computations which I outlined for you and which also included our reserve stock.

The CHAIRMAN. You just wanted to get it as quickly as you could.

General GREENE. Yes; and we didn't put anything in here that we didn't actually feel we needed in southeast Asia in fiscal year 1966.

Mr. HARDY. Well, now, Mr. Chairman, in that connection, a good bit of the things you've got in this procurement bill, General, to equip your 5th Division, is that right?

General GREENE. That is right.

Mr. HARDY. Your 5th Division is going to become activated and be equipped by [deleted], is that right?

General GREENE. That is correct.

Mr. HARDY. Now, then, the procurements that you make, particularly in this area, you are telling us could not be procured in time to equip that division in [deleted] if you didn't have your money prior to July 1 of 1966.

General GREENE. I am saying that the money we have asked for here for items for the 5th Division are items that we should get as rapidly as we can in order to start providing the 5th Division with these items and to make sure they will be ready by [deleted].

Mr. HARDY. Except for scheduling, if they are available by July 1, and could be provided on some sort of a schedule after the 1st of July 1966, wouldn't you be just as well off as to start your procurement in fiscal 1966?

General GREENE. We would, if there were any items in here in that category.

Mr. HARDY. Well, you had the howitzers, the self-propelled howitzers, you had a couple items of those. They were for the 5th Division.

Frankly, I don't know what your delivery schedules are, but since you don't expect to have your division equipped until [deleted] it strikes me as being a little unusual that you have to have your money authorized and available in this supplemental rather than in your regular 1967 budget.

General GREENE. The Congress has authorized the 5th Division, Mr. Hardy, and one of the things we want to do is to start the activation as soon as practical, that is No. 1.

No. 2, the elements within the division have to be trained.

Mr. HARDY. I am in complete agreement that you need to get your division equipped, and equipped on time.

But when was the decision made to activate this division?

General GREENE. The authority was given to us in November of 1965.

Mr. HARDY. Well, the authority was given you by what, the Presidential directive?

General GREENE. That is right; yes, sir.

Mr. HARDY. So this was not a specific authorization by the Congress?

General GREENE. It was an authorization that came to us from the President.

Mr. HARDY. It came to you from the President in November.

Now, your planning indicates you can't get this division activated and equipped until [deleted] is that right?

General GREENE. That would be one that will be activated, organized, trained, and ready to go.

Mr. HARDY. Well, as far as training is concerned, in your backup inventory, I am thinking now about the howitzers, I am using your testimony of earlier today, you have backup supplies that could provide the equipment that you need for this unit for training purposes, provided you had this equipment delivered by [deleted] when the division was supposed to be fully equipped and activated; isn't that right?

General GREENE. Well, if we took the equipment allocated to other units, we could transfer it to the 5th Division, but then the other unit, for example, a school, or training unit, wouldn't have the weapon available.

Mr. HARDY. I don't want to pursue this too far, Mr. Chairman, but I am a little bit concerned about the discussions we had on a good many of the aircraft earlier, and there was a pretty good indication they are putting these funds in the 1966 supplemental rather than in the 1967 regular appropriation—I am not convinced unless we had some actual time schedules that indicated what the production and procurement schedules were—I just have a little trouble, General, in following this line of argument.

The CHAIRMAN. The fact remains we have got barely enough stuff for the divisions we have.

Mr. HARDY. I agree with that, Mr. Chairman.

The CHAIRMAN. That is all we have.

Mr. HARDY. I agree with that.

The CHAIRMAN. Let's just stop right there. That is a fact of life. We just don't have the stuff. We are living off the shelf. We have our staff program. If you are going to have another division, you have to start from scratch and equip it. That is the situation, isn't it, General Greene, isn't that putting it in very simple words?

General GREENE. Actually I would like to give Mr. Hardy any information here I can.

Actually we planned for four divisions. That is what our war planning called for.

The CHAIRMAN. You didn't have any equipment for it.

General GREENE. Then we were suddenly given the authority because of the rising emergency in southeast Asia for another division.

Mr. HARDY. General, the thing that bothered me—I completely agree you ought to have the equipment, and I am somewhat inclined to go along with Mr. Price's argument this morning, maybe you are a little too modest in what you are asking for. I haven't seen anything really to substantiate any real requirement for a good many of these funds, I haven't gotten into the specific items you are concerned with, but I have not seen any indication these in the supplemental wouldn't serve as good if they were in the regular appropriation.

The CHAIRMAN. In preparing estimates for financial requirements for the balance of 1966, we have assumed that combat operations will continue through the end of 1967, thus the entire requirement for the longer leadtime items through that date is included in this supplemental. So you see that is why we are all mixed up.

Mr. BLANDFORD. June 30.

The CHAIRMAN. End of June 1967, that is what the statement says.

General GREENE. Mr. Chairman, as a matter for the record, I would like to make this statement, that every single thing that the Marine Corps has asked for in its fiscal year 1966 supplement was requested by the Marine Corps in good faith to be used in fiscal year 1966 and fiscal year 1967 to meet valid military requirements in southeast Asia, and that there has been no attempt on our part whatsoever to create or set up a subterfuge of any kind as far as the transfer of funds from the fiscal year 1967 budget to the fiscal year 1966 supplement.

Mr. HARDY. I certainly wouldn't want to suggest you did that.

The CHAIRMAN. Nobody did.

Mr. HARDY. The only question in my mind would be, though, whether you had guidelines that had that effect. That is the thing that I can't tell. And I can't tell that from the other testimony that we have had from the Secretary, or from General McConnell either.

General GREENE. The guidelines we went on, sir, were essentially just what I outlined. In other words, they were for items that we needed to fund for in fiscal year 1967.

The CHAIRMAN. Certainly if you don't get this you can't provide the division with what you need; isn't that a fact?

General GREENE. That is right; yes, sir.

The CHAIRMAN. That is why you are asking for it. As a matter of fact you need it all right now. You should have the whole business instead of these little old dribbles.

Mr. Bates has something he wants to bring to the attention of the Secretary.

Mr. BATES. Mr. Secretary, there is a story emanating from India to the effect Ho Chi Minh has requested the Government of India to intercede and establish some sort of a peaceful negotiation with the United States. The Vice President of the United States is flying to Saigon, apparently in relation to this whole problem. Do you have anything, or any comment to make with respect to this?

Secretary NITZE. No. I am not aware of the ticker or any background contributed.

The CHAIRMAN. You haven't heard that?

Secretary NITZE. I have not heard it.

The CHAIRMAN. Mr. Morgan has asked me to state this question on the record.

Mr. BATES. I was going to ask a sequel to that. Of course, if there is anything to it, and we should be able to bring about an honorable situation over there, what then would be our position with respect to this bill here?

The CHAIRMAN. Put it all in the 1967 budget.

Mr. HARDY. Move it to 1968.

The CHAIRMAN. Just transfer it to 1967.

Secretary NITZE. As one recollects the problems we had in Korea, negotiating an armistice—

The CHAIRMAN. That is one thing about the Communists, if they are going to keep an agreement, you don't know that is a fact, so you can bring the marines on.

Secretary NITZE. It was clear in the Korean situation it was absolutely essential to fight on and fight on hard during the period of the negotiations. It seems to me it would be wholly unwise to make any other assumption. Our job in the Navy and the Marine Corps would be to be in fully as good a position during any such negotiation.

Mr. BATES. If we had followed that kind of a thing in China, instead of stopping China every time to bring about a military victory, perhaps we wouldn't have all the problems we have in Asia today.

The CHAIRMAN. Have you finished?

Mr. BATES. Yes.

The CHAIRMAN. Mr. Morgan wants to ask a question.

Mr. BATES. Could you put in the record the answer to my question, of what we don't need in this particular proposal if the armistice goes through?

Secretary NITZE. My answer is clearly there is nothing in here which we wouldn't need under even that hypothesis.

Mr. BATES. Even now.

Mr. MORGAN. Mr. Chairman, Mr. Blandford asked the question about [deleted]. I would like to ask the question whether or not any of the TV guided missiles, such as the WALLEYE, have been used in Vietnam and, if so, what was the effectiveness of those missiles?

Secretary NITZE. The WALLEYE is not yet in operational readiness.

Mr. MORGAN. Mr. Chairman, we have the R. & D. program, or are about to enter the R. & D. program, two additional surface-to-air missiles. One which Secretary Morse mentioned earlier, the [deleted] and the CONDOR, which was mentioned earlier this morning by Admiral McDonald. What is the relationship of these two programs to the [deleted].

Secretary NITZE. The WALLEYE—

Mr. MORGAN. I didn't say the WALLEYE, I said [deleted] and the CONDOR.

Secretary NITZE. Let me go on. The WALLEYE is a TV guided missile we have great hopes for, which would home onto any given object, including a radar installation if once we get it into the television sight.

The CONDOR is a more complicated missile. Would you describe the CONDOR?

Dr. MORSE. The WALLEYE is a glide bomb, sir, so it has a fairly limited range. The CONDOR is essentially the same homing technique, but one where the missile can be launched from the aircraft at

some distance, say [deleted] miles, and the TV picture transmitted back to the aircraft, so that the pilot sees what the missile is seeing. This is unique practically, not only for the fact that it locks on a target [deleted].

The CHAIRMAN. I see.

Dr. MORSE. The CONDOR should be far more effective in that it can attack a bridge, or a building, or an oil storage tank.

The CHAIRMAN. [Deleted.]

Dr. MORSE. The CONDOR—I think the CONDOR should be much more effective because it is a far more general purpose weapon.

The CHAIRMAN. It is substantially in the state of the art, isn't it?

Dr. MORSE. Yes, sir; we are quite convinced it can be built, and it has been tested quite thoroughly, and we hope to go to contract as soon as we can, which is within—the initial part of this you will recall was authorized and appropriated last year.

The CHAIRMAN. Do you have any money yet in the CONDOR?

Dr. MORSE. No, sir; we have 1966 money. In 1966 we will start the contractor going. We will come in in 1967 for the money.

The CHAIRMAN. You have all the money you need at this point?

Dr. MORSE. Yes, sir; in the CONDOR.

Mr. MORGAN. He didn't comment on the [deleted].

Dr. MORSE. [Deleted.]

So this is not in the same state as the CONDOR, in the sense that we know what we want, we know how to do it.

We are now considering what improvement will be made [deleted].

Mr. BATES. What is the CONDOR arrangement operation?

Dr. MORSE. Because we have done our homework extremely well, we will have CONDOR in an operational state in somewhat less than [deleted].

The CHAIRMAN. Who is your contractor?

Dr. MORSE. I am afraid—it has not yet been announced.

The CHAIRMAN. You have to start off.

Dr. MORSE. We will be starting within a month, on the contract.

Secretary NITZE. [Deleted.]

Mr. BATES. Is that to be built at Phoenix?

Dr. MORSE. No, sir.

Mr. BATES. This document with missiles and rockets says it is intended to be used on the F-111B.

Dr. MORSE. I am sorry, what weapon are you talking about?

Mr. BLANDFORD. CONDOR.

Mr. BATES. CONDOR.

Dr. MORSE. In the F-111B we will have a secondary attack mission, and will go on several airplanes. It is not designed especially for any given airplane.

The CHAIRMAN. Have you cured that weight problem on the 111? The Navy is going to use that missile. Wasn't that PHOENIX?

Secretary NITZE. F-111B, the PHOENIX missile.

The CHAIRMAN. The PHOENIX was what you were going to put on the 111?

Secretary NITZE. Yes.

The CHAIRMAN. How far down the road have you gotten on this?

Secretary NITZE. On the PHOENIX?

The CHAIRMAN. Yes.

Secretary NITZE. The research and development is underway. We don't yet have a missile that is flying from a plane.

The CHAIRMAN. You have two problems, you have problems with the PHOENIX, haven't you?

Dr. MORSE. Yes.

The CHAIRMAN. Have you cured the problem in the PHOENIX?

Dr. MORSE. Yes; I think the PHOENIX problems are cured.

The CHAIRMAN. The F-111 is still a problem?

Secretary NITZE. It is still a problem. It simply isn't a weight problem, there are things one can do to account for the weight.

The CHAIRMAN. You have not cured the 111 yet, have you?

Secretary NITZE. [Deleted.]

The CHAIRMAN. When you get by yourself at home at night, both of you gentlemen, do you wish you had some other plane rather than working on the 111, to work aboard the carriers? If you had your way, wouldn't you rather have something else?

Mr. HARDY. Mr. Secretary—

The CHAIRMAN. Let me get an answer to my question.

Secretary NITZE. Mr. Chairman, the F-111B, PHOENIX system, includes a lot of different things. It includes a swept wing, and we are clear that the Navy should have a swept-wing plane. This really gives the carrier a great deal of benefit if you can have that swept wing.

Certainly we feel that the Navy ought to have an aircraft which includes a [deleted] type of engine which is in the F-111B. We also believe we ought to have a plane which does have a smooth transition from military power, and afterburner power, which this engine does have, and which our other engines do not have. We also think we ought to have a plane which has automatic stability control, which this plane has. We also think we ought to have a plane which has the range in its missile system which the PHOENIX system has, and has the capability for [deleted] track while scan, which none of our other missile systems have.

When you combine all of these various things in one system, the F-111B, PHOENIX system, you are combining a great many very forward-looking difficult developments concurrently. Certainly we are having problems, but if anybody were to say the Navy shouldn't exploit any one of these things, or all of them together, I would think they would be telling us not to try to get the best kind of system for the Navy that we can get.

The CHAIRMAN. This is really an answer to the Secretary's prayers?

Secretary NITZE. We are doing our level best to make it work.

Mr. BATES. You are still praying.

How about the intake, did you get that all worked out now?

Secretary NITZE. Not quite, but we think the contractor is on the way getting that licked.

The CHAIRMAN. Who is the contractor?

Secretary NITZE. Pratt & Whitney is the contractor for the engine. He has had a lot of problems. But one by one the problems seem to be getting licked.

Mr. BATES. How about down the road?

Secretary NITZE. We have had two Navy type R. & D. planes delivered to us, those two do not include the SWIP program; in other words, the superweight improvement, and the high lift to drag devices. Those we won't get until planes Nos. 4 and 5.

The CHAIRMAN. Is Dr. Morse in on this operation?

Dr. MORSE. Yes, sir.

The CHAIRMAN. Sir?

Dr. MORSE. Yes, sir.

The CHAIRMAN. When do you two gentlemen think we will get an operational plane as things are now progressing, 1 year, 2 years, 3 years?

Dr. MORSE. An operational plane in the fleet, operating in the fleet?

The CHAIRMAN. Yes.

Dr. MORSE. I would say it would be about [deleted].

The CHAIRMAN. [Deleted.]

Dr. MORSE. Yes.

Mr. BATES. What is the anticipated weight now, around [deleted]?

Secretary NITZE. Those are quite different figures.

Mr. BATES. I understand the difference. What is the loaded figure now [deleted].

Secretary NITZE. That is an entirely different thing. That is the full loaded takeoff weight which doesn't compare with the [deleted] at all.

Mr. BATES. I understand that. What is that figure?

Secretary NITZE. The takeoff weight fully loaded is estimated at [deleted].

Mr. BATES. I have heard more figures for that, anywhere from that low, which you just gave, to up around [deleted].

The CHAIRMAN. You can develop a brandnew plane between now and [deleted]?

Dr. MORSE. Well, sir, I think the basic element is the engine development on an airplane. What has made the F-111 possible is the F-30 engine that Pratt & Whitney built.

The CHAIRMAN. The F-30 engine, Mr. Blandford, Captain Meyer told—where is Captain Meyer, is he here—he told the Price subcommittee that the final reprogramming action in 66-62 reports the reprogramming of \$52 million from the appropriation "Procurement of aircraft, missiles, Navy," to the appropriation "Research and development, Navy," for funding additional costs, related to the development of the F-111B aircraft.

So you are still fighting that engine, at a cost of \$34 million, for modification of the design of the F-30. And later modification of the airframe was to accommodate and improve this; \$8 million for the cost of the ongoing aircraft development. You are still fighting the whole problem, aren't you?

Secretary NITZE. Not fighting it, we are working on the problem. We have lots of problems.

The CHAIRMAN. This money causes you to say what you said to me that you just about have the problem licked, is that a fact?

Secretary NITZE. I am not saying we just about have got the problem licked, no. What I am saying is, we hope that we can get the problem licked. We haven't got it licked.

The CHAIRMAN. This is the time of year when hope springs eternal in the human breast.

Secretary NITZE. We have had lots and lots of problems. One by one we have gotten a lot of them licked. We haven't got them all licked yet.

Mr. BATES. You are confident this plane will fly, and is the best you can produce at this time for the money you spent; would you make that statement?

Secretary NITZE. Yes; I will make that.

Mr. BATES. If you started all over again, this is what you would have done?

Secretary NITZE. I wouldn't make that statement.

Mr. BATES. What would you have done?

Secretary NITZE. I don't know. That is awfully hard to say.

The CHAIRMAN. In your heart do you believe, Mr. Secretary—

Secretary NITZE. I wasn't in the program at the beginning.

The CHAIRMAN. In your heart, do you believe that plane is a jack-of-all-trades? This has not ever happened in the history of the state of the art. You have been around a long time. It is pretty hard for me to envision—and I have been hanging around the Navy all my life—I am a Navy man, as you know.

Secretary NITZE. [Deleted.]

This is quite an aircraft. If we have another plane which has this much of its thrust in the afterburner, sure, today it is sluggish, on normal military power. If you put it on afterburner, it isn't sluggish. So this plane will have capabilities which no plane that we now have in design or development can have.

Mr. BATES. The other day I heard a statement to this effect—

The CHAIRMAN. Let me say this. You have no development. So that is the only thing you have been permitted to tamper with. The manned systems have been neglected?

Secretary NITZE. I do not think they have been neglected in the Navy.

Mr. BATES. A statement has been made to the effect that the Navy would like to abandon this plane at this time, and ultimately it probably will. You give no credence at all to such a statement as that?

Secretary NITZE. I wouldn't say there weren't people in the Navy who feel discouraged about the problems we have had.

Mr. BATES. I am talking about now, at this time, Mr. Secretary.

Secretary NITZE. There still may be some people discouraged about the plane. I frankly am not. I know we have lots of problems, but I think they can be licked.

Mr. BATES. Are you an expert in this field, so that we should take your advice over these other people who I presume are technicians, or are they not technicians?

Secretary NITZE. I think my view would be reflecting the view of Admiral Sweeney, who is the man in charge of the program. He is the man who is really working on it.

Mr. BATES. He is the man who ought to make it go.

Secretary NITZE. He is also aware of all of the difficulties, because he is the person fixing it.

Mr. BATES. This comment was by someone named Sweeney.

Secretary NITZE. I am not sure it is the same Sweeney.

The CHAIRMAN. Go ahead, Mr. Pike.

Mr. PIKE. On this same subject, Mr. Secretary, how much money has the Navy now spent in modifying the PF-30 engine?

Secretary NITZE. We have contracted for a modification which will cost \$25 million.

Mr. PIKE. Which modification is that?

Secretary NITZE. This is a modification. I forget the exact number; isn't it 27?

Dr. MORSE. A-27.

Secretary NITZE. The A-27.

Mr. PIKE. The A-27.

Secretary NITZE. The A-27 modification of the PF-30 engine.

Mr. PIKE. Do you know how many modifications there have been of the PF-30 engine?

Secretary NITZE. I will supply that for the record, Mr. Pike.

(The following material was submitted for the record:)

There have been a total of five modifications to the basic TF30-P-1 engine; two modifications to the engine to be used in the F-111 aircraft, and three modifications to the engine to be used in Navy and Air Force A-7 aircraft.

Mr. PIKE. I am very curious about this.

The PF-30 engine was initially an afterburner engine, was it not?

Secretary NITZE. It was initially. The A-7A—

Mr. PIKE. Then the Navy came along and they built a nonafterburner version for the A-7A. How much did that modification cost?

Secretary NITZE. I will supply that for the record.

(The following information was received for the record:)

The modification cost \$5 million.

Mr. PIKE. Now, is the afterburner version which the Marines are now talking about for their version of the A-7A, the same afterburner version you have in your F-111?

Secretary NITZE. I believe not.

Mr. PIKE. That is three different PF-30 engines. Do you have any more PF-30 engines?

Secretary NITZE. Yes, we do. I think the B-111 will take a different or require a different kind of an engine.

Mr. PIKE. Doesn't the Air Force version of the PF-30 engine, with the afterburner, differ from the Marine Corps version of the PF-30 engine with an afterburner?

Secretary NITZE. I do not believe so. I am not sure.

Mr. PIKE. The Air Force has put in \$26 million to modify the PF-30 engine to put the afterburner back on it. Now, the Marines told us this morning they want \$25 million to put the afterburner back on it. It is not the same engine, but one looking for \$25 million and one looking for \$26 million.

Secretary NITZE. General Greene.

General GREENE. We have been talking with the CNO about the development of a suitable afterburner. As I told you this morning, we asked for \$24 million.

Mr. PIKE. Twenty-four?

General GREENE. Twenty-four to develop the afterburner.

Mr. PIKE. You knew the Air Force had already asked for \$26 to develop the afterburner for this plane, didn't you, General Greene?

General GREENE. Yes, I did. The Air Force has indicated an interest in the afterburner for the A-7A.

Mr. PIKE. I believe it is a \$26-million interest. Is your afterburner version of the PF-30 engine going to differ from the Air Force's version—afterburner version of the PF-30 engine; and, if so, why, because they are not both going into the A-7A?

General GREENE. I cannot answer specifically; I hope they will be the same, Mr. Pike.

Mr. PIKE. If that is the case, I wonder why the Marines and Air Force are asking for \$25 million a piece to put the afterburner on. If you will supply that for the record, General Greene—I know you are not responsible for what the Air Force is doing, but it does seem to me if both the Marines and the Air Force are interested in putting an afterburner on the PF-30 engine so they can get the A-7A off the ground, we ought to know whether it is the same engine that is going to go in it, and, if so, whether we aren't duplicating a lot of effort putting the afterburner on it?

General GREENE. Mr. Pike, I would say the Secretary of Defense would coordinate this between the Air Force and the Marine Corps. We have sent forward to him via the Secretary of the Navy a request for \$25 million. Now, if the Air Force is interested in this development, too, I would say that an effort would certainly be made in OSD to develop a single-type afterburner.

Mr. PIKE. I would hope so, myself, but I am not sure, when you consider the mission of the Marine Corps plane, whether that is the same as the mission of the Air Force plane. They might want some different performance.

The CHAIRMAN. When did the A-7A make its first flight?

Secretary NITZE. It made its first flight—I was there at the time—I think it was in November.

Mr. BLANDFORD. 1965.

Secretary NITZE. This last year.

The CHAIRMAN. Admiral Martin told our committee last year the first flight would be made in October.

Secretary NITZE. It was in October. The first flight was ahead of schedule as a matter of fact.

The CHAIRMAN. I wanted to be sure. You had no slippage, really, and no problem with your estimate?

Secretary NITZE. No, we haven't. We have had some engine trouble in getting enough engines. When I said earlier, you remember yesterday, I believe, the bottleneck in the accelerating production of the A-7A, beyond what is now scheduled, is really [deleted].

The CHAIRMAN. Of course, this is not the first time, Mr. Pike, we have had trouble with engines.

Mr. PIKE. I know that, Mr. Chairman, but we talk about the PF-30 engine as if it were an engine. At this point it is at least four different engines.

I think there has been an awful lot of duplication of effort in modifying the engine for different jobs. We started with an afterburning engine, modified it to make an A-7A without an afterburner, and now are spending apparently \$50 million to put the afterburner on the A-7A.

The CHAIRMAN. Is this a fact?

Secretary NITZE. No; is is not.

Mr. PIKE. What is wrong, Mr. Secretary.

Secretary NITZE. The first point is you said there is a lot of duplication making models of the PF-30. I think you do need different forms of the PF-30 for the different roles of the B-111, which has a different mission. The engine has to be optimized for quite different characteristics than it does for the F-111B.

Mr. PIKE. Didn't they take the afterburner off the PF-30 engine to put in the A-7A?

Secretary NITZE. I also would insist it does make sense to take the afterburner off for the role that the Navy and the Marine Corps want it for the A-7A, particularly for the Navy version, ex the afterburner, it is better for the role the Navy wanted the A-7A for, so it seemed perfectly good sense to design it without an afterburner for the A-7A. It has to be optimized with quite different conditions than the F-111B.

The CHAIRMAN. Didn't General Greene tell us this morning he wanted the afterburner back on?

Secretary NITZE. That is again a Marine problem, which is different than the Navy problem on a carrier. I think Mr. Pike raises a very good question as to whether there really is any difference in the mission requirement of the Air Force A-7A, and the Marine A-7A, from land bases, and as General Greene said this is one which will be coordinated. We won't duplicate development of an engine for the same requirements.

Mr. PIKE. Mr. Secretary, when you talk about the philosophy of it, is there any difference between the mission requirements for the Navy A-7A and the Marine A-7A?

Secretary NITZE. Yes; because the Navy A-7A is going to fly solely from carriers. The Marines' A-7A will fly both from carriers and from land fields.

Mr. PIKE. You are talking the Marine A-7A will do what?

Secretary NITZE. Both from carriers and from land fields.

Mr. PIKE. How long has it been the philosophy of the Navy to build aircraft which can only fly from carriers?

Secretary NITZE. I didn't say can only fly from carriers, but the Navy mission is to fly from carriers. Obviously they fly from land—any plane that can fly from a carrier can also fly from a land field.

Mr. PIKE. I am very concerned about this, because the Marines obviously don't think this can fly from the land field.

General GREENE. It will fly from a land field, provided the land field is a SATS installation, and the catapult is used, Mr. Pike.

Secretary NITZE. Or if it isn't fully loaded.

Mr. PIKE. Has it really been the philosophy of the Navy and the Marines to build aircraft which can only fly from the land if you used the catapult?

General GREENE. Actually, what we would like to have in the A-7A is the ability to make an unassisted takeoff from a 4,000-foot runway, with an ordnance load of [deleted]. That is why we want the afterburner.

Mr. PIKE. Can you do that with the afterburner, without either a catapult or JATO?

General GREENE. If you have the afterburner you could do it, yes, but you would have to have 4,000 feet of runway to do it.

Mr. PIKE. But you wouldn't need JATO if you did it that way?

General GREENE. No, you would not, if you had the afterburner.

Mr. PIKE. Mr. Chairman, that is all right. I am frankly, however, concerned about the Navy building a great many aircraft—they propose to procure over [deleted] A-7A's—which cannot really operate off land bases. They can operate off carriers, but they cannot really operate off land bases.

The CHAIRMAN. Oh, yes, they can because they have these catapults, built in on all of them. The catapult is very simple.

Mr. PIKE. The catapult is built in on all of what?

The CHAIRMAN. On a SATS runway.

Mr. PIKE. Yes, if you have a SATS base, but we have five bases in Vietnam at the moment, and only one has the SATS installation, and if you drop a mortar shell on it, your planes are grounded.

General GREENE. Actually, as I understand it, Mr. Pike, the A-7A in its present configuration, if it had a ground run of 8,200 feet, could take off with a full load.

Mr. PIKE. Yes, but an 8,200-foot runway is a heck of a big runway. I don't know how many of those we have in Vietnam.

General GREENE. Without a jet burner you would either have to have 8,200 feet, or else you would have to use a catapult.

Mr. PIKE. Mr. Chairman, I want to ask one additional question.

Half of all of this R. & D. budget is contained in one item, the one item being the [deleted] aircraft. I notice there is no money for that in the fiscal 1967 procurement. There is \$26,700,000 for it in the 1966 supplement. How much of that \$26,700,000 is taken out of the 1967 procurement?

Secretary NITZE. As I already testified earlier this afternoon, the original Navy request was for \$6 million, in the supplemental for 1966, and \$24 million in 1967.

Mr. PIKE. So the entire \$24 million for fiscal 1967 has been taken out?

Secretary NITZE. The amount was reduced from \$30 million to \$26.7 million, and moved up to 1966. It makes a good deal of difference to us. In any case, we wanted the \$6 million, but even that would have required incremental funding of this development. By putting the full \$26.7 million into 1966 it is possible for us to execute the development contract in full without resorting to incremental funding; by avoiding incremental funding it then is possible for the contractor to make long term, the long leadtime items to contract for them early. We think, as a result, in moving this forward we will achieve a 2-month earlier operational date in the fleet than we would have if we had to stick to our original \$6 million in this budget, and the remainder in the 1967.

Mr. PIKE. What communications have gone from the Navy to the manufacturer telling him to expedite the development of the [deleted].

Secretary NITZE. I think the contract was negotiated in March.

Mr. PIKE. But as of this date no communication has gone to the contractor asking him to accelerate the development?

Dr. MORSE. There have been an enormous number of communications between the Navy and the contractor.

Mr. PIKE. I am sure of that, it has been going on since 1965.

Dr. MORSE. It started, as you recall, with the \$5 million contract to Grumman for the project definition—that is, to define the characteristics of the air foil.

This has been a most high priority item, which has been made very clear to the contractor. This is going as fast as the program is being put together.

Mr. PIKE. It is awfully easy to say we can develop this faster. I am trying to find out what, if anything, has gone from the Navy to the

contractor telling them to accelerate the development of this plane based on this fiscal 1966? You have to have some communication with them, get back some figures on what it would cost to accelerate. This is the way you come up with numbers.

Dr. MORSE. The program from the beginning was an accelerated program. We wanted the procurement of this airplane as fast as we can get it. This has been clear to the contractor from the beginning.

Mr. PIKE. You had the \$24 million in the 1967 procurement, and it is gone, it has all been moved into the 1966 supplemental.

Secretary NITZE. And if this committee and the other committees give us this 1966 supplemental, we will negotiate a contract with the contractor in March. And we will thereby achieve, we believe, the 2 months' earlier production.

Mr. PIKE. Are you saying, Mr. Secretary, the contract would not have been negotiated in March otherwise?

Secretary NITZE. If we didn't have any money it wouldn't have been.

Mr. PIKE. You had some money. It is a question of how much money, and at what time.

Secretary NITZE. We would have to incrementally fund the contract, and as I said, incremental funding would not have permitted the contractor to buy the long leadtime items as rapidly as he will be able to under this form of financing.

The CHAIRMAN. I think that is about all we can get out of that. We will leave that.

I want to finish this R.D.T. & E. this afternoon, because we have six more projects.

The FDL, I think we are all in agreement on that.

Dr. MORSE. Yes, sir.

The CHAIRMAN. That is on page 7.

I think you are all in agreement on the FDL.

Dr. MORSE. Eight is a small item.

The CHAIRMAN. Approve ammunition, that is a small item.

Dr. MORSE. Page 9, this is an item similar to the other one which is the matter of quick fix in the field for direct support of the fleet.

Mr. HARDY. Mr. Chairman, could I ask this question about the FDL? No work had previously been performed. Who do you expect to do this?

Secretary NITZE. I beg your pardon?

Mr. HARDY. Who do you expect to do this work?

Secretary NITZE. We expect to go to program definition and ask a number of people to bid on this.

The CHAIRMAN. FDL?

Secretary NITZE. Yes.

The CHAIRMAN. What is this [deleted] air-launched, surface-launched, ordnance fleet support?

Dr. MORSE. On page what, sir?

The CHAIRMAN. Page 9.

Dr. MORSE. I discussed one earlier that was related to air-launched missiles. This is air-launched ordnance; that is, bombs and—

The CHAIRMAN. Oh, I see, a part of the overall.

Dr. MORSE. It is equivalent to the other one, although this is non-missile ordnance.

The CHAIRMAN. This is Marine Corps?

Dr. MORSE. This is Marine Corps.

The CHAIRMAN. Is this an improved plane, General Greene?

General GREENE. If we can develop it as we expect within 12 months after funding, it will be a tremendous contribution to our combat operations. Up until now we have had to use this heavy flamethrowing equipment, which is very difficult, comparatively speaking, to move forward and has to be recharged.

[Deleted.]

The CHAIRMAN. Let's go to the next item.

Dr. MORSE. The next item is an advanced medical development on a frozen-blood project. This is being moved into the field in order to expedite the actual experience in operation.

The CHAIRMAN. You are telling us these will be obligated soon?

Dr. MORSE. Yes, sir; the program started. It is a most promising one. This can get it to the field sooner.

The CHAIRMAN. What is the next item?

Dr. MORSE. The next one is related to the Marine air wing on the SATS support. This is for the lighter battery, which is important in the logistics part of the operation.

General, do you want to comment?

General GREENE. What we are hoping to do under this project is to reduce the weight by 20 percent. The present matting weight of the M-2 is 6 pounds per square foot, or 144 pounds per mat. Twenty percent reduction would obviously permit us to carry more, and also what is more important to construct the field much more quickly than we can do it now.

The CHAIRMAN. This is just an advanced development of the present method by which this thing is utilized?

General GREENE. Yes. And in view of the importance of the SATS system as demonstrated already in southeast Asia, if the war continues there, this type of field, and this type of matting will become even more important than it is now.

The CHAIRMAN. I think it has been quite successful.

I was very much impressed with the demonstration I saw.

The last one is on page 13.

Dr. MORSE. This is another Marine Corps item, General.

The CHAIRMAN. That is another advanced electronic—

Dr. MORSE. No; this is supportable communications in the field, I believe, Mr. Chairman.

General GREENE. This particular item, Mr. Chairman, has to do with the radio, the AM-PRC-41.

This current radio is mounted—is a ground-to-air type radio used by forward air controllers. And it is equipped with tubes. What we want to do is change it over to transistors in order to bring the weight from 45.1 pounds down to 35 pounds.

The CHAIRMAN. It is an improvement in the existing equipment?

General GREENE. Yes; it is.

The CHAIRMAN. That is all for the R.D.T. & E.

Mr. HALL. Mr. Chairman.

The CHAIRMAN. Yes.

Mr. HALL. I have had considerable experience with that AM-DRC-41. I would like to know if that is a common item with the Army in which research is commonly being developed?

Dr. MORSE. Yes, sir; I am quite positive it is being done with the Army. All of our southeast Asia items were developed jointly with the three services.

Mr. HALL. I think General Greene knows the answer to this question. You will recall, when we had the first period of the particular item, it was a workable pack.

General GREENE. I recall that.

Mr. HALL. At that time there was research going ahead to use many circuitries with multilaminated modules, which were weightless, and remove the tubes and use transistors in order to lighten this pack, and still have the number of frequencies and ranges we needed for field communication on the special weapons battlefield, or other places. I do want to be sure this particular pack, with or without antennas, is being commonly developed by both of our major field forces, the Marines and the Army.

General GREENE. This particular development has been handled by joint research and development assistance team for communications, and so it has been coordinated.

Mr. HALL. Good.

Mr. Chairman, while we are on the subject of R. & D. We have been R. & D'ing some sort of mobile self-contained hospitals for some time. Is there anything, Mr. Secretary, or Dr. Morse, in any of this accelerated R. & D., or funding in the supplemental budget, for the new portable self-contained hospitals?

Dr. MORSE. There is nothing in the R. & D. budget in the supplemental.

Mr. HALL. Is that beyond the stage of R. & D?

Dr. MORSE. I think so; Yes, sir. I do know of some——

The CHAIRMAN. I think, Dr. Hall, that is an Army project.

Mr. HALL. No; I don't think so, Mr. Chairman, excuse me. But I understand there have been 100 units procured for final testing, evaluation, or field trials, or whatever this stage of vertical building block research is. I think some of them are for the Navy and Marine Corps.

Knowing the conditions we are in, as far as our field hospitals——

The CHAIRMAN. This is in the Army supplement, Doctor. Mr. Morgan has it, Dr. Hall.

Mr. HALL. Good.

The CHAIRMAN. We will explore that. We told Admiral Neighbors we wouldn't need him.

Mr. HALL. Mr. Chairman, I am sorry, I have one more question.

The CHAIRMAN. Excuse me, Doctor.

Mr. HALL. While the Secretary is here, and General Greene, I don't think this applies to Dr. Morse, I hesitate to go back to it, but it involves [deleted].

You both heard the Chief of Naval Operations this morning say it would require highest authority for a direct strike, or retaliatory strikes at the missile sites around the Hanoi-Haiphong area.

In your opinion, Mr. Secretary, or Mr. Commandant of the Marine Corps, is this being withheld pending the development of the [deleted]?

Secretary NITZE. I believe that has not been considered.

Mr. HALL. General?

General GREENE. No; it has not.

Mr. HALL. Thank you.

Mr. LENNON. Mr. Chairman, I would like to return to the F.D. & L. for a second.

The CHAIRMAN. Go ahead.

Mr. LENNON. Mr. Secretary, there has been a recognized need, certainly in the last couple of years, for the F.D. & L., has there not?

Secretary NITZE. Yes; we believe there has been.

Mr. LENNON. Beg pardon?

Secretary NITZE. We believe there has been a recognized—we have been clear about the fact that this will be a useful addition to the canopy of things we have in our Defense Establishment.

Mr. LENNON. It has been a recognized need, certainly in the past 2 years. I was wondering why nothing was included in fiscal 1965, or fiscal 1966 budget, for the F.D. & L.?

Secretary NITZE. I think this is a long-term requirement. This is not an immediate requirement, for instance, associated with southeast Asia.

Mr. LENNON. You don't think so?

Secretary NITZE. I do not think so.

Mr. LENNON. Let me ask you, Mr. Secretary. I was privileged to see this morning a so-called confidential classified documentary film that was taken allegedly in mid-October this last year. It was shown by the Maritime Administration, but furnished to me by DOD. That was one of the things that was discussed at this other meeting of the Maritime Administration Committee.

Did the Navy participate in the making of this documentary film which was most interesting?

Secretary NITZE. I am sorry, I don't know. I am not aware of the film.

Mr. LENNON. It was approximately 52 minutes, and it pointed out, I thought, at least it was indicated to the members of the Merchant Marine Committee, that there has been a recognized long-term need for the so-called F.D. & L.

The CHAIRMAN. I think that is a fact.

Mr. LENNON. Mr. Chairman, I was so much impressed with it, I think it would be so helpful to the members of this committee—I mentioned it to Mr. Hardy as he walked over here today—I would like very much for this committee to see that film, because it does give you a picture of what the problems are in the so-called port, if you can call them port facilities, in South Vietnam, and the problems we face there.

Now, it would be most helpful to this committee, and I urge you to consider the possibility of having the full committee see this film.

The CHAIRMAN. I think I am familiar with that film. I think it is a very fine film. If we ever need anything, just as F.D. & L., they have everything.

Mr. Pirnie has a question. We will see if we can get it, Mr. Lennon. Have you finished, Mr. Lennon?

Mr. LENNON. Yes, I have.

The CHAIRMAN. Mr. Pirnie.

Mr. PIRNIE. Thank you, Mr. Chairman.

Mr. Secretary, I listened to your response to the question as to the guidelines which prompted the submission of the latest portion before the subcommittee.

In view of the situation at Vietnam, and our interest in its successful conclusion, is there any item which you consider a consequence to be needed, which is not being recognized in this?

Secretary NITZE. There are items, Mr. Pirnie, which I would like to see funded in this, yes.

I think if we can, through other means, do reprogramming, devices of that kind, we can ameliorate the problem. The particular problem I have in mind is [deleted] equipment for southeast Asia. I think we could have used an additional approximately \$72 million for [deleted] equipment. The developments out in southeast Asia [deleted] are very rapid. You learn from your experience out there—and it was not until some time in December that the request for these funds came to me, and by that time we were late in getting them considered in the supplemental. We got some of them in, but we couldn't justify the full amount. So this is on my mind. I think that is in answer to your question.

The CHAIRMAN. If we took that \$72 million in here, would you be happy?

Secretary NITZE. I would be happy.

The CHAIRMAN. You give us the information and bring it up here, and we will let Mr. Pirnie consider making an amendment to this bill to cover this item.

Secretary NITZE. As I said, we will try to do this through reprogramming as best we can.

The CHAIRMAN. We want to get away from all that reprogramming. It makes Mr. Hardy's blood pressure go up every time he sees it done. It makes mine go up, too, I might say.

Mr. PIRNIE. We would like to avoid that. I would like to avoid that also.

The CHAIRMAN. I don't think you are needed tomorrow, Mr. Secretary.

I don't think we need you either, General Greene.

We don't need Dr. Morse tomorrow.

We have Admiral Husband tomorrow and Admiral Hull. We let him go this afternoon to attend a meeting. Is that a fact, Mr. Cook?

Mr. COOK. That is correct, sir.

The CHAIRMAN. We won't need them.

Mr. COOK. No, sir. I think Admiral Hull and Admiral Husband can answer all the questions.

Mr. PIRNIE. I think my question addressed to the Secretary, would that raise any consideration that would involve you General, or would you like to reply to that?

General GREENE. Our principal problems are there, Mr. Pirnie.

The first one was our clothing problem, which we are coping with right now. The second one was our pre-position war reserve stocks, and this is being analyzed with the people in the Office of the Secretary of Defense with the expectation that we will find some solution to it. And the third item which actually isn't in the fiscal year 1966 supplemental budget because it is just under study now, is the matter of [deleted].

The CHAIRMAN. Mr. Blandford was going to ask you that very question.

Mr. BLANDFORD. I was going to ask you if the MILCOM supplemental contains all the requirements of the Navy for the southeast Asia area?

General GREENE. It doesn't contain any money for [deleted].

Mr. BLANDFORD. Would the Marine Corps object to that? If that is that important it ought to be in the supplemental.

General GREENE. In my opinion it ought to be.

Mr. BLANDFORD. Mr. Secretary, do you agree with that?

Secretary NITZE. In my mind it is a question of the urgency of the item. I think it is clearly a desirable item. I think the reason it wasn't in this supplemental was that at the time the supplemental request was formulated, the Joint Chiefs of Staff hadn't yet certified its desire—

Mr. BLANDFORD. How much are we talking about in terms of money?

Secretary NITZE. I think \$18 million.

General GREENE. The first increment would be \$39.7 million.

Mr. BLANDFORD. How much would you pick up, then, 3 or 4 months' leadtime authorized in the supplemental?

The CHAIRMAN. You, Mr. Secretary, get that \$72 million and tell us what it contains and send it up here, and, General Greene, you get it for this airfield. We will decide on that. We are pretty glad to express ourselves.

General GREENE. The reason the airfield didn't appear here the Chiefs didn't approve this project until January 27.

The CHAIRMAN. That was late coming. We cannot criticize you for that. We will put it in because you all developed to be pretty good witnesses. You had kind of a slow start, but I thank all of you.

Secretary NITZE. Thank you very much, Mr. Chairman.

The CHAIRMAN. Thank all of you very much.

(Whereupon, at 3:48 p.m., the committee adjourned until Wednesday, February 9, 1966, at 10 a.m.)

HOUSE OF REPRESENTATIVES,
Committee on Armed Services,

Washington, D.C., Wednesday, February 9, 1966.

The committee met at 10:10 a.m., Hon. L. Mendel Rivers, chairman, presiding.

The CHAIRMAN. The committee will come to order.

This morning we will take up H.R. 12335, the bill authorizing construction in support of the military program in southeast Asia, and for other purposes.

As I made a statement on this at the beginning of the hearing, I will make my remarks rather brief.

Unlike the usual military construction bills, this supplemental authorization contains no line items. However, a backup book has been provided which in a very general way justifies each item proposed to be constructed.

I call your attention to the fact that these are only estimates. I suggest that we turn now to page 2 and see what is listed for Vietnam and then skip to page 12 for total justifications.

We have this morning Adm. Harry Hull, Director of Shore Activities, Office of the CNO, accompanied by Admiral Husband, Chief, Bureau of Yards and Docks; Adm. Cecil D. Riggs, Assistant Chief for Planning and Logistics, Bureau of Medicine and Surgery, and Gen. W. J. Van Ryzan, Assistant Chief of Staff, G-4, Logistics, Headquarters, Marine Corps.

Let us turn to page 2 and see what is listed there, and then we will go to page 12 and see how we can make out on that. You will note the locations there. Danang, Chu Lai, Phu Bai, Cam Ranh, and various communications facilities, \$207 million.

Then we have [deleted] 16 million.

Then the [deleted] we have—how much for the [deleted]?

Mr. COOK. 28.2 million.

The CHAIRMAN. 28.2 million.

Then we have [deleted].

Mr. COOK. 3.6 million.

The CHAIRMAN. [Deleted.]

Mr. COOK. 2.3 million.

The CHAIRMAN. And Guam.

Mr. COOK. 5.7 million.

The CHAIRMAN. And other places.

These are kind of backups for all the Vietnam activities, aren't they? You will see that on page 9. That has 26 million.

I see Port Hueneme in there, that was moved in World War II. That was our main port.

Admiral HUSBAND. Yes, sir; that is the port from which our Seabees are shipped out.

The CHAIRMAN. Now, let's go to page 12.

Admiral Hull, you will speak to this?

Admiral HULL. Yes, sir; I will.

The CHAIRMAN. This is 207 million. This is Vietnam. And I notice Cam Ranh Bay. I have seen Cam Ranh Bay, and I think all of you ought to be proud of what you are doing there. That is a magnificent job you are doing there. I saw the admiral who used to be in Charleston.

Admiral HUSBAND. Admiral Bill Heman, sir.

The manning has worked out very well, sir.

The CHAIRMAN. It is a magnificent port. I want other members of the committee to see that. Mr. Hardy was on that trip with me. He is a specialist in construction. We were quite impressed with it. It is a magnificent port.

The Secretary ought to be congratulated on selecting that place to develop. It really is a beautiful thing.

You are using it pretty much now, Admiral?

Admiral HUSBAND. Yes, sir.

Cam Ranh Bay is the really only good harbor on the coast of Vietnam.

The CHAIRMAN. You don't have anything at [deleted].

Admiral HUSBAND. That is right, [deleted].

The CHAIRMAN. You don't have too much money for that?

Admiral HUSBAND. There are Air Force and Army funds for [deleted] as well, sir.

The CHAIRMAN. I see. Does anybody have any questions?

Mr. HARDY. Mr. Chairman, we are talking now about page 12, Vietnam. I think this question applies all the way through. This is a pretty big item, \$207 million without any breakdown of what this is made up.

It is pretty hard for us to evaluate what you are doing without any more detail than this provides. Don't you have any more information before you so the committee will know what you are talking about?

Admiral HULL. Yes, sir; this total sum has been generated by a series of individual line items submitted by the Commander in Chief of the Pacific Fleet. We have learned, and I am sure you will understand this, the work we are doing in Vietnam is not planned 2 and 3 years ahead as our regular military construction programs are, so that we hope we won't be held to the specific things that we may say about a specific line item. Because the situation is going to change.

Mr. HARDY. Admiral, we all appreciate the problems that you have in Vietnam. As Mr. Rivers told you, I was with him at Cam Ranh Bay, and I had an opportunity to look at that whole thing, and I think it is a magnificent port, and undoubtedly what you are doing needs to be done. But when you come to the committee and ask us for \$207 million, and about all you say is we are going to develop the port of Cam Ranh Bay, it doesn't help me very much to go down on the floor and talk about what the sam hill you are providing. I don't think this is the right way to legislate.

The CHAIRMAN. Well, some of this is for Da Nang.

Admiral HULL. Yes, sir. I can go into any amount of detail you would like, but the people on the site still require flexibility under the existing hostile conditions.

Suppose I start off by trying to give you the sort of breakdown that I tried for myself on this.

The CHAIRMAN. Give us as much as you can.

Mr. HARDY. I appreciate, Mr. Chairman, the fact you haven't been planning this over a long period of time, but you have been planning it for some months, now.

Admiral HULL. Yes, sir.

Mr. HARDY. Certainly, as far as Cam Ranh Bay is concerned, I don't know how much of this is for Cam Ranh Bay. As far as that is concerned, if you don't have some pretty good detailed plans with respect to what you are going to do in Cam Ranh Bay then you are not the engineers we think you are. Why don't you tell us what they are, instead of putting a big hunk down here.

Admiral HULL. On page 2, you will see under Cam Ranh Bay, 22.1 million. The description we give there is airfield support facilities, communications facilities, waterfront facilities, maintenance facilities, POL, and ammunition storage, troop housing, and community facilities, and utilities.

Mr. HARDY. Admiral, you might be able to convince this Congress they ought to authorize your funds in this kind of an explanation, but you are not going to do it through me. It is just that simple. If I don't know any more about this I am just not going to vote for it.

The CHAIRMAN. How much are you going to put on the airfield support facilities? Do you know that?

Mr. HARDY. If this is the way we are going to legislate, we might as well tell Mr. McNamara you told the Army, Navy, and Air Force

what they could have, now just give us a blank check and we will go ahead, and within Mr. McNamara's guidelines we will spend it.

I don't think this is the right way to do it.

The CHAIRMAN. That has been the testimony so far.

Mr. HARDY. It sure has.

The CHAIRMAN. Everybody has been talking about the guidelines of DOD.

Mr. HARDY. There isn't a blessed thing here that gives us the kind of information we ought to have for the committee to pass on.

The CHAIRMAN. Go ahead and see what you can develop, Admiral. See what you can develop.

Mr. HARDY. I would like to know what he is going to spend it for.

Admiral HULL. Mr. Chairman, I do have a sort of rudimentary 1391 form, an information sheet, on every one of these things.

Now, at Cam Ranh Bay, this is a particular spot that Mr. Hardy has chosen, where I think our plans are not as firm as they are at Da-nang, Chu Lai, and places like that. But this is what I can tell you for the moment.

Mr. HARDY. Actually, Admiral, I am not just choosing Cam Ranh Bay. That one was mentioned. I think we ought to have this information on every one of them.

The CHAIRMAN. Give us what you can on this, and give us the ones where your plans are more specific, for instance Danang, or Chu Lai. You are not in Chu Lai?

Admiral HULL. No. Relative to Cam Ranh Bay—I have before me the 1391 sheet [deleted]. This totals 3.9 million of that 22 million.

The CHAIRMAN. Let Mr. Blandford ask you a question on the record.

Mr. BLANDFORD. I think this might help, Admiral, if you say who submitted the requests. I understand it was CINCPAC that did it.

Admiral HULL. CINCPAC Fleet, with the approval of CINCPAC.

Mr. BLANDFORD. They submitted the requests. Who prepared the cost estimates?

Admiral HULL. Admiral Husband's people in Pearl Harbor.

Mr. BLANDFORD. Of the requests submitted by CINCPAC, how many did DOD approve and how many did they disapprove? What is not in here that they asked for?

Admiral HULL. We requested \$352 million, and we are receiving \$254.6 million.

Mr. BLANDFORD. Who made the decision as to what you would get and what you would not get? If this came from CINCPAC, they are on the scene; they know what they need. Who passed on what you are going to get?

The CHAIRMAN. They probably cut \$100 million.

Admiral HULL. No, sir. May I finish this, because it is a very confusing situation that takes us awhile to understand. We are listing \$304.6 million in this submission to you.

The CHAIRMAN. Is the rest of it contained in the regular?

Admiral HULL. No, sir; it is not. All military construction is in the supplemental, but in addition to this we are asking for \$50 million which will go into a DOD contingency fund.

Mr. BLANDFORD. That is the \$200 million that the Secretary has asked for?

Admiral HULL. Yes, sir; so that you will see on page 1 of our submission today the total there is \$304.6 million. This is the \$254.6, plus the \$50.

The Air Force, I think, is asking for \$50 in the same system, and the Army for \$100 million. Those put together will form the \$200 million contingency fund.

Mr. HARDY. Mr. Chairman, these are key questions that Mr. Blandford asked, but taken by themselves they still don't provide us with enough information to really know what we are doing. You are just asking us to give you a blanket authorization, Admiral.

We have been up the steps and down it so many times, it looks to me like you ought to know when you come in here. Someone on the committee ought to know the answers to these questions.

It seems to me what we ought to have is an itemization of what CINCPAC asked for. We ought to have every step that it goes through before you finally got to this. I am not just talking about total dollars. I am talking about itemization, so we would know what the operating forces thought they ought to have, and each step of where it was altered, so we will know the detail of what alterations were made.

I don't know why you can't give us that.

Mr. Chairman, I will say one reason I am so thoroughly convinced we ought to get this kind of information, and one of the things you have been fussing at me a little bit, is the slowness of stuff coming out of my subcommittee, which is due to the fact we can't get the documentation from the Department of Defense we ought to get. Unless we get it right now, we are not going to get this.

You folks will go ahead under Mr. McNamara's direction, spend all of this money, and we won't ever be able to find out where it went. You come back up here and say we are sorry, but this is the internal weapon paper.

We haven't been able to find out the rationale which caused the reduction from [deleted] F-4's per squadron. You don't give us the facts. If you don't think I am going to try to get this information before we give you this authorization, then you are wrong.

The CHAIRMAN. Can't you bring that chart of what you asked for, and what they gave you?

Admiral HULL. Yes, sir. I have the line items here, and I can recite them if you want them.

The CHAIRMAN. Go ahead and recite them.

Admiral HULL. [Deleted.]

Mr. HARDY. If you are, you can go back as far as I am concerned.

Admiral HULL. Our projects have been developed principally by CINCPAC Fleet. [Deleted.]

We are closely in agreement with DOD on this program.

The CHAIRMAN. Go ahead, Admiral.

The only representative the DOD has is this fellow sitting over here at the table. He will carry it back if anybody carries it.

Mr. HARDY. Mr. Chairman, actually I don't know how to proceed on this, but I think we ought to have the documentation right from the very beginning of their original request.

The CHAIRMAN. Why don't we take one base?

Mr. HARDY. Take one base and get them to submit the other.

The CHAIRMAN. Take one base, and then submit the others.

Admiral HULL. Shall we talk about Danang, sir?

Mr. HARDY. Danang is all right.

The CHAIRMAN. That is a small package. That is about as far north as you go, isn't it?

Admiral HULL. Yes, sir. Well, there is a small detachment up at Phu Bai, which is really supported out of Danang, but Danang again is our principal harbor.

The CHAIRMAN. They are satellites?

Admiral HULL. In the First Corps area.

The CHAIRMAN. Go right ahead and give us that information.

Mr. Hardy, you pay attention.

Mr. HARDY. I am listening very intently, Mr. Chairman.

The CHAIRMAN. Go right ahead.

I think we ought to have Admiral Riggs sitting at that table.

Admiral, you have made an interesting study. Sit up here at the table.

Admiral RIGGS. All right.

The CHAIRMAN. After all, you have some hospitals you want to build, don't you?

Admiral RIGGS. Yes, sir.

The CHAIRMAN. Sit right down there and make yourself at home.

Go ahead, Admiral.

Admiral HULL. Our first item at Danang is the Marine Air Wing operational facility which is a second increment for \$2 million.

The CHAIRMAN. We have been at Danang, too; we are quite familiar with it. It is pretty well congested, isn't it?

Admiral HULL. Yes, sir; it is, and it is expanding.

Mr. HARDY. You still own everything on the side—

Admiral HULL. Yes, sir.

The Da Nang project may be broken down into about four categories. First, there is the port, and we want a number of port facility developments there [deleted].

The CHAIRMAN. I tell you what will help us to understand this.

We recognize, Admiral Husband, the comparable cost of construction in different areas are way of line with what it is in this country. For instance, the contractors have problems with their personnel. So indicate to Mr. Hardy just how much more things cost there than they cost here. I know you made your estimates, because that is about five or six times as much, isn't it?

Admiral HUSBAND. No, sir; the cost ranges are between two and four times what the same facilities would cost in the Washington area, and the range depends on the kind of facilities and the remoteness of the site.

The CHAIRMAN. That is right. That is another problem, the long logistic problems you have getting the materials there.

Admiral HUSBAND. Yes, sir; almost all of the materials going into Vietnam are being outloaded from the United States.

Mr. HARDY. What specific construction are we talking about now, what item?

Admiral HULL. I started off with the high priority item that has not been funded so far [deleted].

Mr. HARDY. How much does it cost?

Admiral HULL. This is at \$2 million.

Mr. HARDY. That is \$2 million. Now, this is a concrete construction proposition, and all your material has got to be carried in?

Admiral HULL. Yes.

Mr. HARDY. Are they producing any kind of concrete over there?

Mr. BLANDFORD. You can get it from Formosa?

Admiral HUSBAND. We are able to buy cement from Taiwan and Japan, sir.

Mr. HARDY. I was thinking Japan actually has been a cheaper source of cement than a lot of other places?

Admiral HUSBAND. Yes, sir.

Mr. HARDY. Is your cubic yard cost greater there now, using that cement, than it is in this country?

Admiral HUSBAND. Yes, sir.

Mr. HARDY. What runs that up?

Admiral HUSBAND. We have tremendous transportation costs, even to get the relatively cheap Japanese cement into the ports.

Mr. HARDY. The bulk of that cost is the handling of the cargo, rather than in the movement of it. Certainly your handling in Japan is not unusually high, and your distance by ship is not so far, but if you have got to unload the stuff in these barks to get it ashore, I can see how that would run the cost up.

Admiral HUSBAND. Right, sir. The contractor needs to mobilize on these remote sites initially. He has got to have a warehouse to put down his cement, for example. So that it is not like in the United States where the telephones and the transit outfit brings the concrete the next morning. He has got to have all of the batching equipment, the transporting equipment, that he has, under his control, at Da Nang in this instance.

Mr. HARDY. Hasn't he got it there?

Admiral HUSBAND. Yes, sir. In the case of Da Nang, he has been operating there since about 1963.

Mr. HARDY. The same is true of Cam Ranh?

Admiral HUSBAND. No, sir. We do not yet have the construction equipment in Cam Ranh Bay that is equal to the construction task there.

Mr. HARDY. On a comparative basis, what is your cost ratio there?

The CHAIRMAN. Four to one.

Mr. HARDY. Four to one, on concrete?

The CHAIRMAN. On the construction, I mean.

Admiral HUSBAND. On air fields—

Mr. HARDY. On air fields it is 4 to 1?

Admiral HUSBAND. At Da Nang we use a factor of 3.4 to 1, sir.

Mr. HARDY. That is what you are asking for, that is what you use?

Admiral HUSBAND. This has been our recent experience, sir.

The CHAIRMAN. Have you computerized that straight down—or whatever way you did it?

Admiral HUSBAND. Yes, sir; these are well calculated cost factors.

Mr. HARDY. All right. Let's have the rest of the items on this one.

The CHAIRMAN. This is the kind of information Mr. Hardy wants. Go right ahead from that page. What is the next one?

Admiral HULL. The next one is ammunition storage, \$1.1 million. This is for barracades around open storage pads; seven 250 by 200 feet, eight 125 by 100 feet, six 135 by 100 feet, and with 40- by 100-foot prefabricated buildings.

Mr. HARDY. Where do those metal buildings come from?

Admiral HULL. This comes out of our PWRS, prepositioned war reserve stock.

Mr. HARDY. That is already there in these ships?

Admiral HULL. Well, these may be on the way, because of our authorization to ship long leadtime items.

Admiral HUSBAND. We have been procuring prefabricated steel buildings in the United States for this.

Mr. HARDY. Is that cost included in this 1.1?

Admiral HULL. Yes, sir.

Mr. HARDY. The value of these buildings?

Admiral HUSBAND. Yes, sir.

Mr. HARDY. Go ahead.

Admiral HULL. The next item is "Division operations facility." This includes a 40- by 100-foot building for use as covered storage, and 16 40- by 100-foot buildings for use of shop facilities.

Mr. HARDY. What type of construction is that?

Admiral HULL. That is \$672,000.

Admiral HUSBAND. These are all prefabricated steel buildings, sir.

Mr. HARDY. These are all coming out of the Voorheesville stock you have?

Admiral HUSBAND. No, sir; we are buying additional prefabricated buildings.

Mr. HARDY. Where are you buying them? Can you get them in Japan?

Admiral HUSBAND. No, sir; we are buying those in the United States.

Mr. HARDY. All right, go ahead.

Admiral HULL. The next item is for "Utilities," \$3.3 million. This includes electric power for our Marine amphibious force service, now serving the tactical generators, the central powerplant [deleted] with associated distribution equipment, distribution lines, and this will replace the field wire that is now in use.

Mr. HARDY. What is the cost ratio on that?

Admiral HUSBAND. Our power is estimated at \$345 per kilowatt, sir.

Mr. HARDY. How does that compare with domestic?

Admiral HUSBAND. It doesn't, really, because this is all diesel generators—individual diesel generators.

Mr. HARDY. You have diesel generators over here, too, haven't you?

Admiral HUSBAND. Yes, sir. It would be higher because we have built in the additional cost of transporting the equipment from stateside.

Mr. HARDY. I have no problem understanding that.

The CHAIRMAN. Do you utilize, in the interest of saving money, the advantage of buying this stuff from countries adjacent to that part of the world?

Admiral HUSBAND. Yes, sir. We found in Vietnam there is almost no material left to be procured from Vietnam sources. [Deleted.]

The CHAIRMAN. You don't have anything from the Philippines, do you?

Admiral HUSBAND. We have bought some lumber from the Philippines.

The CHAIRMAN. I see.

Go ahead.

Mr. HARDY. Let's get the other items.

Admiral HULL. Iceplants for Danang. That is an iceplant, supporting facilities, \$240,000.

Troop cantonment, this is \$981,000. That is normally running around \$1,000 per man, so that should be for the naval support activity.

Mr. HARDY. Why don't we have the kind of sheets you have in front of you, Admiral?

Admiral HULL. This is a 1391 sheet prepared in Pearl Harbor, that I am reading from.

Mr. HARDY. I say, why don't we have copies of them?

Admiral HULL. I can provide them, sir, if necessary.

Mr. HARDY. Isn't that somewhat the line item listing that we normally have for construction bills?

Admiral HULL. Yes, sir. These have never been asked for before; I suppose that is why we never gave them to you this time.

Mr. HARDY. Never have been asked for before?

Admiral HULL. In the supplemental appropriations.

Mr. HARDY. In the supplemental appropriations, I know. But we have a supplemental authorization here now, Admiral. This is bigger than some of the regular ones you come in here with. You have these things.

The CHAIRMAN. Mr. Cook, you get those things from the next group of witnesses. Tell them to give us a copy of the things Admiral Hull has.

Mr. COOK. Yes, sir.

The CHAIRMAN. What do we ask of the other departments, 1391?

Admiral HULL. That is a DOD form; yes, sir; a 1391 form.

The CHAIRMAN. If we get that we can understand better.

Mr. HARDY. If we have those before us we certainly can expedite these things, and know a little more about what we are doing.

The CHAIRMAN. You don't have another copy for Mr. Hardy now, do you?

Commander MOYER. No, sir.

The CHAIRMAN. Maybe he can do a better job that you do.

Admiral HULL. We got these copies from the people in Pearl Harbor. These are the only copies in Washington, aren't they?

Admiral HUSBAND. We have a set.

Mr. HARDY. Let us finish Danang.

Admiral HULL. Yes, sir.

The next item is "Communication," 1.374 million. Erect an intra-base mobile communication phase station, including one hut, 100 feet by 48 feet, and one 30-foot tower. These are advanced base functional components. A station operating base. Erect one 21- to 48-foot hut for the radio station, for the harbor, and ship-offshore communications service. Provide specially designated communications facility, in-

cluding antenna, farm, buildings, car supply, supplied to the fleet, to support naval activities for long-haul communications.

The CHAIRMAN. What is the next one?

Mr. HALL. Mr. Chairman.

Let me ask the Admiral, has that intrabase communications that you talk about, complete with antenna farm, et cetera, is that part of DCA, and, if not, have they approved it? How is it coordinated with their general overall mission of a supervisory role, with the Air Force?

Admiral HULL. I doubt if it has been, sir. I would have to get the communications people to back me up on this. But I think this is purely a local communications setup which is not of interest to DCA.

(This was later confirmed.)

Admiral HULL. This takes care of Danang's external communications with Saigon to the Philippines, and also local communications with the ships and boats, and the harbor control circuits, and so on.

Mr. HALL. Admiral, when you say "intrabase," I can understand that, if you even say "intratheater," I can understand your communications with offshore boats and facilities, with Saigon, and so forth and so on, but when you say "Pearl Harbor," the Supreme Court would sure say that was intertheater, or interstate, or interoperational, and certainly according to definition that DOD gives us—I am not talking about your lower end or offshore or fleet facilities you require over and above, especially in addition to DCA—but this committee has seen on many occasions during the time that our microwave net out in the Far East, to say nothing of the other types bouncing off the satellites, then DCA has come along and knocked over the wall, and set up another action agency in charge of it.

Actually, this happened at Clark and the Philippines, both, if you will just simply read the record. So I think my question is important, Mr. Chairman.

If it is even intratheater, or your communications is being enhanced between you and Pearl Harbor—

Admiral HULL. I should not have said Pearl Harbor. I was wrong on that. It is the Philippines. Their long haul is to the Philippines, which is intratheater. This connects them with Subic, and then from Subic to Pearl Harbor they go to DCA communications.

So this is to bring them in on the branch to Subic.

(The following information has been furnished by the Navy:)

The [deleted] U.S. Navy communication facilities in Vietnam will provide local/tactical communications. Long-haul, point-to-point communications will be via DCS facilities as a part of the integrated wideband communication system (IWCS); the Navy requirements for the IWCS were submitted to the DCA. The possibility of colocating DCA and Navy facilities at one location was discussed and rejected by the DCA. The DCA is aware of the plans for the [deleted] Navy communication facilities and has voiced no objections, but DCA clearance, per se, was not obtained since local/tactical communications are the responsibility of the Navy.

The [deleted] Navy communication facilities were approved by COMUSMACV and CINCPAC. There is no duplication of DCA and Navy communications at either location. There will be no frequency interference problems with DCA because the DCA communications at the [deleted] locations will not employ radio frequency propagation.

Mr. HALL. What is the total amount of communications in Danang alone, in dollars?

Admiral HULL. This particular project is \$1.37 million, and I think that is our only communications item.

Mr. HALL. At Chu Lai, Cam Ranh, and others, you do not have communications on them?

Admiral HULL. Yes, sir; there will be communications on each of those. This is just Danang.

Mr. HALL. Are they for the same purposes?

Admiral HULL. Essentially for the same purposes; yes. The objective of each one of these small port areas is to provide control of local communications, and also to give the installation communications with Saigon, where they tie into DCA worldwide net.

Mr. HALL. Your regular communications, not counting Saigon, or microwave, or any of these other facilities, the nets we have out there, who designed the frequencies for these communications?

Admiral HULL. I am sure that the same group that established these worldwide would do it. It would be done by our branch of the office of CNO, who handles communications, but they would do it in conjunction with the frequency control agency.

Mr. HALL. They get it from DCA, do they not?

Admiral HULL. Yes, sir; I am sure they would.

Mr. HALL. DCA has the necessary clearance with the Republic of Vietnam, and these are coordinated, and so forth?

Admiral HULL. Yes, sir.

The CHAIRMAN. Go ahead.

Mr. HALL. Mr. Chairman, I realize the Admiral isn't a communicator, and I certainly don't want him to dig out the amounts of communications at each one of these bases, but I do want you to let me know whether or not this has been coordinated with and approved by the Defense Communications Agency or not.

Admiral HULL. Surely.

The CHAIRMAN. Go ahead. Thank you, Admiral.

What is the next one?

Admiral HULL. Naval support facilities [deleted]. This is \$7.6 million.

The CHAIRMAN. What is your next one?

Admiral HULL. Aircraft shelters, \$1.4 million.

The CHAIRMAN. Does this protect the aircraft against—

Admiral HULL. Primarily against sabotage.

The CHAIRMAN. Sabotage and also attack?

Admiral HULL. It would make it also more difficult in the case of an air attack.

The CHAIRMAN. Do you have some kind of a—

Admiral HULL. We are principally using sandbags at the moment.

The CHAIRMAN. Did you have a metal thing?

Admiral HUSBAND. The Air Force is using ARMCO steel sheets which they are filling with earth; yes, sir.

The CHAIRMAN. It is a prefabricated article?

Admiral HUSBAND. Yes, sir.

The CHAIRMAN. We saw that.

What about your hospitals in there? What are you doing out there?

Admiral Riggs. At Da Nang we have the collecting and clearing company, which is organic to the Marine division. We have the ad-

ditional three, at other locations, in the First Corps area. These are all classed as C. & C. hospitals. They are mobile. They are supposed to move out with a battalion or a division.

With the battalion we will split the 60-bed into a 30-bed unit to send with the battalion on a forward movement. The additional beds in Da Nang proper are in addition to this collecting and clearing company of 60 beds. So that they are more or less living in garrisons. In addition to this we have a component, designed for 400 beds, but at the present time they have only 60 beds operating, and, if you will recall, in October, when Da Nang was attacked by infiltration, and the satchel bombs [deleted] hospital bed construction [deleted].

The CHAIRMAN. So that is the hospital picture.

Dr. Hall, I want you to follow up this mobile hospital that you saw down in Texas. Do you want to ask questions on that?

Mr. HALL. Well, Mr. Chairman, I think first of all for the query, and secondly because of time, let me say as a result of what we started a year and a half ago here, all the services are relatively, for the information of the committee, usually supported by what I certainly consider—and I do not intend to pose as any kind of an authority on this over and above the admiral or the Surgeon General at all in modern-day warfare—but certainly the service support of hospitalization and medical care has increased if anything in greater proportion than any other needed dream of support facility could be.

I think everyone from the Deputy Secretary of Defense on down, has come to realize the thing that we have to learn again in every war, one of the greatest morale factors for combatant troops is the fact if a man is wounded or hit out there, and he survives this situation, he not only has a ticket to an evacuation base, and more duty, or maybe in some instances a ticket home, which is welcome from that jungle, because they are actually working on a mortality rate now of less than 1 percent for the first time in the history of any warfare.

The CHAIRMAN. That is right.

Mr. HALL. This is going to even get better. But this is because the services have put in installations like Admiral Riggs described in there, since even a year ago.

As I understand it from testimony just now, he was talking only about the First Corps in the Da Nang area, is that correct?

Admiral RIGGS. Yes.

The CHAIRMAN. That is correct.

Mr. HALL. Are you not in addition to that supporting with one hospital ship now, and another one on the way, or getting ready to go there, Admiral, as far as the general theater is concerned?

Admiral RIGGS. At the present time we have the U.S.S. *Repose*, which is en route, and should have reported there on the 7th of February. However, it is interesting to note that we have the frozen blood aboard this ship. These are in minus 80° reefers, and one of the reefers I installed in the ship broke down en route from Pearl Harbor to the Philippines. So I am not sure they are not still in the Philippines trying to get this special reefer refurbished. But it should arrive on station, certainly today or tomorrow at the very latest.

We need that ship, because we do have 755 beds on the hospital ship.

Your question as to the second hospital ship, I was notified yesterday morning that the second hospital ship—namely, the *Sanctuary*—was approved by Mr. Vance, as of yesterday morning [deleted].

Mr. HALL. You see, Mr. Chairman, my intelligence is pretty good, too.

Now, then, getting to the question that was raised here yesterday, and that the Chairman brought up again, do you plan to use with your mobile auxiliary surgical units, or your counterpart of the field hospitals, or your C. & C. companies, or your ABC installations, the Must concept of the self-inflatable portable transportable units, so, if they are satisfactory with the Army and Marine Corps?

Admiral RIGGS. We have been working with the Army on the Must equipment, namely, Colonel Crendall, and at the present time we are trying to make a buy which can be delivered to us so the company states by September of this year.

The CHAIRMAN. Who makes that?

Admiral RIGGS. The Garrett Co.

The CHAIRMAN. Garrett?

Admiral RIGGS. Yes, sir. We are going to buy two. I believe the Army indicated they want to buy approximately eight in the first buy. If we can buy in numbers, and in this country, we feel the Garrett Co. will give us a \$1.9 million, for a 400-bed unit, but we are not buying the full unit. So that we will reduce that cost to about \$900,000, because what we need for the support of the Marines is a 40-bed unit. We will only use part of the utility units, part of the inflatable units, and a part of the expandable units.

The CHAIRMAN. You are impressed with the possibilities of this Must concept, aren't you?

Admiral RIGGS. I am impressed actually, because you can set this thing up in a matter of a couple of hours. I am impressed that we won't have to use as many as 10 C-124's to transport a 60-bed hospital, as it is now done. We can transport the Must with two C-124's. This is a lot of difference in plane requirements.

The CHAIRMAN. Thank you.

Admiral RIGGS. What will happen when it is hit with shrapnel—of course, there are going to be punctures in it, but we can repair those. We don't anticipate there will be enough perforations to knock down the inflatable unit.

The CHAIRMAN. This is compartmentalized, isn't it?

Admiral RIGGS. It is compartmentalized in ribs. There are ribs that go over the unit to keep it up in position and keep it in shape.

The CHAIRMAN. It can stand a lot of shelling, can't it?

What about the impact of an air missile, mortar shell?

Admiral RIGGS. We haven't had that experience yet, Mr. Rivers. I do not know what would happen, really. They seem to feel we can take multiple perforations without collapsing the unit. [Deleted.]

The CHAIRMAN. You would give that special security, wouldn't you?

Admiral RIGGS. Yes, sir.

The CHAIRMAN. That is a vital part of it?

Admiral RIGGS. I am hoping the Marines will give us special security, sir.

Mr. HALL. Mr. Chairman, the only other comment I have to make as to the tactical medical support out there, which has developed because it has lifted the medical care, up to the U.S. level, rather than to drag it down to the low levels of the EASTCOM units, told by highest authorities, by what the Navy said and the State Department

said they were doing, and I intended to go through this item by item in advance.

There are three temporary splinter village quonset-type huts, what we call wartime general hospitals, in here, one at Subic, one at Guam, and one at [deleted]. The understatement of the year is that the monetary allocation, and the type of construction, is austere. I think things ought to be austere, but I think this committee at the same time ought to know in setting up the 3,000 general hospital beds we are doing it on an austere basis for very few millions of dollars in three different places and dispersing them in these areas, and they are all intratheater, but, brother, they are going to be austere. They are going to be covered and uncovered ramps between quonset huts, 40 by 70 temporary construction, splinter-village type of hospital.

There is some feeling on my part, Mr. Chairman, that I think, although I have not discussed this with the General, and others, that there is real concern on my part, but that maybe we are doing too little in this. If they receive hospitalization at Guam, and [deleted] in addition to what we have now, and if this is a moral factor with the troops, that it has evolved into being a gain, in this outfit, in this theater, I just don't quite know why we don't go first class.

I understand the Secretary wants to build big magnificent towers of celestial knowledge, gilded dung heaps of medical care, we are going to have to give later to the Guamanians, the Philippines, and our other allies, and so forth, but I think we are a little bit austere in what we are planning for this.

In the risk of some kind of harassment we had yesterday, of saying, well, we are watching you very closely, because you don't line this out, and give us the basis for justifying the expenditure, and then, on the other hand, or at the other end of the stick, saying, you ought to buy twice as much, you didn't order enough while you were ordering, which is the essence of inconsistency this committee holds under its own breasts and prerogatives.

I will repeat once again the emphasis is too austere as far as the best possible care of the American people, in my opinion.

The CHAIRMAN. Don't you find the casualties coming out of that Far East theater are taxing your facilities here at home?

Admiral Riggs. They are not taxing our facilities, Mr. Rivers. We have, at the present time—I have augmented all hospitals in the United States, so I now have 22,000 beds. But actually on December 31 we had 758 Vietnamese-source casualties adding to our burden in the States. But this has to be looked at from the standpoint of the beds we have in the theater.

Mr. HALL. Who made that decision about the extra burden in continental United States?

The CHAIRMAN. Let me say this, before you say that: The wounded man comes first—always first?

Admiral Riggs. Yes, sir.

The CHAIRMAN. When you stack up beds in hospitals with wounded, that cuts down on what you can do for the dependents back home these boys are fighting for?

Admiral Riggs. That is correct.

The CHAIRMAN. I know of the one at Charleston. The Air Force at Charleston uses the Navy hospital?

Admiral RIGGS. Yes, sir.

The CHAIRMAN. It has been overrun. I think you had a project in there last January to alleviate that. That is one I happen to know about. I went over to Great Lakes some time ago and I saw a lot of casualties over there.

Admiral RIGGS. Yes, sir.

The CHAIRMAN. So in planning they cut down on what you are able to do for the people—those who authorize for this service, and it compounds it.

I think the staff has the word for it, this is across the board, even in the theater. Isn't that a fact?

Admiral RIGGS. If I may go on with the intratheater problem, we have been running around 400 beds filled with Vietnamese-source hazards. At Guam, at the moment, we are running about 138, but we have been running about 235 to almost 300.

The CHAIRMAN. Out at Clark Air Force Base, we went there, we surprised everybody, I think, at the hospital, but they had just occupied that fine hospital. Yet they were using the one that they had just vacated, too.

Admiral RIGGS. Yes, sir. They would have to. They only had 350 beds in the new building, they have 750 in the old one.

The CHAIRMAN. That is another case of it, Dr. Hall. [Deleted.]

Admiral RIGGS. Yes, sir; that is what I was leading up to. I was leading up to the fact that our good hospital beds, where they get real splendid care in a fairly good environment, in Guam [deleted]. But now with the arrival of the hospital ship on-station I would like to point out that this is a hospital ship that is comparable to practically any hospital in the United States. We can give definitive care in excellent environment.

To go back to Dr. Hall's statement about the type of construction, and so forth, this is true that the environment is not as good as it would be in a better facility that is built for it. But at the same time I might point out, too, personnel counts considerably in the care of patients, even though it is the Quonset-hut type of hospital. For instance, with our support for the Marine Corps, in Vietnam, which is the 3d and the 1st Division, up in the Da Nang area, we have 104 doctors there at the present moment, of which 24 are specialists. So we are giving good definitive care, even though the environment is not of the best.

MR. HALL. Mr. Chairman, let it be clearly understood my remark about reducing the level of care to burial type, referred not to uniformed military service, in care of military personnel, but to the care to the civilians in South Vietnam.

The CHAIRMAN. Now, Mr. Hardy, you go ahead.

MR. HARDY. Yes; thank you, Mr. Chairman.

I would like, Mr. Chairman, if we could go ahead and complete this Danang business, so we can have these items before us, and then see what we can do toward expediting this.

MR. HALL. Before we do that, Mr. Chairman, let's have the answer to the one other question, about the 758 South Vietnamese people that have been thrown into our Continental U.S. system.

When was that decision made?

Admiral RIGGS. When was that decision made?

MR. HALL. Yes.

Admiral RIGGS. We have the 15-bed evacuation policy for Vietnam. We have a 60-day bed evacuation policy in theater. So any case that is adjudged to require more than 60 days would be evacuated to the United States.

Mr. HALL. We understand that, Admiral, that is not the point. We are talking about the preconstructive work of the South Vietnamese casualties. Didn't you say there were 750 of them thrown into our chain of evacuation for treatment in the continental United States?

My question is simply, Who made that decision?

Admiral RIGGS. No; these are not Vietnamese persons. These are our troops that have their source of casualty in Vietnam, and were evacuated as a result of the casualty. These are not Vietnamese people.

Mr. HALL. You do have some Vietnamese troops in our U.S. naval hospitals for reconstructive and other purposes, do you not?

Admiral RIGGS. I don't know of any, Dr. Hall. It is possible we could have some for the amputee center at Oakland and Philadelphia—more likely Oakland; that is possible.

The CHAIRMAN. But this is not a policy, is it?

Mr. HALL. Yes; it is, Mr. Chairman.

Admiral RIGGS. Yes; we will take care of them actually, if we get a request from the Ambassador, and so forth, we will take care of these people.

The CHAIRMAN. This is not a run of the mill?

Admiral RIGGS. Run of the mill, no. In the country we would give humanitarian care.

Mr. HALL. I think the committee ought to know there is more to it than that. The Navy may or may not be involved, Mr. Chairman, but from highest authority, again, Chief of Naval Operations' statement of yesterday, and I want this to be clear, there was something thrown into our line of evacuation, and our capabilities of treatment of military personnel, stateside, many additional casualties. I personally don't find any fault with this, except in the period of staff coordination, and whether or not we were prepared for it. I think the committee ought to know what he referred to a while ago when he said there were 750 additional in the Navy being cared for, and being reconstructed and rehabilitated, under the processes, whether they are amputees, whether they are this, that, or the other, over and above U.S. military servicemen now in the continental United States.

The CHAIRMAN. I guess you mean the Bureau of Management Service recommended to Mr. McNamara a cutback on this construction of the hospitals we authorized last January. Did you recommend that?

Admiral RIGGS. In the States, are you talking about?

The CHAIRMAN. Yes, in the States. You all recommended cuts in the hospitals we authorized last year?

Admiral RIGGS. I made no recommendations to that effect.

The CHAIRMAN. We thought you did. Who made the recommendations?

Admiral RIGGS. These were reduced by higher authority. However, if you are talking about the 1966 program, we did not lose any hospital beds, they were all personnel support facilities. They were not hospital beds.

The CHAIRMAN. You recommended that?

Admiral RIGGS. Very definitely; yes, sir.

Mr. HALL. Mr. Chairman, you hit a very, very vital point.

The CHAIRMAN. You heard what he said.

Mr. HALL. I heard what he said, but I am not sure he appreciated your satire.

The CHAIRMAN. Did you understand my question?

Admiral RIGGS. Out of the 1966 program we did not—

The CHAIRMAN. Did you recommend any reduction in your program?

Admiral RIGGS. No, sir.

The CHAIRMAN. You didn't answer my question right.

Admiral RIGGS. I requested no reduction.

The CHAIRMAN. Are you complete, Mr. Hardy?

Mr. HARDY. Yes, Mr. Chairman.

The CHAIRMAN. I wanted to get this on the record. This is very vital.

Mr. HARDY. I am glad to get that information, too.

The CHAIRMAN. Go ahead, Mr. Hardy.

Mr. HARDY. Go ahead with your items.

Admiral HULL. Our next item is "Marine operational facilities," two 200- by 200-foot metal hangars on concrete foundations with floor slabs, and two 400-square-foot prefabricated metal operations buildings, \$1.6 million.

The next is also Marine air wing operations and support facilities, parking apron, 680 feet by 1,200 feet, with access taxiway. Extend the runway 1,500 feet. Prefabricated metal hangars, four of them, 150 by 120, prefab base operations building, 40 by 100; barricaded ammunition pads, utilities, security fence, electrical facilities, and roads, 3.6 million.

Mr. HARDY. In that one you have a lot of things including a runway extension. Isn't that unusual to lump all that stuff into one line action?

Admiral HULL. You know we have a bit of a problem in this. I was regretting that we had broken these down into such small categories, and here is one where Commander in Chief Pacific Fleet has tried to bring together a large group. I think it would be preferable for you if we had more of these larger groups instead of so many small ones. I must have 15 or 20 of these to read to you.

Mr. HARDY. Well, as a matter of fact, I sort of hoped you would have picked one that you didn't have the biggest one in the batch to read, but as long as we started on this—I see what he has got.

Now, if you will supply—

The CHAIRMAN. Let me say this, do you see now it is most essential to have this information?

Mr. HARDY. I knew, Mr. Chairman, they had to have some definitions, themselves, but they weren't giving it to us. I think we ought to have it. If we can have a copy of these justification sheets, which are similar to the ones that we normally take up when we go through a construction bill, I think it will be helpful. And I will say right now I plan to review them. They ought to be in the committee office. I don't know we need one to go all the way around.

The CHAIRMAN. You file one with the committee. The reason Mr. Hardy is acting as the devil's advocate, we have to have some knowledge of these questions on the floor.

Admiral HUSBAND. Mr. Chairman, could I speak to this issue?

The CHAIRMAN. Yes.

Admiral HUSBAND. I think the reason we find ourselves before you in such broad generalities is our hope we will be able to transfer the responsibility for precise execution of the program to General Westmoreland, and not be bound by decisions here in Washington, whether in Defense or in the Congress, so that he cannot change the program to what he conceives to be the needs of the combat operations at the time.

Mr. HARDY. Yes, Admiral. What you are saying is, just give us \$500 million, and let us spend it the way we want to, and I don't think the Congress is supposed to do that. That is not the way I consider my responsibility.

Admiral HUSBAND. Well, we have been living with this program since last spring, and one of the things that has been most frustrating to the field commander is his inability to get the base facilities that he needs authorized and appropriated on a timely basis.

Mr. HARDY. Well, of course, you can carry this to extremes. I suppose if you let Mr. McNamara have his way, he would say let me run the entire show. Just open up the Treasury and I will spend what I think I ought to spend, and to heck with you people in Congress.

The CHAIRMAN. Don't make the admiral answer that question.

Mr. HARDY. No, I don't want him to answer that.

The CHAIRMAN. He just got the job.

Mr. HARDY. I don't want him to answer that. Just give us the itemization of each of these programs. I want to study it, and study it quickly. If this is the only copy you have, run off another copy.

Admiral HULL. Yes.

Mr. HARDY. I would like to pursue another avenue, Mr. Chairman, because I think we need to understand how these figures are arrived at.

Where were these sheets prepared?

Admiral HUSBAND. Can I answer that, Admiral Hull?

Admiral HULL. Yes.

Admiral HUSBAND. These sheets begin under General Walt, under the I Corps Headquarters; he is the Navy component commander in the country. He must then get approval of his projects from the theater commander, General Westmoreland. They are reviewed in Pearl Harbor by the commander in chief, Pacific Fleet, the commander in chief, Pacific, and then come in here to Washington.

Mr. HARDY. When they come into Washington where do they go, CNO?

Admiral HUSBAND. Yes, sir; Navy projects go to CNO.

Mr. HARDY. What does CNO do with them?

Admiral HULL. We have been looking these over and talking frequently with CINCPAC people trying to refine the submissions and being sure we can put Admiral McDonald's blessing on them for CNO. Then we submit them.

The CHAIRMAN. Whom did you succeed?

Admiral HULL. Admiral George Pressey.

The CHAIRMAN. So construction is your job, isn't it?

Admiral HULL. Yes, sir; it is part of my job.

The CHAIRMAN. One of your principal jobs. You learn to know these?

Admiral HULL. I do; yes, sir.

The CHAIRMAN. Then you confer with Admiral Husband?

Admiral HULL. We say generally, the CNO determines the requirements, and Admiral Husband's job is to turn the requirements into brick and mortar.

Mr. HARDY. Mr. Chairman, if I can get back, I want to complete this flow, I want to see how this thing works.

When you get through reviewing—and reviewing means a lot of different things to different people—and you finally put Admiral McDonald's blessing on it, I believe that is your term, what happens to it then?

Admiral HULL. Then it went to DOD as part of the Navy submission for the fiscal year 1966 supplemental appropriation.

Mr. HARDY. Who did it go to, the Secretary of the Navy? Does it have to have his blessing on it, too?

Admiral HULL. Yes, sir.

Mr. HARDY. Does he change it?

Admiral HULL. No, sir.

Mr. HARDY. He doesn't have to prove—

Admiral HULL. I must have misunderstood your word. I thought you said he did not.

Mr. HARDY. He did not?

Admiral HULL. No.

Mr. HARDY. Did he change anything from CINCPAC?

Admiral HULL. No, sir; not really. We added a few things.

Mr. HARDY. You added a few things?

Admiral HULL. Yes.

Mr. HARDY. All right, CNO, to all intents and purposes, is the Secretary of the Navy in this particular function?

Admiral HULL. Yes.

Mr. HARDY. After you got Admiral McDonald's blessing and Mr. Nitze's blessing, where did it go then?

Admiral HULL. It went to the Office of the Secretary of Defense.

Mr. HARDY. It went to the Assistant Secretary of Logistics?

Admiral HULL. I am sure it was examined thoroughly by both ASD (I. & L.) and ASD (Comptroller). Actually, the formality in Navy is when Mr. Nitze finally approves a package like this, it is submitted by our Comptroller shops. I think presumably it goes—

Mr. HARDY. To the Secretary of Defense?

Admiral HULL. To the Secretary of Defense.

The CHAIRMAN. Who is the Comptroller?

Admiral HULL. Mr. Baird is the Comptroller of the Navy.

Mr. HARDY. Well, what I wanted to get, and I think it is important, Mr. Chairman, that we have this, I would like to get a picture of what happened at each of these little way stations that this package went to. I would like to see what CINCPAC requested, what CNO did to it, and that takes in the Secretary of the Navy. Then I want to find out what the Assistant Secretary of Defense did to it, what the Assistant Secretary of Defense, Comptroller, did to it, and then what Mr. McNamara did to it further, because after that you get these sheets you have before you now; is that right?

Admiral HULL. No, sir. These sheets represent the intercommunications really between CINCPAC fleet and my group. This is

why it would be difficult to tell you exactly, for example, what CNO did to the CINCPAC fleet list. This is a continuing process. Commander Moyer has just been out there for about 2 weeks working with their people. They come in and sit with us for a while, so these things develop on a day-by-day basis between CINCPAC fleet and CNO.

Mr. HARDY. But you have to have a cutoff somewhere, haven't you?

Admiral HULL. This is it. This is where we can give you a definition. We can tell you what the Navy submissions to OSD was.

Mr. HARDY. You can't tell us what CINCPAC submitted to you?

Admiral HULL. Yes, sir; I can.

Mr. HARDY. That is what I asked you for.

Admiral HULL. But it would be—it is a historic document——

Mr. HARDY. It might be historical. Maybe we ought to get a little history.

Admiral HULL. It would be changing almost every week.

Mr. HARDY. I am not talking about every week. I am talking about what you had before you when you put Admiral McDonald's blessing on part of it.

Admiral HULL. At that point, what we submitted represented everything CINCPAC fleet wanted at that point.

Mr. HARDY. Because you talked them out of what else they asked for?

Admiral HULL. Not really. Actually we talked them into a couple of things.

Mr. HARDY. All right, let us know what you talked them into.

The CHAIRMAN. When you finished that package you sent that to Mr. McNamara, didn't you?

Admiral HULL. Yes, sir.

The CHAIRMAN. It didn't stop alongside the road for someone else to take a whack at it?

Admiral HULL. It is submitted by our comptroller with Mr. Nitze's signature to OSD. I don't know how it is handled from there on.

The CHAIRMAN. You don't know how it is handled?

Admiral HULL. Only in the conversations we have back and forth.

The CHAIRMAN. Was it reduced?

Admiral HULL. It was reduced somewhere between \$50 and \$100 million, depending on how you define the terms.

Mr. HARDY. Now, that is the thing we want. We want to see exactly what happened to it.

(The following information was furnished by the Navy :

EVOLUTION OF MILITARY CONSTRUCTION (NAVY) PROJECT SUBMISSIONS TO THE CONGRESS TO MEET REQUIREMENTS IN DIRECT SUPPORT OF SOUTHEAST ASIA OPERATIONS, FISCAL YEAR 1966 SUPPLEMENTAL MILCON PROGRAM

SOURCE OF REQUIREMENT

Commanders and commanding officers of field activities, e.g. :

Naval Support Activity, Danang.

Commanding officer, Naval Station, Subic Bay.

Commanding officer, Naval Air Facility, Naha.

Action: Justify requirement by 1391 form with cost estimate and forward to area commander.

PROCESSING AND REVIEW OF REQUIREMENTS

Step 1: By the appropriate first echelon commander, comprising—
 Navy component commander, Republic Vietnam.
 Commander naval forces, Philippines.
 Commander naval forces, Japan.
 Commander naval forces, Marianas.
 Commander fleet activities, Ryukyus.

Actions: Coordination, consolidation and endorse operational need.

Step 2: By commander in chief Pacific Fleet.

Action: Compiles a list of construction requirements in support SEASIA operations. Obtain cost refinement by Director Pacific Division, BUDOCKS. Forwards list to commander in chief, Pacific, with copy to CNO and BUDOCKS (for further cost refinement).

Step 3: By commander in chief, Pacific.

Action: Approves or disapproves projects. Forwards list to Joint Chiefs of Staff with copy to CNO.

Step 4: By Joint Chiefs of Staff.

Action: Coordinates with Office, Secretary of Defense. Approves or disapproves projects. Forwards to Chief of Naval Operations.

Step 5: By Chief of Naval Operations.

Action:

1. Coordinates overall logistic requirements within approved plans and policy.
2. Approves or disapproves or adds projects.
3. Obtains further cost refinements from BUDOCKS.
4. Forwards to Comptroller of the Navy.

Step 6: By Comptroller of the Navy.

Action:

1. Processes list in format for budget submission.
2. Acts for Secretary of Navy in project approval, disapproval, or addition.
3. Forwards to Secretary of Navy.

Step 7: By the Secretary of the Navy.

Action:

1. Signs the official MILCON program submission.
2. Forwards submission to the Secretary of Defense.

Step 8: By the Secretary of Defense.

Action:

1. Approves, disapproves, or adds projects.
2. Submits integrated DOD MILCON submission to the Congress.

DISCUSSION

1. In execution of step 2, commander in chief Pacific Fleet forwarded lists of projects during the period September 16, 1965, to December 4, 1965, totaling \$325.4 million.

2. In execution of step 3, commander in chief, Pacific forwarded lists of projects during the period September 24, 1965, to December 4, 1965, totaling \$325.4 million.

3. In execution of step 5, the Chief of Naval Operations adjusted the integrated list of projects submitted for fiscal year 1966 supplemental funding to reflect appropriations of \$42.9 million received for projects duplicated in the fiscal year 1966 MILCON budget amendment; added \$59.8 million of new projects beyond the purview of the field commanders; added \$22.4 million for general planning funds; added \$37.2 million for cost escalation of currently submitted projects and forwarded lists of projects totaling \$390.5 million.

4. In execution of step 7, the Secretary of the Navy forwarded lists of projects during the period October 1, 1965 to December 14, 1965, totaling \$390.5 million.

5. In execution of step 8, the Secretary of Defense gave the Navy authority to reprogram \$22.7 million in fiscal year 1966 regular MILCON funds for SEASIA construction, and submitted to the Congress the fiscal year 1966 supplemental military construction (Navy) program which provided \$254.6 million for which he requested authorization and appropriations, Navy, and \$50 million for which he requested authorization and appropriations within a \$200 million contingency fund to be allocated to the Secretary of Defense; totaling, \$304.6 million.

6. Against a total Navy submission of \$390.5 million, the following defense agency approval has been obtained to date.

	<i>Millions</i>
Authorization and program funding, Navy-----	\$254. 6
Authorization and funding, DOD-----	50. 0
Reprogramming authority from prior appropriations-----	22. 7
Contanment for Korean marines (project transferred to military aid program for funding)-----	4. 5
Items funded under sec. 403 authority (fiscal year 1966)-----	13. 1
Miscellaneous items funded from other type appropriations-----	8. 2
Total -----	353. 1

The total program dropout is \$390.5 million minus \$353.1 million; the difference, \$37.4 million.

The dropouts represent:

	<i>Millions</i>
Jet field in [deleted] deferred pending JCS decision and recommendation, 1st increment-----	\$18. 3
2d and 3d increment for Naval Ship Repair Facility (SRF), Subic Bay, Philippines-----	9. 4
Items deferred to a later submission-----	9. 7
Total -----	37. 4

The CHAIRMAN. Do you know who did that to you?

Admiral HULL. What individual; no, sir. I think it was done by Mr. McNamara and Mr. Vance.

Mr. HARDY. You tell us what was done; we will find out who did it.

The CHAIRMAN. Then they whacked it off saying you didn't need it. After you went through the rigamarole, you tell us, Cincpac said they needed it, you said you needed it, and they said you didn't need it, so you don't get it. That is all that was done.

Admiral HULL. I don't think they do it quite in those terms.

Mr. HARDY. You don't need to start sticking up for them.

The CHAIRMAN. You didn't get it. You lost \$100 million somewhere down the line, didn't you?

Admiral HULL. I have to subtract \$50 million from that because if we get \$50 million of this \$200 million contingency fund I am short only \$47 million.

Mr. HARDY. Well, anyway, you know what we want. I want to know what they cut off, what the Secretary of Defense cut off. We want to have these so we can see what happened there. I think we need to see just how this thing worked out.

The CHAIRMAN. If you got everything you asked for, the "reduction" department would be out of a job.

Mr. HARDY. That is right, they wouldn't need all the people they have up there. As a matter of fact, they don't need all of them anyway.

Admiral HULL. I should point out there are a couple of items in this 47 million which Cincpac agrees we can defer for the time being. [Deleted.] He is perfectly willing to wait on those two line items.

Mr. BLANDFORD. Admiral Hull, you still haven't responded to the question. The committee wants to know if there are any omissions from this program which will interfere with the Navy's doing its job in southeast Asia.

Admiral HULL. Sir, General Greene testified earlier on the Marines' need for certain facilities [deleted]. We also feel that the completion of the second and third increments of the project at the ship repair facility at Subic Bay is most important for the maintenance of the 7th Fleet. Subic is our closest base to the 7th Fleet's operating area and should have this capability for fleet support. These additional facilities would cost about \$10 million more than we now have in the program.

Mr. HARDY. Mr. Chairman, I have just one other question that is of a general nature related to this.

As a matter of fact, I have two questions—but how much of this total that you have here, 207 million, did you previously have in the 1967 budget?

Admiral HULL. None, sir.

Mr. HARDY. None?

Admiral HULL. None.

Mr. HARDY. That is because you weren't given the information to develop the 1967 budget?

Admiral HULL. No, sir; we have been carrying southeast Asia in a separate budget all along.

Mr. HARDY. Did you expect all along it would be in the supplemental?

Admiral HULL. We hoped so. We would like to have this well in advance of the 1967 program.

Mr. HARDY. Are you going to be able to contract all of this, and have it obligated between now and July 1?

Admiral HUSBAND. If we get the money by the 15th of March, sir.

Mr. HARDY. You will have it all obligated by July 1?

Admiral HUSBAND. Yes, sir.

The CHAIRMAN. You have the contractors. What are the fellows' names?

Admiral HUSBAND. There are four contractors in the joint venture, sir. They are Raymond International, Morrison-Knudson, J. A. Jones, and Brown & Root.

The CHAIRMAN. Brown is there; you know why, don't you?

Admiral HUSBAND. Yes, sir.

Mr. HARDY. What is your total amount that these projects add up to?

Admiral HULL. 200—304.6 million.

Mr. HARDY. In this whole theater?

Admiral HULL. Yes.

Mr. HARDY. That is what this book before us adds up to?

Admiral HULL. Yes.

Mr. HARDY. What is the total amount you have in the bill?

Admiral HULL. Well, now, of that 304.6 million, 254.6 million are for Navy. The other 50 million go to the Secretary of Defense, and then he determines whether he will fund our projects from there on.

Mr. HARDY. I understood from Mr. McNamara the other day that your total projects added up to more than you had in here.

Admiral HULL. I think this probably is the question of the \$50 million, Mr. Hardy.

On page 1 you will see our summary, which adds up to 304.6 million.

Mr. HARDY. And in the bill you have 254?

Admiral HULL. 254.6. The difference is the 50 million, which goes into the OSD contingency fund.

Mr. HARDY. That is a part of the 200 million that is in section 2 of the bill?

Admiral HULL. Yes, sir; it is.

The CHAIRMAN. You recommend that contingency fund, don't you?

Admiral HULL. We certainly did. I hope I get my 50 million.

Mr. HARDY. You don't know whether you are going to get your 50 million out of that, or not; he can put that anywhere he wants to?

Admiral HULL. Yes, sir.

Mr. HARDY. I don't object to giving him an element of leeway, but I want to know what we are giving him.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Hardy.

That takes care of that.

Are there any other questions?

I have read every project in here. Mr. Cook, do you have any questions?

Mr. COOK. No, sir.

The CHAIRMAN. 207 million for Vietnam, 16 million for [deleted] 28 million for the [deleted] 3 million for [deleted] 2.3 million [deleted] 5.7 for Guam, and the other islands, Taiwan, Midway, Hawaii, 26.5, and planning, 14.9.

Are there any other questions of any other committee members, because we can finish this thing this morning.

Mr. HARDY. Mr. Chairman, could I make this one inquiry?

What are you going to have in your 1967 construction request, anything?

Admiral HULL. I hope so; yes, sir. However, there is nothing for southeast Asia.

Mr. HARDY. Nothing for southeast Asia?

Admiral HULL. No, sir.

The CHAIRMAN. I think we have a pretty good idea how this was done.

You file this with the committee, Admiral Hull, and Admiral Husband, for the record so we can refer to it—Mr. Hardy, this document is going to be made available, and do that right away.

Mr. PHILBIN. Mr. Chairman, that is all the information Mr. Hardy has requested.

The CHAIRMAN. That is right.

We recognize—

Mr. BATES. The Navy is all finished with the appropriations?

Admiral HULL. Yes, sir.

Mr. BATES. You are all done. I understand you are all done now at Danang?

Admiral HULL. Yes.

The CHAIRMAN. I think they temporarily got out of the filibuster over there. They have already had the hearings. You have been before the Senate, have you?

Admiral HULL. No, sir; I don't think we are going to be called before the Senate. That is the information I have at the moment.

Mr. HARDY. Did they give you what you asked for?

The CHAIRMAN. You have been pretty responsive in your testimony to Mr. Hardy and Dr. Hall.

Mr. HARDY. I would like to compliment him on the testimony this morning.

The CHAIRMAN. It was a great deal better than yesterday. You know since you last came here we have a three-star admiral now as your boss.

Admiral RIGGS. I am aware of that. Thank you very much.

The CHAIRMAN. That is the brain child of this committee; you know that, don't you?

Admiral RIGGS. Thank you very much.

The CHAIRMAN. General Bohannon, and I used to call it the Bohannon relief bill.

Admiral RIGGS. Yes.

The CHAIRMAN. This is a well-deserved recognition of the magnificent job you are doing. When you get to be Chief of the Bureau you will have four stars?

Admiral RIGGS. I will retire, Mr. Chairman.

The CHAIRMAN. Thank you very much.

If there are no other questions—

Admiral HULL. Mr. Chairman, may I say something?

The CHAIRMAN. Something good about the committee?

Admiral HULL. I know the committee is used to our normal 1391's. I want to point out these 1391's are not going to be in the style and shape you are used to. I want to invite your attention to the fact that they are prepared starting in the field in Vietnam, and then they are polished up in Pearl Harbor, and they do not go through the normal sponsors who have been doing this for years and years and years. So they are rough in the first place, and many of them will change from week to week or month to month.

I hope they are going to be, let's say, 90 percent accurate, Mr. Hardy, but they may not be more than that.

The CHAIRMAN. If they are not, if we can get Mr. Hardy to—

Mr. HARDY. If they raise questions I will be asking you to answer them.

Admiral HULL. We will be here, sir.

The CHAIRMAN. I think that is all for this morning.

Mr. Blandford, Mr. Cook, do you have any questions?

Mr. COOK. Sir, I think maybe we ought to have on the record an explanation of why we have deferred so many barracks and officers' quarters, and other things, and yet in the supplemental we are building some additional ones here in the United States.

The CHAIRMAN. That is a good point. What is the reason for that?

Mr. HULL. The only permanent barracks and BOQ's that we are building in the States, under this bill, in fact the only permanent barracks and BOQ's we are building under this bill, are in the Naval Air Training Command, and this is directly associated with the increase in the pilot training rate from 1,800 to 2,200. Now, this is not exclusively an item that is associated with South Vietnam. We want to do this anyway, and we are doing it at permanent stations, and we think the proper thing to do is build permanent facilities there.

The CHAIRMAN. Particularly if the Marines get that new wing, you will need a lot of training facilities, wherever you train them, at Pensacola—or where?

General VAN RYZAN. This is all part of the Naval Training Command.

Admiral HULL. It is all pilot training.

Mr. BATES. Isn't any of this at Glenview?

Admiral HULL. No, sir; I don't think so.

Admiral RIGGS. No, sir.

Admiral HUSBAND. Glenview is a Naval Air Reserve Station.

Mr. BATES. I thought he said Naval Reserve?

Admiral HULL. Not Reserve, Naval Pilot Training, at our permanent stations.

The CHAIRMAN. Reserve is not a very good word at DOD any more.

Admiral HULL. These are on page 43, and page 44. It is Chase Field, Corpus Christi—

The CHAIRMAN. We have that.

Admiral HULL (continuing). Ellyson Field, Kingsville, Meridian, Pensacola, Saufley, Whiting, and that is it.

Mr. HARDY. You know it is hard to understand why you would be putting these things in the supplemental, after knocking all the business you did out of the 1966 construction program.

The CHAIRMAN. Well, we at least can get started on it. We want to get started on this thing as fast as we can. These things are so urgent.

Mr. HARDY. When I get these line items it may stimulate some more questions.

Mr. BATES. Do you have any policy at all on the family housing?

Admiral HULL. We are not prepared to talk about that, Mr. Bates, until it is submitted to you. I should say I don't know.

Mr. BATES. Everybody knows it is not in there.

The CHAIRMAN. You haven't got that authority yet?

Admiral HULL. No, sir.

The CHAIRMAN. We are not sure we are going to give it to you.

Mr. HARDY. When are we going to get these sheets up here?

Admiral HULL. On this particular submission?

Mr. HARDY. Yes.

Admiral HULL. Tomorrow morning, sir.

The CHAIRMAN. When I read the President's speech, he made a magnificent speech to Congress about the state of our economy, and all the plans we had for all these things here, this year; but he didn't mention military housing. We can go out here and do all these things with the poverty program that I read about, if they do that I want a little something for you fellows.

Yesterday I introduced another paper, did you know that?

Admiral HULL. No, sir.

The CHAIRMAN. And Mr. Bates did, too, and other members of the committee did, too.

Mr. BLANDFORD. It is a very simple bill that says whatever the civil service pay increase is going to be will automatically apply to the military although it will be 1-month retroactive to the military, to make sure the military gets it first.

The CHAIRMAN. That is right, it is as simple as that. We see every day the Star's authority, and I think his name is Young, and the fellow who writes for the Post, and the other fellow who writes in the tabloid paper that has no news on it, they always refer to civil

service employees, that is all they refer to. Never once have they talked about you fellows. And the funny part about it, we are going to do something about it. That is how funny it is.

Admiral Hull. It is always a pleasure to be with this committee, Mr. Chairman, and all services appreciate your understanding of our problems.

The CHAIRMAN. We just are not going to stand for it. Right at the very moment the civil service gets their pay, we will put this on the floor before that, if I have anything to do with it.

Mr. BLANDFORD. If it hits the floor before the civil service bill hits the floor, it could be passed by consent, and it wouldn't cost a penny. You could pass it ahead of the civil service bill, because there wouldn't be any cost involved.

The CHAIRMAN. We are not going to argue the legal point.

Now, the committee will be in recess until Tuesday at 10 o'clock, at which time we will take up the Air Force, and all you gentlemen who have made contributions, and you, too, General Van Ryzan, you made a fine statement—everybody made a fine statement. We will see you Tuesday.

(Whereupon, at 11:40 a.m., the committee adjourned until Tuesday, Feb. 15, 1966, at 10 a.m.)

HOUSE OF REPRESENTATIVES,
Committee on Armed Services,
Washington, D.C., Tuesday, February 15, 1966.

The committee met at 10:15 a.m., Hon. L. Mendel Rivers, chairman, presiding.

The CHAIRMAN. Let the committee come to order.

Like everybody else, I have contracted the same kind of cold that has been attacking everybody else, so I will cut my conversation down to the minimum.

Mr. Secretary, this is your first appearance before the full committee as Secretary of the Air Force, I think.

Secretary BROWN. I believe that is right, Mr. Chairman.

The CHAIRMAN. You made a profound impression, a very permanent and favorable impression on the committee, as under Secretary of Research and Development and Technical Evaluation, and your sincerity of your convictions and your honesty as a witness, as I said, has made a very fine impression on us. We are sure as Secretary of the Air Force, you will continue this fine image, because the committee has been quite impressed and the subcommittees before whom you have appeared have been impressed with your desire to serve your country, cooperate with this committee and with the Congress, and do the best job you can.

It is a pleasure to welcome you here as the new Secretary of the Air Force, and give you assurance our committee will give you our full cooperation in every undertaking involved in your responsibilities.

We are very glad to welcome you here and want you to know we have a very high regard for you, and we are sure you will fulfill your job in a very commendable manner.

Let's get—do you have a prepared statement, Mr. Secretary?

Secretary BROWN. Yes, sir, Mr. Chairman, I do.

The CHAIRMAN. You go ahead and read.

Mr. Blandford, has everybody got a copy of it?

Mr. KELLEHER. Yes.

The CHAIRMAN. All right.

Mr. Secretary, you may proceed.

(The biographical sketch of Dr. Harold Brown, Secretary of the Air Force, is as follows:)

BIOGRAPHICAL SKETCH OF DR. HAROLD BROWN, SECRETARY OF THE AIR FORCE

Dr. Harold Brown, Secretary of the Air Force since October 1, 1965 (416 Argyle Drive, Alexandria, Va.). Born in New York on September 19, 1927; Columbia University, B.A., 1945, M.A., 1946, Ph. D. (physics), 1949. Columbia University Medal of Excellence, 1963; honorary doctor of engineering, Stevens Institute of Technology, 1964; honorary doctor of laws, Long Island University, 1966.

Lecturer in physics and a member of the scientific staff at Columbia, 1947-50. Lydig Fellowship, 1948-49; lecturer in physics at Stevens Institute of Technology, 1949-50. Postdoctoral research at Columbia, 1950. Research scientist. University of California Radiation Laboratory at Berkeley, 1950-52. Staff member, Livermore Site of the Radiation Laboratory, 1952; group leader, 1953; division leader, 1955; associate director, 1958; deputy director, 1959; director of the Lawrence Laboratory at Livermore, 1960.

Adviser to the U.S. Delegation to the Conference of Experts on the Detection of Nuclear Weapons Tests in Geneva, summer of 1958; and senior scientific adviser to the U.S. Delegation to the Conference on Discontinuance of Nuclear Weapons Tests, November 1958 to February 1959. Member of the Polaris Steering Committee, 1956-58. Consultant to the Air Force Scientific Advisory Board, 1956-57; member of the SAB, 1958 to 1961; also member of the Scientific Advisory Committee on Ballistic Missiles to the Secretary of Defense, 1958-61; consultant to several panels of the President's Science Advisory Committee, 1958-60; and member of the President's Science Advisory Committee, 1961. Navy Distinguished Public Service Award, 1961; Director of Defense Research and Engineering, May 1961 to October 1965.

Member of the American Physical Society; Sigma Xi and Phi Beta Kappa. Married the former Colene D. McDowell of San Francisco; two children.

STATEMENT OF HON. HAROLD BROWN, SECRETARY OF THE AIR FORCE

Secretary BROWN. Thank you, Mr. Chairman.

Let me begin by saying I will do everything I can to try to retain the good opinion of the committee which I value very highly, and I believe very strongly that cooperation by the Department of Defense and its components with the Congress is vital to the security of the country.

In his recent appearance Secretary McNamara provided your committee a summary of the total Department of Defense request for authorization for the proposed fiscal year 1966 supplemental budget. I will cover the Air Force portion of this request in somewhat more detail.

Secretary McNamara explained to you that when he appeared before you last August with the amendment to the fiscal year 1966 Defense budget there had not been time to work out detailed personnel plans, the movement of troops and materiel, and operational and maintenance costs, and that it was proposed to finance the additional personnel costs under the provision of section 612 of the fiscal year 1966 Defense Appropriation Act.

Similarly, because there had not been time to develop detailed estimates for the additional materiel and facilities required, a \$1.7 billion "Emergency fund, southeast Asia" was proposed and appropriated. These funds were subsequently transferred to the individual services and their use has been reported to you as "programing actions."

Of the total \$1.7 billion, \$581.3 million was transferred to the Air Force. It has been used to accelerate the delivery of items in production, and to construct the most urgently needed facilities.

The proposed fiscal year 1966 supplemental for the Air Force contains the additional funds required for the balance of fiscal year 1966 for personnel, O. & M., procurement, R. & D., and construction requirements in a total amount of \$3.8 billion. Authorization is requested as follows:

	<i>Millions</i>
Aircraft procurement-----	\$1,585.7
Missile procurement-----	63.7
Research, development, test, and evaluation-----	71.7
Military construction-----	274.1
Total-----	1,994.6

Before addressing these requirements in detail I will highlight Air Force actions to support the conflict in southeast Asia. Secretary McNamara indicated to you last August that planned augmentation for the Air Force included an increase in the utilization rates of airlift aircraft. This plan included additional personnel to round out the manning of units to be deployed in Vietnam and for increased training and support. It also included increased readiness for selected Guard and Reserve units.

Further augmentation of the Regular Air Force is now planned through the fourth quarter of fiscal year 1967 primarily for additional deployments to southeast Asia. In addition, we plan the retention of some B-57's and F-102 aircraft previously scheduled for phaseout. Increased logistics support is required and a major expansion is needed in the rotation and training base of our tactical forces.

Other significant items include:

Tactical forces: Last August we had several jet tactical fighter squadrons in southeast Asia. In addition, we also had B-57's and A-1E's. Now we plan an increase of jet tactical fighters with a capability for further increase, if necessary by late this year.

The CHAIRMAN. Mr. Secretary, I don't want to break into your statement, but sometime during the hearing I want you to explain to the committee—you or General McConnell—why the B-47's couldn't be used to do the things the B-52's have been doing now.

Has there been any consideration of that?

Secretary BROWN. I think General McConnell is best qualified.

The CHAIRMAN. You are flying B-52's over an area where there is no antiaircraft. If you could just use something with this, it would be good planning.

Secretary BROWN. I think General McConnell can answer it for you right now.

General McCONNELL. The reason is the B-47 is not capable of being modified to the extent the B-52 is, so you cannot get enough of a conventional payload to make the B-47 worthwhile to operate.

The CHAIRMAN. All right, sir. Go ahead.

Secretary BROWN. One of the most significant items for the tactical forces is a planned increase of some aircraft in the training base in the United States. This increase, plus a planned increase in aircraft utilization to 40 hours or more per month for each aircraft, more than doubles the training base and gives us a capability to provide continuing support for the forces in southeast Asia and elsewhere.

Troop carrier squadrons.—We now have a number of air commando C-123 squadrons in South Vietnam and C-130 squadrons at various PACAF bases to provide theater airlift support. [Deleted.] The rest are out in the islands, although some of them move to bases on the mainland from time to time.

Airlift utilization rates.—We are gradually increasing utilization from peacetime daily rates for TAC airlift from 1.5 to 5.0 hours in C-130E aircraft and 2.5 hours in C-130A/B's and for Military Airlift Command aircraft from 5.0 to 8.0 hours in C-135, C-141, and C-130E's. We expect to achieve this increase by [deleted]. This will give us a significant increase in gross ton-mile capability.

The CHAIRMAN. 8 hours' utilization is what you get out of the planes?

Secretary BROWN. On a continuing basis. If you had to do it for just the 1 month, you probably could use them for 10 hours.

The CHAIRMAN. This is a pretty high rate?

Secretary BROWN. Well, it is approaching the commercial rates, which is about all you can get out of an aircraft. I think that is about right. [Deleted.] A total increase in the strength in the Air Force of some 63,000 is required in military personnel. An increase of some 23,000 civilian personnel will also be required. In other words, 63 and 23 are the numbers attributable to the southeast Asia war. These, of course, are principally in ZI support, that is of the civilian personnel.

I will now address the detail of the authorization request. First, aircraft: The total request is \$1,585,700,000 and is shown in detail on table 1.

We are requesting additional F-4 aircraft, some of which are specifically for attrition replacement with the remainder to expedite force conversion; that is, converting older aircraft squadrons to F-4's

Through December 30, 1965, we lost 96 jet fighter aircraft to hostile action and another [deleted] for other causes with a total loss of [deleted]. Projected further losses of tactical jet fighter aircraft through June 1967; that is, during the following 18 months, are about [deleted] estimates of this kind are necessarily imprecise and, later, if we find we have been too conservative we can continue production at increased rates that we are accelerating to.

We used \$137.6 million from the fiscal year 1966 budget amendment of last August and an additional \$177.3 million from a reprogramming action which your committee recently cleared to take preparatory action by procuring long leadtime items to accelerate production of F-4D aircraft from a previously planned rate [deleted] so that there will have been an increase over the previous schedule [deleted] by June 30 of next year.

The second aircraft item is the planned procurement of an initial increment of [deleted] A-7 aircraft at a cost of \$23.5 million. This represents the introduction of a new aircraft into the Air Force inventory. No single aircraft can efficiently and economically perform the

tasks of counter air, close air support, and interdiction in the variety of conflict environments we are likely to face in the rest of the 1960's and 1970's.

Consequently, there is a need for a family of tactical fighter aircraft, each designed to do extremely well in one task and creditably well in one or more others. The F-4 and F-111 aircraft will meet our needs for high performance aircraft.

General McConnell and I both, however, agree that we need immediately an aircraft which can provide effective close air support in a relatively permissive environment—made so either by absence of enemy interceptor capability or by our own overall counterair capabilities. After careful study we have agreed that the impressive payload, range, and loiter time of the A-7 make it the most logical choice for this role.

In addition to the funds for these aircraft, \$32.8 million is required in the supplemental authorization for advance procurement for additional, A-7's in the 1967 budget. Fiscal year 1966 and 1967 procurement will give us first delivery about a year and a half from now [deleted].

The next item in the supplemental table also represents the introduction of a new aircraft to the Air Force inventory. We are requesting the procurement of [deleted] OV-10A tactical air control aircraft at a cost of \$12.7 million. These, together with the quantity [deleted] requested in the 1967 budget, will permit us to replace the O-1's we are now using in Vietnam as forward air control aircraft. Note that we are requesting \$2.9 million for advance buy in the 1966 supplemental against the planned 1967 procurement.

In a recent action your committee approved our getting ready for OV-10A procurement by authorizing the purchase of long leadtime items.

The next item is \$13.3 million for advance procurement of long leadtime items for a planned procurement of [deleted] RF-4C aircraft in the 1967 budget. This procurement will complete the equipping of the planned forces and will also provide attrition replacement.

The next two items are [deleted] CH-3E and [deleted] HH-3E helicopters. Previously, we applied \$2.7 million from the fiscal year 1966 budget amendment for long leadtime items for the CH-3E's. These funds, together with the additional \$12 million now requested will fund our request for CH-3E's. \$6.7 million is requested for the [deleted] HH-3E's. We have also accelerated the fiscal year 1965 program [deleted]. We will complete 1965 deliveries a full quarter earlier than previously planned. The procurement planned with 1966 supplemental funds meshes with this acceleration and permits uninterrupted production until the fiscal year 1967 programs for [deleted] additional [deleted] CH-3E's and [deleted] HH-3E's are approved.

These vehicles have proved to be extremely versatile. We plan to use the CH-3E in a variety of roles, including the transport of forward air control equipment into locations inaccessible by road.

The HH-3E is our best all-around rescue vehicle. Fitted with protective armor and with its ability to land on open water, it is ideal for rescue work in Vietnam. I am sure that all of you have read of the dramatic rescues which our helicopters have performed.

The next item in aircraft procurement is an additional U-10 light utility aircraft at a total cost of \$2.4 million. These small aircraft are extremely useful for a wide variety of utility missions, such as medic paradrop, emergency supply, courier and liaison.

Needed for aircraft modifications is \$133.9 million, principally the B-52's, F-4's, and C-123's. An increased conventional weapons capability for some models of the B-52 is planned, as well as a modification of ECM equipment and the addition of a LORAN navigation system.

Improved electronic countermeasures and navigation systems are provided for the F-4's. The C-123's are being modified to give them an improved short-field capability. The modifications include strengthening the landing gear and installing small jet engines for added power at takeoff.

Required for spare parts is \$554.6 million. Of this amount \$85.6 million is required as initial spares for the planned aircraft procurement and modifications which I have already described.

For instance, \$57.9 million is required for F-4 initial spares. The remaining \$168.8 million is required for replenishment spares. They are needed principally for the following:

(a) To support the increased utilization of cargo aircraft which I described earlier.

(b) To preposition stocks [deleted] in southeast Asia. [deleted.]

(c) To support increased consumption attributed to aircraft operating under adverse conditions. For instance, the C-123 and C-130 aircraft, utilizing assault landing and takeoff techniques from unprepared runways in many cases are consuming tires at more than double the peacetime rate.

The remainder in aircraft procurement, \$59.9 million, will provide, in part, common aerospace ground equipment for [deleted] bases lacking such equipment and will replace equipment which is experiencing a higher than normal wear-out rate because of operating conditions in southeast Asia.

Specific items covered include common ground servicing equipment, common maintenance and repair shop equipment, and common instruments and test equipment. Provision is made for a "quick reaction capability" to provide timely engineering, production, installation and modification of electronic warfare and intelligence equipments. [Deleted.]

The total for aircraft procurement is, thus, \$1,585.7 million, to procure [deleted] aircraft and various supporting items.

The CHAIRMAN. Mr. Secretary, the FC-47, that is the former aircraft?

Secretary BROWN. It has a number of miniguns, 3 of them in 1 aircraft, each of which can fire 6,000 rounds a minute. The pilot controls this from his seat, and if you are spraying something the size of a football field with bullets, you can discourage the people on the ground very quickly.

The CHAIRMAN. When do you use them, when you have nothing else to do the job?

Secretary BROWN. We use any aircraft which can help. These have a long loiter time, which makes them particularly good for going out and circling over a village that is under attack. I have seen some of

the aircraft, I have seen pictures of them in action, and they have saved a number of villages from attack.

Do you want to say more?

General McCONNELL. The Vietcong say that is the ray gun. The bullets come out of the three guns, at 18,000 rounds per minute. The reason we use that aircraft is because we can store a lot of ammunition in it. You can have operators behind each gun so you can reload them and as the Secretary says, you can fly it a long time—for 10 hours. At night you can also carry, a large supply of flares, and you can operate at night with it—and up very close to our own troops.

The CHAIRMAN. Is this the same flare that was developed in the 123?

Secretary BROWN. I think these are Mark-24 flares.

General McCONNELL. Yes, they are Mark-24 flares.

The CHAIRMAN. Didn't Tom Crandall develop a light that would illuminate a football field?

Secretary BROWN. That is a new one.

General McCONNELL. That is being tested.

Secretary BROWN. These are Mark-24's.

The CHAIRMAN. 123's I am talking about.

General McCONNELL. Yes, sir, I said the Mark-24 flares are not as big as that.

The CHAIRMAN. It is a big light, a plane can light up a very large area.

General McCONNELL. That is right, sir. It is under test now.

The CHAIRMAN. Yes.

Secretary BROWN. You may be thinking of the MLU-32 B-99 aircraft flare. [Deleted.] The Mark-24 is 2 million candlepower, and 2 minutes. So I think that could be the one you are thinking about.

The CHAIRMAN. Yes.

Go ahead.

Secretary BROWN. For missile procurement shown in table II we are requesting authorization of \$63.7 million. This will provide for the procurement of missiles, target drones, and other items in support of current southeast Asia operations.

[Deleted.]

In R.D.T. & E. shown in table III, which is at the bottom of the last page, we request authorization for \$71.1 million. Principal items are:

The amount of \$26.3 million for the A-7 to cover engine afterburner development, engineering for conversion of some aircraft from single-to two-place models, subsystem integration, and flight test.

The sum of \$10 million to initiate development of a tactical strike fighter (TSF) version called TFF of the F-4 aircraft. Because positive target identification is a problem it sometimes becomes difficult to attain a missile firing position in certain air-to-air combat situations. This places a real premium on close in maneuvering capability, aircraft performance, and the availability of discriminatory weapons such as a gun. We should improve this capability in our tactical fighters. [Deleted.]

There is \$1.6 million in advanced development for development and test of a low-altitude proximity fuse for conventional munitions. This would go into the 750-pound bomb, and it goes off some distance before it hits the ground, making it a more effective antipersonnel weapon.

Then there is \$8 million in engineering development for a variety of projects which include [deleted] a fire bomb igniter, incendiary munitions, improved TAC night capability, bare base support, [deleted].

For military construction we request authorization for \$274.1 million to provide facilities needed to support forces directly committed to the war in Vietnam. The current program estimate is \$324.1 million. We are, however, requesting authorization for the Air Force of only \$274.1 million. Authorization and funding of the difference will be provided, we anticipate, by transfer by DOD from the account "Military construction, Defense agencies." This arrangement has been proposed to permit some flexibility in construction to meet changing requirements, as Secretary McNamara explained in his statement.

The authorization requested, together with that previously approved, will provide facilities at [deleted] bases in [deleted]. It will enlarge and improve facilities [deleted] to support our increased operations. It will provide additional C-130 facilities [deleted] and limited improvements at other bases [deleted].

There is also included \$3.1 million for airfield pavement and POL facilities at Norton Air Force Base, Calif., to provide initially needed facilities to support more airlift from the west coast.

By category, \$202 million, over one-half of the requested construction authorization is for operation and maintenance facilities for aircraft, about \$34 million for storage and supply operations, about \$37 million for housing and community support for personnel, with some \$26 million for utilities and the balance, \$25 million, for other support facilities and planning costs.

The total funds in this supplemental authorization should be considered complementary to those previously approved. They are needed principally for long leadtime items which cannot await fiscal year 1967 funding. In one sense, these funds bridge the gap between now and the time the fiscal year 1967 budget is acted upon.

Timing, therefore, is extremely important.

There is one item aside from the fiscal year 1966 supplemental which I would like to address briefly at this time. It is the prior approval reprogramming action on the C-141 which you have before you. This action proposes the reprogramming of \$81.2 million for the procurement of an additional C-141 aircraft. This will give us an additional C-141 squadron.

As I indicated earlier in my statement, we are increasing airlift utilization rates as one means to provide increased airlift capability. The procurement of this additional squadron will give to us further urgently needed capability.

As in the case of the F-4's and OV-10 we have used some funds from the fiscal year 1966 budget amendment for long leadtime procurement to permit us to accelerate the C-141 production. These funds in the amount of \$3.5 million, plus the \$81.2 million for which we are reprogramming will fund the procurement of the 16 planned aircraft.

We are increasing the production rate [deleted]. We will have 34 increased deliveries—a total delivery of [deleted] versus [deleted] previously scheduled.

Funds for this reprogramming are being obtained by reduction in the spares and modification program and by an increase in reimbursable sales which do not require replacement in kind.

I recognize that in this brief statement I have not been able to provide all the detail which you might desire. We will, however, cover far more detail in our regular fiscal year 1967 authorization hearings. As in the past, General Gerrity will cover procurement, General Ferguson R. & D., and General Curtin construction.

I made a trip to Vietnam, Thailand, Okinawa, and Guam during the first week of January, and before closing I would like to report briefly the situation there, as I saw it.

First, our people are outstanding. Their morale is high. They know why they are there, and they are working a 12-hour day, 7 days a week, doing a truly professional job.

Second, logistics are good. Our equipment is good, and it is working. Certainly, we have some problems, as to be expected, but essential items are getting through. Deployment schedules have been met. Our aircraft are flying the planned number of missions and doing their job.

Third, construction is a difficult task [deleted]. We have taken steps to improve the situation [deleted].

Fourth, air operations are effective. Whatever you may have heard in the past about Air Force disinterest in, or inadequate performance of the support role, today in southeast Asia the Air Force is doing a superb job. I made my visit together with Army Secretary Resor. He and I both found that Army field commanders in South Vietnam enthusiastically endorse the job the Air Force is doing.

Finally, to repeat, our personnel are doing a superb job that we can all be justly proud of, and they are being well supported. The funds requested in the fiscal year 1966 supplemental will continue that support.

Thank you, Mr. Chairman.

The CHAIRMAN. Those are reprogramming now, Mr. Blandford?

Mr. BLANDFORD. Yes, sir. With the quorum present, we can approve the reprogramming for the 141's.

The CHAIRMAN. Is there any objection to the reprogramming of 141's?

Mr. HARDY. The only question I have, Mr. Chairman, the problem of pulling the funds out of these particular sources.

Secretary BROWN. They do come from B-52 MOD's that are are now not going to be necessary because of the phasedown of the B-52's. That is part. The rest come from spares.

You will notice we are asking for spares money in the fiscal 1966 supplemental, but some of that is to replace this money. The reprogramming money we have got, some of it we will have to replace.

Mr. HARDY. That was the point particularly. So what this means is you are just deferring the procurement of these spares, and are going to get them in next year's funds?

Secretary BROWN. We will get some of them with the fiscal 1966 supplemental, but the money is available now from the old 1966 funds.

Mr. HARDY. But the funds then to replace these funds that you are going to use here are included in the supplemental?

Secretary BROWN. That is right; yes, sir, in general. I can't identify individual things, but that is correct in principle.

Mr. HARDY. Now, then, the B-52's, this is just the step in the direction of reducing our B-52's which we have been told in the program will go out anyway?

Secretary BROWN. It is a consequence of that decision that makes the money available; yes, sir.

Mr. HARDY. That is a decision some of us are not too happy with.

Secretary BROWN. I think it is a decision the Air Force not only supports, Mr. Hardy, but the Air Force proposed.

The CHAIRMAN. Is there objection?

Mr. PIKE. I don't have an objection, but I want to ask a question.

You have an increase in the amount and a decrease in the amount. Where do you get the other \$35 million?

Secretary BROWN. The rest of the money comes from reimbursements from MAP, for assets that we have given them, and which now don't have to be replaced.

Mr. PIKE. When do you get that?

Secretary BROWN. I think we have it. It is a matter of drawing down the MAP fund, isn't it, Pete?

General CROW. It is from drawing down the MAP funds. The point in time at which we anticipate where we will be for total funding is at the end of each fiscal year. What this really says is that at the end of fiscal year 1966 we anticipate that from this source we will have \$35 million more than we previously anticipated when we put together the 1966 budget.

Mr. PIKE. That will be in fiscal 1967, then, that this \$35 million will be available?

General CROW. No, sir, now, and at the end of the accounting period for fiscal year 1966 we will have in hand \$35 million more than we previously anticipated that we would have.

The CHAIRMAN. Without objection this is approved by the committee.

Are there any other questions by any other members of the committee on the statement?

Mr. HARDY. Yes, Mr. Chairman.

The CHAIRMAN. Go ahead, Mr. Hardy.

Mr. HARDY. Mr. Secretary, on page 2 of your statement at the bottom, accelerating delivery of items. You are talking about the amount in the \$1.7 million.

Do we have an itemization of that?

Secretary BROWN. I don't think we have line items on the \$581 million.

General CROW. We have a complete breakout of how the \$581 million was used.

As a matter of fact, these have been reported to the committee as "programing actions" accounting for the use of that money. If you will recall in the Secretary's statement, he indicated that we used \$3.5 million for instance to accelerate C-141. We used, I believe the figure is 2.7, to accelerate the OV-10. So the general pattern of this financing is that the amendment of last August was used to warm up the production lines.

A total itemization is not before the committee, sir, but separately there has been reported to you the programing actions in the procurement accounts.

Mr. HARDY. Would those add up?

General CROW. Those would not add up, because some items are not in the procurement accounts.

We can give you a list of the \$581 million.

Mr. HARDY. I think the committee ought to have a list, so we can check and see exactly what the money is used for.

General Crow. We can make that available.

(The following material was received for the record:)

Breakdown of \$581 million

Appropriation Item:

Aircraft procurement:

	Millions
F-4D-----	\$137.6
C-141A-----	3.5
CH-3E-----	2.7
Common ground equipment-----	5.0
War consumables-----	10.0

Subtotal----- 158.8

Missile procurement: classified project----- 4.0

Other procurement:

Munitions and associated equipment:

Rockets-----	19.3
Cartridges-----	35.7
Bombs-----	124.5
Other items-----	86.8
Modifications-----	2.5

Vehicular equipment----- 2.4

Electronics and telecommunications equipment----- 13.5

Other base maintenance and support equipment:

Landing mats-----	30.4
Logistic support shelters-----	5.1
Classified program-----	40.0
Modifications-----	.4

Subtotal----- 360.6

Military construction:

Operations training-----	40.6
Maintenance and production-----	4.3
Supply-----	1.9
Administrative-----	.2
Housing and community-----	1.1
Utilities and grounds-----	2.9
Construction support-----	6.9

Subtotal----- 57.9

Total----- 581.3

Mr. HARDY. I am a little concerned with some of the other transfers of funds we have to this supplemental.

Secretary BROWN. We haven't transferred any money that I have been able to identify from the 1967 budget to the 1966 budget—to the 1966 supplemental, except for the purpose of doing something fast.

Mr. HARDY. And are you able to increase the production, for instance, of F-4's so that there will be timely delivery not only of Air Force requirements, but of the later requirements for that aircraft?

Secretary BROWN. Yes, sir; the production is being increased [deleted]. Ours is being increased [deleted]. So that there is a big increase there.

Mr. HARDY. There may be a big increase, but you have got a pretty big procurement, too.

Secretary BROWN. Surely, but I think some of these figures again will indicate what the effect is. [Deleted.] So that is a very substantial acceleration.

Mr. HARDY. Did you scale your requirements to conform to the maximum increase in production that you could get?

Secretary BROWN. This is about the maximum increase the contractor said he could make in the protection.

Mr. HARDY. So that you could not go, even if you had a bigger requirement, which I don't know whether you have or not—you could not have achieved it because that is as far as he could go?

Secretary BROWN. That is right. I think it is hard to predict exactly how many we are going to need, but the maximum that he could produce is about the right number that we need.

[Deleted.]

Mr. HARDY. Was there any curtailment in the Air Force's requirement or proposed procurement of that aircraft in the 1966 budget?

Secretary BROWN. No; there was not. In fact, it was accelerated over what we had originally proposed for fiscal year 1966.

Mr. HARDY. 1966?

Secretary BROWN. Yes.

Mr. HARDY. How about in 1965? Did you have to cut back in 1965?

The Navy had an item that was cut back, I believe it was the 1965 budget, and was included in one of Mr. McNamara's savings.

Do you have any of that same kind of thing?

Secretary BROWN. No, there is nothing like that in this case.

Mr. HARDY. Now, Mr. Secretary, on another subject, on page 17 you are discussing military construction.

And in the last sentence in the first paragraph there you say:

This arrangement has been proposed to permit some flexibility in construction to meet changing requirements, as Secretary McNamara explained in his statement.

Can I then understand from that that your \$274 million—274.1, which is the amount specified in the bill before us, plus the \$50 million which is included in his Defense agency's request, makes up your total requirement for construction programs?

Secretary BROWN. That is our total program that we can see as a requirement for the fiscal year 1966 supplemental; yes, sir.

Mr. HARDY. Now, then, since you have provided for \$50 million worth of flexibility by including that in the Defense agency's request, I take it that all of your line items are reasonably firm, and you expect to proceed with your construction as your line items are set forth?

Secretary BROWN. Well, I think we have to recognize, Mr. Hardy, that construction in a situation like this cannot be as firmly predicted as it can be in peacetime, and in the United States. [Deleted.]

Mr. HARDY. As to location I think all of us recognize you have an unusual situation in Vietnam, not only as to location, but as to requirements, I suppose they will be changed.

But the thing that I am concerned with is, if you are going to have a \$50 million flexibility provided in the funds set out for defense agencies, I don't want to particularly get enthusiastic over your having \$274 million flexibility in the full amount—unless you have given

us something that is reasonably firm in the way of your outline of your construction proposals; that is what it amounts to. You have flexibility with the entire amount.

Secretary BROWN. I think we have indicated to the committee what we really propose as of this time will add up to this \$274 million. It is extremely important, I believe, that the services, each of the services within the PACAF area [deleted] have the flexibility to move money from one airfield to another, or from a runway on one airfield to a parking apron on another airfield. The total dollars for the things, that we indicate in that great big thick book which we provided you, add up to \$324 million. I am sure it won't be spent in line item detail in the same way.

Mr. HARDY. Mr. Secretary, this thing bothers me, because for one thing, apparently the military services have now taken a page from the foreign aid bill. They came in year after year with so-called illustrative programs, and they said "We want so much money, and this is the kind of thing we are going to spend it for."

Now the military comes in here with the same thing. If we are going to start providing authorization and funds for this kind of an operation, where you can do as you please, we might just as well give a blanket amount of money and say "Don't bother to tell us."

Secretary BROWN. Mr. Hardy, I think we can give you various degrees of specificity in the program, but the more specific we make it, the less likely that is to be the actual case.

We can tell you that we are going to put, for example, [deleted] into Bienhoa for [deleted]. We can tell you we are going to put [deleted] more into, for example—and these are just examples, the numbers aren't precisely right—into Camranh Bay for [deleted] and that is what is going to happen. But the dollar estimates may not be exactly right.

Mr. HARDY. I can recognize, Mr. Secretary, the difference in this kind of a situation from a lot of the others that we have. But I am trying to see how do we safeguard the responsibility that we have, and how do we keep some sort of a balance between these two departments; if we are just going to give you a blanket authorization to spend \$271 million, I get a little worried about it, unless we can find a procedure. I am not suggesting you are trying to avoid a procedure, but I am groping for a procedure that will give us some control, at least some exercise of responsibility that we are supposed to exercise.

Secretary BROWN. We have broken out amounts by country in the numbers that have been supplied to you.

Also, I think we have gone one step further, and indicated in each country the base breakdown. As this evolves, it will be not too hard, I think, for the committee to keep track of what happens.

Mr. HARDY. Well, it is pretty hard when you consider the facilities that we have for doing it. But anyway, I think perhaps this is the only way we can proceed.

But now one other thing: I haven't, of course, had a chance to look at your book, your line-item book that you have got here. But I wonder, No. 1, were these projects, or proposals, based on actual cost estimates of carrying out these construction projects after having determined what was required, or is this something that was pulled out of a hat, based on the number of people you expect to have over there?

Secretary BROWN. These were done by examining what would be done at each of the number of bases in the way of construction, and then making an estimate of how much that would cost.

Now, those cost estimates have not been very good, because the costs have tended to escalate. There is a big strain on the local economy there. And as time goes by, these costs change.

What you see here is the best estimate of the cost as of the time that the budget was submitted.

Mr. HARDY. Well, I am not going to pursue this further now, but I am going to want to have a breakdown of just exactly how your cost factors are arrived at with respect to each of these different items of construction.

I took a look this morning at the Navy's—

Secretary BROWN. Yes, sir.

Mr. HARDY. I haven't seen yours, but there isn't one earthly thing in there that gives us any information we can tie to at all. I hope that yours is in better shape than that one.

Secretary BROWN. Since most of the construction is done by others for us, it is not likely to be very much better.

(The following material was received for the record:)

Costs employed in development of the fiscal year 1966 supplemental were based on current contract costs. Cost indexes are influenced significantly by remoteness of location, availability of transportation, contractor mobilization costs, inflationary labor costs, increased material costs for items purchased in-country, enemy opposition, and other delaying factors. Across-the-board application of a country factor is impractical. The construction cost factor for southeast Asia ranges from 2 to 4 overall. The construction agency is currently developing definitive factors for response to earlier questions by the committee and for application in future budgetary and planning purposes.

Mr. BLANDFORD. This is with respect to military construction authorization in southeast Asia.

During the hearings last week on the Navy's segment of the fiscal year 1966 supplemental, pertaining to military construction, the committee was disturbed by the lack of detailed line item sheets which usually accompany military construction program requests. Navy witnesses agreed to provide such details and have since complied, but pointed out that the information submitted could only be considered tentative because of the unusual construction conditions in southeast Asia, the evolving nature of the military situation, and the limited opportunity for preparing engineering estimates compared to normal programming cycles.

The committee fully understands these abnormal conditions, but must insist nevertheless in knowing how the program was developed and what engineering evaluation was made before being placed in the position of approving over \$1 million in new work. It is my understanding that the Air Force and the Army will comply with the committee's wishes in this regard.

In reviewing the military construction requirements submitted by the Department of Defense under H.R. 12335, I should like to ask the committee to consider carefully certain conditions in South Vietnam which mitigate against normal programming.

South Vietnam is primarily an agricultural country; the only major port is Saigon. The deployment of large U.S. military forces, in a country of this sort, requires the construction of an entire base complex beginning with new ports, improvements to highways, troop facilities, hospitals, airfields, communication facilities, etc.

The rapid buildup of U.S. forces in South Vietnam in calendar year 1965 did not provide time for advance development of detailed facilities plans on which individual construction project estimates could be based. Initial decisions on missions and locations of combat and support units were changed in accordance with the actual combat situation, the size of the U.S. effort, and as more detailed tactical and logistic support plans were developed.

The types of additional troop units that might be deployed, when required and approved, have not been completed determined. Neither have specific tasks or locations within South Vietnam been assigned to these units. The requirements for additional troop units, the development of support concepts, and changing tactical and logistical support concepts to aggressively pursue the active combat situation are continually under review by the commander, U.S. Military Assistance Command, Vietnam.

The location of major ports, airfields, and depots can be established with relative ease and construction can proceed. However, the scope and location of troop housing and logistic facilities such as hospitals and direct support supply and maintenance units, size of major ports and depots, requires detailed development of tactical and logistic support plans.

From the above, I believe the committee must conclude that the regular project-by-project definition of the program in South Vietnam at this time is not possible, and that the data, now being presented by the military departments, is as complete as reasonably can be expected at this time. Accordingly, I believe we must recognize that the specifics of the program can only be determined by the military departments as the U.S. role evolves in southeast Asia, and I urge the committee not to consider the present program as final.

By this approach, I am trying to insure that each member of the committee receive sufficient backup material which will outline the general nature of the program and program objectives so that you are not, in essence, signing a blank check and yet, at the same time, providing to the Defense Department and the services sufficient flexibility to accomplish their objectives.

The fact that 1391 forms have been provided does not necessarily mean that each of the items shown on the 1391's will be constructed. Generally speaking, however, this is typical of the types of construction that will be made when the locations are decided upon.

When the Secretary of Defense appeared before the committee, in response to a question by Mr. Hardy, he stated that he would be delighted to furnish the line item and the rationale behind each construction project to the Armed Services Committee at the time of contract execution. This, in my opinion, should be sufficient to keep the committee fully advised of the military construction program.

The construction program will be determined by the military objectives and assignments which will be decided upon at a later date or as the military situation dictates.

It is my sincere belief that a substantial portion of the construction will be built in accordance with the 1391's which have been provided to you. But, at the same time, it must be recognized that changing military requirements may cause a change in the construction plans.

The CHAIRMAN. I want that in the record.

Mr. HARDY. I think it is a very fine statement. I think it puts this thing in proper perspective. There are still, however, one or two things that still bother me about the overall picture.

No. 1, we don't know how these cost figures were arrived at. Now, the amount of money that is involved here may be enough to provide all these things they are talking about; it may not.

That is why I wondered whether it might be a figure that was just pulled out of a hat, this one-tenth million that is stuck on the end might be one of these things you know that just sort of leads you down a blind alley.

I don't know whether it is or not, and I don't know whether you can do any better at this time.

However, Mr. Chairman, I do think since allegedly this is based on somebody's actual calculations, I think we ought to have an outline of the factors that went into determining these cost factors that are used over there, because without that, then these things are totally meaningless.

I do disagree, Mr. Chairman, with one statement that you had in your statement, when you said that these things are probably as com-

plete as reasonably can be determined now. I think that may be true with respect to the Air Force, I haven't looked at it, I don't want to criticize that, but I don't believe it is true with respect to the Navy, that I have looked at. I think they could have done a lot better job. They certainly haven't given us a thing in the world we can tell—and I am having a little analysis made of that for myself.

The CHAIRMAN. We are going to insist for more detail in the fiscal 1967 figures, Mr. Secretary.

Secretary BROWN. Yes, sir. These construction requirements were carefully processed by the Air Staff, the Military Construction Board and the Air Staff Board. They were scrubbed down individually. Estimates were made at that time of how much each thing would cost—each runway, each parking apron, each POL facility. Based on the experience as of that time and that experience may prove to be misleading—but that was done. We will endeavor to provide you with that background.

Mr. HARDY. If you have an experience basis for it that is one thing. But if you just reach in a hat and just use somebody's ideas, that is another.

Mr. Chairman, I have only one other brief question, and that has to do, Mr. Secretary, with your 1967 budget.

Have you got a firm construction budget already prepared for 1967?

Secretary BROWN. The 1967 budget does include a construction budget. It includes almost nothing for southeast Asia. In fact, I think it includes only one small item which we inherited from MAP.

The reason for this is that the fiscal 1966 supplemental and 1967 budget were made up on the assumption—you have to make assumptions that the war ends at the end of fiscal 1967 in southeast Asia.

The leadtime on military construction is such that, if that is the case, the money all has to be in the fiscal 1966 budget.

Mr. HARDY. Then you have enough money in this budget before us right now to do all the construction that you are going to need, and you are not going to need anything else in 1966?

Secretary BROWN. Mr. Hardy, I should repeat that that is on the assumption that the war ends at the end of fiscal 1967. If at the beginning of fiscal 1967, or even halfway through fiscal 1966—I am sorry, we are past the halfway through fiscal 1966—toward the end of fiscal 1966, it looks as if the war is likely to continue past that point, then this could very well change.

Mr. HARDY. The real question that is bothering me right now is are we approaching an era when we are going to be authorizing construction strictly on the basis of supplemental requests?

Secretary BROWN. No; I don't think we are. There is some \$250 million or so in the Air Force military construction budget for 1967, which doesn't have to do with the southeast Asia conflict, and that is going to be authorized, I hope, in the regular budget, and on a line-item basis with all the usual detail.

Mr. HARDY. Thank you, Mr. Secretary.

The CHAIRMAN. Now, Mr. Arends.

Mr. ARENDS. Mr. Secretary, if I were to sum up your testimony at this point, you have said there is an emergency about everything you requested here this morning; is that right?

Secretary BROWN. Yes, sir.

This money was arrived at on that basis.

Mr. ARENDS. Fine.

Let me ask you a question or two in a general way, and I speak somewhat as a man off the street this morning, and possibly General McConnell will want to provide part of the answers to these questions.

How much were we dropping in the way of tonnage, and how many sorties were we flying, say as of December 1965—Air Force; do you know?

Secretary BROWN. 1965?

Mr. ARENDS. Yes, 1965.

Secretary BROWN. It was about 20,000 tons a month, if I remember correctly.

Mr. ARENDS. You think about 20,000?

Secretary BROWN. I have the exact numbers here. Let's look it up.

Mr. ARENDS. Yes.

What were you dropping in entirety?

Secretary BROWN. We have got July through December, that is 6 months, and it was 113,000 during those 6 months, so it works out to just about what I said, about 20,000 a month in the last half of last year.

The number of sorties probably was about, 8,000 or so a month.

Mr. ARENDS. Then it can be expected there will be a step-up in this activity because of these additional requirements?

Secretary BROWN. It depends, of course, on how the war goes.

Mr. ARENDS. Yes.

Secretary BROWN. The plans are this will step up to [deleted].

Mr. ARENDS. Then again as a man on the curbstone, and as the man on the street asks Members of Congress on occasion, "How effective do you think our bombing has been over there, in view of the history in the past, and can we expect something different? Has a pattern been established which will develop as time goes on which will prove more effective?"

I am just a guy on the street today. I am asking these questions. Someone is asking me the same questions. I have some doubt in my mind as to the effectiveness of the thing, not in a critical way, General, not at all; this is beside the point. There are patterns established today. Are there changes in the patterns for the future, or what are we facing?

General McCONNELL. The answer as to whether or not it has been effective: Let me go into three areas we are working in, Mr. Arends.

We will first take the area in North Vietnam. The effectiveness up there is very difficult to measure, because they will be able to transport some supplies [deleted] into South Vietnam, regardless of how much bombing we do.

However, [deleted] that we have had a very profound effect upon the way that they have to go about doing the things which they normally do.

It takes a lot more people, and it takes many more hours. So we have made it very difficult for them out of North Vietnam to supply the Vietcong in South Vietnam, except under the most severe working conditions and circumstances.

The second area is the interdiction of road nets [deleted].

We put considerable amounts of bombs on those road nets to interdict them [deleted]. We now know that it is impossible not to have had a considerable effect on them, because we certainly have torn up their lines of communications, and we have forced them to build new roadways, and when they get those built, then we tear them up, too.

Now, then, the third area is close support of the Army ground forces, the RVN ground forces, and in some cases the Marines. This is done by both the Air Force and the Navy, and also by the Marines.

We know that this has been effective because the people on the ground are able to assess the results in terms of what has been done to the supplies and the facilities that we are able to bomb. Also they have been able to count the bodies of those killed, and we have killed thousands of Vietcong by air action alone.

I think the bombing is effective. We have all kinds of evidence that it is. We have, also, evidence that it is not completely effective in terms of keeping them from moving supplies and some tonnages. [Deleted.]

Secretary BROWN. If I can elaborate a little bit on a couple of these things, Mr. Arends; I think the chief has summarized it very well.

I will add, although we have not prevented the North Vietnamese from supplying regiments in South Vietnam [deleted] we are imposing some limit. Without these attacks on the supply routes, I believe that they would have virtually unlimited ability to resupply.

It has cost them quite a lot to keep up the supply, even at the level that they have, because the estimate is that some tens of thousands of people, 50,000 perhaps, have had to be devoted to keeping the road network up. If those people weren't devoted to that effort a good many of them are military, and might very well be down in South Vietnam now fighting on the ground.

A third point having to do with close support in South Vietnam: Not only do we have testimony from Army commanders as to the effectiveness of the bombing attacks with TAC aircraft and with B-52's, if their endorsements are considered questionable, we also have some evidence from what captured Vietcong say. There has been a team out analyzing the statements made by captured VC and PAVN members, as to what has happened during the last year.

Conditions have been made very much harder for them. Their casualties have gone up. They have to move around. They credit this to a number of things. They credit it to fear and effectiveness of artillery, which is coming in in increasing numbers, and to armed helicopters. But they always mention aircraft first. Aircraft have obviously had a very very large effect on them.

Mr. ARENDS. Mr. Secretary, is there a pattern established whereby this will be a stepped-up activity in North Vietnam now, or are we to believe the papers that little change in bombing patterns are being brought about?

Secretary BROWN. [Deleted] the number of attacks that have taken place since the resumption of bombing of North Vietnam is about the same. They are limited at the moment mostly by weather.

Mr. ARENDS. Of course some of us, as nonmilitary experts we ask ourselves the question once in a while, "Why in the hell don't we go up and bomb out some of these electrical plants and so on and so forth

up in that part of the country, which wouldn't necessitate killing men, women, and children and so on and so forth."

This is hard for the man on the street to understand, too.

Secretary BROWN. [Deleted.]

The CHAIRMAN. Your objective is to kill their interest in aggression?

Secretary BROWN. That is certainly an extremely important objective, Mr. Chairman.

The CHAIRMAN. [Deleted.]

Secretary BROWN. There is a strong feeling on the part of many military people—General McConnell can speak to this—that that would be advantageous.

[Deleted.]

The CHAIRMAN. You have the same things around in your hand, when you recommended that, didn't you?

General McCONNELL. Yes, sir. [Deleted.]

The CHAIRMAN. That is right.

General McCONNELL. And in certain other areas [deleted.]

Mr. ARENDS. Mr. Secretary, could I ask one more question? [Deleted.]

The CHAIRMAN. Let me ask you a question: Listen to this, Mr. Blandford—are your replenishment inventories based on peacetime consumption rates?

Secretary BROWN. No. This supplemental asks for spares and replenishment supplies at a rate commensurate with what we expect to expend during these combat activities.

The CHAIRMAN. So it is not peacetime?

Secretary BROWN. No. The flying hours are higher, and so on.

The CHAIRMAN. All right.

Mr. BATES. What is that in that it is not peacetime, but it is what?

Secretary BROWN. It is based on the actual experience of consumption during these combat operations.

Mr. BATES. What does that mean?

Does that mean they would have to change the pattern again, do you mean the average, the latest or what you anticipate a month from now, or what?

Secretary BROWN. It is based on our prediction of what the consumption will be, as an extrapolation of our past experience.

Mr. BATES. How does that vary from the present rate?

Secretary BROWN. Well, in the case of munitions consumption, for example, we expect ammunition will be consumed at about [deleted].

Mr. BATES. All right. How about in other areas?

The CHAIRMAN. What about black boxes?

General McCONNELL. Well, the thing is, if I might address that, the normal peacetime operation has been in the past for fighter-bomber-type of aircraft to fly 25 hours per aircraft, per month. The more you fly an aircraft, of course, the more maintenance it takes, and the more things wear out.

By increasing the operational rate to [deleted] you still would not be up to what your actual expenditures in terms of attrition and spares would be, because you are operating in an entirely different environment. A lot of the safety factors, for example, over there are not like peacetime factors. We have taken advantage of our ex-

perience. We have applied that to what we anticipate will happen on the average through fiscal 1967. That is how we arrived at our requirements.

Mr. BLANDFORD. Mr. Chairman, I would like to clarify a statement here. You state, "For instance, the C-123 and C-130 aircraft utilizing assault landing and takeoff techniques from unprepared runways in many cases are consuming tires at more than double the peacetime rate."

Now, I will ask General McConnell, since it is strictly a military question, what are your replenishment rates based upon; peacetime consumption?

General McCONNELL. Not any more, sir.

Mr. BLANDFORD. [Deleted.]

General McCONNELL. [Deleted.]

I think that is about right, plus the \$1.7 million which we received earlier.

General CROW. Plus our share of the \$1.7 billion.

Mr. BLANDFORD. There is a big item in here for spare parts. What was your normal inventory in spare parts based upon, the assumption we would go to war—was that the basis?

Don't you always maintain an inventory rate based upon going to war?

General McCONNELL. Yes; we had an inventory rate which was based because I think it was [deleted].

Secretary BROWN. It was [deleted.] It has now been raised to [deleted] tactical sorties.

But the purpose of the inventory is to carry you until the production can catch up with the consumption, and that is what we have done.

Mr. BLANDFORD. That is the point. In other words, you have had a 90- or 120-day, or depending upon what the item is, it has varied from 90 to 120 days, or even 180 in some cases. You have been living off inventories.

Have you had any reduction in your stock funds—prior to this?

Secretary BROWN. Do you mean the WRM?

Mr. BLANDFORD. What happened to your stock funds? How much have they been reduced, for example, in spare parts?

General CROW. We don't run our aircraft spares through the stock fund, Mr. Blandford.

I think probably the best way to get directly at what you are probing into is to address total aircraft spare amounts. In previous years, for instance, 1964 and 1965, before we moved into this buildup, our total spares in the annual budget was on an order of \$600 million. That was toward planning to meet current consumption as well as to establish a WRM.

Now, when we moved into the era of increased consumption in southeast Asia, we approached it from the point of view that in the 1966 budget amendment, in the 1966 budget supplemental, and then in the 1967 budget, we should buy enough items, not only to meet the requirements in southeast Asia, but also to assure that our WRM objectives were met.

Mr. BLANDFORD. That is exactly the point, General.

Let me ask this question, then, to pin it right down. If the North Koreans moved into South Korea tomorrow, and you had to supply

airpower in North Korea to the same extent that you have to apply it today in North Vietnam, would you have adequate supplies on hand for your 130's and your F-4's, including tires, according to this statement?

General CROW. In a general sense I would say "Yes." As to specifics, we might have some difficulties.

Mr. BLANDFORD. Could the aircraft fly? This is really the key to it.

Secretary BROWN. I think the answer is "Yes."

Mr. BLANDFORD. How long could it sustain this rate?

Secretary BROWN. It depends on how long you would want to do it. [Deleted.]

Mr. BLANDFORD. [Deleted.]

Secretary BROWN. We are already using strike sorties in southeast Asia at a greater rate than we ever did during the Korean war, [deleted].

Mr. BLANDFORD. My only point in raising this, Mr. Secretary, is to determine whether this is an adequate amount of money that you are asking for now to carry you into a war that you figure will go to June 30, 1967, and it must be based on the assumption you may also have some problems in other parts of the world.

Secretary BROWN. It is. [Deleted.]

Mr. BLANDFORD. You refer to peacetime consumption rates here. This is what raises the whole issue.

Secretary BROWN. I see.

The CHAIRMAN. Are there any other questions of any other members of the committee?

Mr. Bennett?

Mr. BENNETT. Mr. Secretary, I have not heard this before from you, and very little from anybody else. I heard you say that you wanted—the Air Force position was to phase out the 52's. What is the follow-on bomber that is coming on after this?

Secretary BROWN. The Air Force position is to phase out the B-52's, C's through F's, and replace them with the FB-111A.

The B-52G's and H's will stay in through 1975.

Mr. BENNETT. Is this new plane you referred to essentially the TFX?

Secretary BROWN. TFX, modified with longer wingtips, heavier landing gear, and new avionics equipment.

Mr. BENNETT. Is that the best bomber you are working toward at the present time?

Secretary BROWN. It is the best one we can have by the early 1970's. It is not the only one that is being worked on. We are doing some component work toward a heavy bomber that might replace the B-52G's and H's.

The CHAIRMAN. May I interrupt here?

Mr. BENNETT. Yes.

The CHAIRMAN. That is a very important question.

Therefore, your recommendations, listen to this, General McConnell, to use the TFX as a replacement as a follow-on for the B-52 is only interim and not permanent?

General McCONNELL. It is a satisfactory substitute for the older B-52's, but not a satisfactory substitute for the B-52G's and H's, and not a satisfactory substitute for the AMSA, which is to replace the

B-52G's and H's. What the AMSA will be, I don't know. It will be a newer bomber and undoubtedly will be heavier.

Secretary BROWN. There has been no replacement approved for the B-52G's and H's. The AMSA has not been approved as the replacement.

The CHAIRMAN. Go ahead.

Mr. BENNETT. Is this new plane, this modified TFX, a modified B-52 in all its versions, plane for plane?

Secretary BROWN. The Air Force concluded it would do a better job, plane for plane, than the old B-52's, if they were kept.

Mr. BENNETT. Speaking now if you should build new 52's?

General McCONNELL. No.

The CHAIRMAN. Wait a minute.

I don't want to interrupt, but, Mr. Bennett, it is not better than the one you started building in 1962, I believe.

General McCONNELL. We stopped building the B-52H's in 1962.

Mr. BENNETT. Is it better than those?

General McCONNELL. No, it is not a better aircraft than those. It hasn't got the range, it doesn't have the payload capacity.

Secretary BROWN. It does have advantages and disadvantages compared to the G's and H's. It has a shorter range, a smaller payload capacity, it has higher speed and more maneuverability, and of course, it costs a little bit less. It costs perhaps [deleted] less than those costs when we turned off the B-52 line. How much it would cost compared to new B-52 G's and H's, I don't know.

Mr. BENNETT. We were told it was not a problem. The Great Society was trying to get what was best for our national defense.

Secretary BROWN. You asked on a plane-to-plane basis. I think naturally, under those circumstances, one very expensive plane is better than one much cheaper aircraft. But if you are talking about equal amounts of money—

Mr. BENNETT. I was not talking about money at all; you injected money. I think money has a part to play in it, and I think this is essentially inevitable when you spend a large amount on new social programs, that you can't spend everything you want to on national defense.

I think that is what you are saying.

Secretary BROWN. I didn't say that, Mr. Bennett.

Mr. BENNETT. That is what I interpreted you said, and other things that have been said in this hearing.

Plane for plane you feel like it is a cheaper plane, but it doesn't have all the good qualities of the plan which has been rejected.

In the aggregate, are you going to have enough of these to have an overall striking capability which is better—attack capacity which is better?

Secretary BROWN. Better than what?

Mr. BENNETT. Better than what you now have.

Secretary BROWN. If you take all the aircraft and all the missiles—

Mr. BENNETT. I am not talking about missiles. I am talking only about aircraft, only about bombers now.

Secretary BROWN. I don't think they can easily be separated.

Mr. BENNETT. I can ask the question that way; you are a very highly intelligent individual, and you can answer it and qualify it later, but I

am talking about bombers. I am coming to the conclusion you might not use the missiles. I might come to the conclusion that atomic bombs, gas, and missiles might, because of some political consideration, such as holding back attacks to North Vietnam, would be out of the question. You would have to be back to conventional type bombers. I have the right to ask the question, because these political considerations do come into bearing and they are in the present war.

Secretary BROWN. Yes, indeed, Mr. Bennett. I would say on the whole our bomber strength will be less in 1975 than it was in 1965, and—

General McCONNELL. 1960.

Secretary BROWN. Well, or in 1960.

The effect of this, of course, has to be considered in terms of whether bombers are likely to be used in a nuclear role, or whether they are likely to be used in a nonnuclear strategic war. I think we had very extensive discussion on this with Mr. Hébert's committee. The point you raised was raised there.

Mr. BENNETT. What would be the substitute in a nonnuclear war?

Secretary BROWN. Tactical aircraft, for example, would be a substitute in a nonnuclear war. [Deleted.]

Mr. BENNETT. Maybe I am not thinking of a nonnuclear war with the Soviet Union. I might be thinking about a war in South America, Cuba, or the Dominican Republic. We are not fighting a war with Russia at the moment. We are fighting a very expensive and very blood-consuming war right now.

I am interested in the wars that we fight as much as I am the wars we might fight.

Secretary BROWN. I think that is very well taken, Mr. Bennett. We are fighting such a nonnuclear war now. We are fighting it principally with tactical aircraft. I think we would probably fight any future war of this kind principally with tactical aircraft. I think there may be advantages to having long-range heavy payload bombers that can carry nonnuclear ordnance as well, for use in such wars. I think that is something we are considering very carefully.

Mr. BENNETT. Well, as one Member of Congress, I might say this is one of the most disturbing parts of our national defense. I don't feel any great sense of security when I hear the testimony with regard to the future of the bomber. This gives me a lot of pause, and, frankly, I think decisions are being made improperly.

I am no great authority on the matter, but I think I should express my opinion, because it is my opinion.

To close out, I would like to ask you something about an article I recently read.

The CHAIRMAN. Why don't you ask General McConnell whether he thinks the AMSA is indispensable?

Mr. BENNETT. What is indispensable?

The CHAIRMAN. Whether the AMSA was indispensable.

Mr. BENNETT. I didn't get the word—but is it?

General McCONNELL. What the chairman is referring to is the sometimes controversial bomber which we have named the AMSA, which means Advanced Manned Strategic Aircraft. Our conception of it is that it would be a piece of equipment which could replace, and not only replace, but improve the capability of the last B-52's that we

have in the inventory which in my opinion can serve until 1975, with some work done on them.

When those are gone, or as they go, we should replace them with another long-range high-payload bomber capable of penetrating the enemy's defenses at either high or low altitude, with relative impunity. Therefore, I would say it is indispensable. Exactly how much it is going to weigh, and how many bombs it is going to carry and things of that nature, have not yet been determined. But by the time the B-52G's and H's go out, we should certainly be in a position to replace that inventory with another long-range heavy bomber.

Mr. BENNETT. Wouldn't it be better to go in that direction right now, rather than have a TFX crate put together?

General McCONNELL. You couldn't go in that direction right now, because you could not get an aircraft in time.

Let me explain our position on that, Mr. Bennett.

The position which I took as Chief of Staff, and which the Secretary agreed with, was that we must replace the B-52C through F series, because they are wearing out and we would have had to spend half a billion dollars on them in order to make them capable of lasting up through 1970. I would much prefer to take that money and put it in a piece of equipment that is available and which we can get off the line now.

So I recommended to the Secretary of Defense that he replace these aircraft with the FB-111, to which he agreed.

Now, I also recommended to the Secretary of Defense that we proceed with the development of another aircraft.

The CHAIRMAN. Program definition?

General McCONNELL. Called program definition; yes, sir, contract definition I think it is now, but it means the same thing as you understand it to be, Mr. Chairman.

So what we would have in the inventory a reasonable operating force by 1975. It takes anywhere from 9 to 11 years after you start on an aircraft—we should start on this one now in my opinion—before you have an operating force that is really capable of doing any serious actual damage to the enemy.

You can have some few aircraft in the inventory earlier, but you cannot have an operating force that is capable of real damage assurance against the enemy.

The Secretary of Defense's position is to the effect that we are not yet ready to go into contract definition phase, because we have not exhausted the studies to such an extent that we know exactly what we want.

Those are the only two differences. That is the only difference, as far as I know, between me as Chief of Staff of the Air Force and the position of the Secretary of Defense.

Mr. BENNETT. In other words, you feel we should be going on more aggressively toward this ultimate bomber right now?

General McCONNELL. That is right. I have recommended this to the Secretary of Defense. He has determined we will not at this time. That is, he would not recommend it at this time.

Mr. BENNETT. I would like to address a question to the Secretary: Your statement, I believe, indicates increase in B-52 bombers in

southeast Asia [deleted]. Doesn't this indicate a real need for such aircraft in nonnuclear war?

Secretary BROWN. I think it does indicate that they will be useful in nonnuclear war, and, of course, we plan to maintain 255 G's and H's in the force through 1975. I think the use of the B-52's in the southeast Asia war is a good argument for believing there should be a heavy payload conventional bomber.

Mr. BENNETT. Now, finally I read, and I presume you read in a magazine which has never been called to my attention before, called Ramparts, an article about the experience of special services men, an infantryman, in which he said, in the particular battle that he outlined, he went in great detail about it, that the Air Force thoroughly alerted the hundreds of enemy who were there by their frequent sorties of reconnaissance after their location had been pinpointed by the infantry to the extent that the enemy crowded in on the friendly forces and they all hid there in the woods while they bombed the empty facilities, whereupon the Air Force claimed 250 deaths, and this man said there couldn't have been more than 6 at all, and his own men were terribly in danger.

I presume that article has been looked into.

This man was so disgusted that he quit the Army as a result of this, as I understand it. Has that been looked into, and is this typical?

Secretary BROWN. I have not seen the article, Mr. Bennett, but I have seen accounts of it.

I think this is the same gentleman who said the Special Forces were trained to commit atrocities. I believe that as much as I believe the rest of his story, which is not at all.

Mr. BENNETT. Oh.

I thought myself when I read the story—and I read the story—I didn't read about the story; I read it. When I read it, I thought there were many things in it that were probably untrue, or stretched considerably, but I am not a person that believes just because a man tells an untruth once, he is going to tell entire untruths, and he did go into quite a bit of detail about how they alerted these forces, and it was a total fluke on account of the fact the reconnaissance planes flew over before.

I think you can learn from your enemies. This man is not an enemy of our country—I don't think he is—he may have stretched things here and there. But I was interested in not a sweeping condemnation of him, but an answer as to whether it had been looked into to see whether there was anything to this challenge?

Secretary BROWN. I have not looked into the specific incident. I am not sure it is well enough identified in the story to be able to track it down. I think we should, and we will. I will be very glad to forward you an account of the incident if we can identify it.

Mr. BENNETT. I am chiefly interested in the aspect of whether or not—I am not trying to get anybody court-martialed or get the stripes taken away from them or anything—but I am interested in knowing whether anything like this actually did occur.

A lot of us have been in combat. We ourselves realize we have made our share of errors, and everybody makes mistakes and it is not for the purpose of condemning that I ask this question. I ask only to find

out if it were true, and whether any precautionary efforts have been made against its repetition.

That is all the questions I have.

The CHAIRMAN. Thank you.

We will recognize Mr. Wilson for two short questions.

Mr. BOB WILSON. Thank you, Mr. Chairman.

I was pleased to see you were going ahead with the OV-10; in the 1967 budget you are asking for a considerable quantity. I note you say they are going to take the place of the O-1's, and are you planning to use this airplane not only for spotting but for actual attack?

Secretary BROWN. Well, its principal use will be as a forward air control aircraft.

Now, of course, the initial version carries less ordnance. And in cases where the people who it spots are about to disappear in the woods, it will use that ordnance while waiting for the attack aircraft which it calls in to arrive. Its name is light armed reconnaissance aircraft. That is what it is for, it is for armed reconnaissance. I think it can be useful in a counterinsurgency attack role where the ground defenses are relatively permissive. In other words it would have been useful in South Vietnam in an attack role 2 years ago when the ground-to-air capability of the enemy was much less than it is now. But I think at the moment, right now, it is very limited in its capability for that purpose. Nevertheless, it will sometimes operate that way.

Mr. BOB WILSON. Well, wouldn't it be able to actually carry more ordnance than an armed helicopter could—and you are talking about great reliance on the armed helicopter. This is an airplane that has two missions as well.

Secretary BROWN. I agree with you, this has more ordnance capability than an armed helicopter. My remarks have been directed toward the initial version of the OV-10. We are looking at followon versions for our special air warfare forces that will have increased capabilities.

Mr. BOB WILSON. All right.

The second question is, I notice in your procurement of combat aircraft, you list \$367 million for the SR-71, but these were funds previously available.

Were those available in the regular 1966 appropriation?

Secretary BROWN. That is right. There is no additional money asked for the SR-71 in this supplemental.

Mr. BOB WILSON. You have no numbers in mind at all. This is still development?

Secretary BROWN. No. [Deleted] is the approved force for the SR-71's. And that is paid for largely in the fiscal 1964, 1965, 1966, and I don't think there is much acquisition money in fiscal 1967.

Mr. BOB WILSON. Last year there was great testimony, in fact, just prior to the hearings last year there were statements about the YF-12, which was a terrific new interceptor. We were told last year it had greater range and greater speed than the F-111, and so forth, and then, as you remember, it became an instant bomber, and had great range as a bomber.

Is this the outgrowth of that, the SR-71 is the only thing we are going to build that resembled that original U-2?

Secretary BROWN. The SR-71 is the only mach 3 aircraft based on that technology which is approved for the force. The Air Force has

requested procurement of F-12's, but Secretary of Defense McNamara has not seen fit to approve those. It stays in development status.

Mr. BOB WILSON. Does it actually carry a bomb load, or is it a reconnaissance aircraft?

Secretary BROWN. It is a reconnaissance aircraft.

There is an interceptor based on similar technology and similar design, of which we have three test aircraft. That is still in development. No procurement has been yet decided upon. With respect to a bomber version, a bomber version is feasible. It has not been advocated particularly by the Air Force, nor has it been included in the new inventory.

Mr. BOB WILSON. Thank you.

Mr. Chairman, these were nonprovincial questions; they are not made in my district.

The CHAIRMAN. We are going to meet this afternoon at 2 o'clock, so why don't we recess right now?

I see three things up there. What is wrong with that clock? Why are those three things up there?

That is a 5-minute warning. We have 10 minutes to get over on the floor.

We will be back promptly at 2 o'clock this afternoon, Mr. Secretary.

Secretary BROWN. Yes, sir.

(Whereupon, at 11:50 a.m., the committee was recessed, to reconvene at 2 p.m., of the same day.)

AFTERNOON SESSION

The CHAIRMAN. Let the committee come to order.

Mr. BYRNE, do you have any questions?

Mr. BYRNE. Yes.

This is off the record.

(Discussion off the record.)

The CHAIRMAN. Back on the record.

Mr. BYRNE. General, I have been plagued with these people who have been marching around here in Washington and back home, especially Saturday and Sunday I sat in my office, by the Strike for Peace.

One of the questions they asked was, when we had the moratorium for 37 days, why did we immediately start bombing after the 37 days, when the President was trying to send representatives all over the world securing someplace, sometime, somewhere to get some peace?

I would like to know, in that 37 days, were these people sabotaging, damaging, killing our boys, and who recommended the bombing after the 37 days, the Chiefs of Staff, or the President?

General McCONNELL. The moratorium on bombing for 37 days was against North Vietnam. Our troops were not in contact in North Vietnam. The fighting was still going on in South Vietnam, however. Of course they were receiving supplies over those roads, and the lines of communications which were not being bombed.

The President made the decision to renew the bombing at the end of 37 days. [Deleted.]

The President himself made the decision to resume the bombing.

Mr. BYRNE. Thank you, General.

The CHAIRMAN. Are there any other questions?

Mr. CLANCY. I would like to ask of the jet fighters that have been lost, how many have been lost as a result of the missile firing?

Secretary BROWN. I believe it is five Air Force aircraft.

General McCONNELL. Five Air Force, six Navy, [deleted.]

Mr. CLANCY. How were the others, then, say the 91—how were they lost?

Secretary BROWN. All but about two of those were lost to ground fire, either automatic weapons or antiaircraft weapons. Two of them were shot down by enemy aircraft.

Mr. CLANCY. Now, General, I would like to ask you: What has been your recommendation as far as bombing or not bombing the existing SAM sites in North Vietnam?

General McCONNELL. [Deleted.]

Mr. CLANCY. All right.

Now, has this proved to be effective? [Deleted.]

General McCONNELL. Yes, sir. We have been able to do that. We have had to knock out a few SAM sites, but in most of the instances, [deleted] we haven't had any serious difficulty with the SAM's.

Actually, the SAM's have fired at us over 200 times, and they knocked down a total of about 11 aircraft.

As you know, there are about [deleted] SAM sites now that have been located. We estimate there are [deleted] that have equipment in them at any one time.

Mr. CLANCY. Well, now, are you saying [deleted] are operational, or [deleted]?

Mr. McCONNELL. [Deleted] are operational at any one time. That is the intelligence opinion.

Mr. CLANCY. How far removed is the farthest SAM site from Hanoi, that you know of?

General McCONNELL. I would say the site is a [deleted] miles away from Hanoi.

Mr. CLANCY. All right.

Does this—

General McCONNELL. [Deleted.]

Mr. CLANCY. Do they serve as a deterrent as far as military targets are concerned?

General McCONNELL. [Deleted.]

Mr. CLANCY. That is all, Mr. Chairman.

The CHAIRMAN. Any other questions?

Mr. Stratton.

Mr. STRATTON. Mr. Secretary, or General, I have a couple of questions here.

One question is something that perhaps is not specifically in your bailiwick, but maybe you can give me your slant on this, and that is the question of Chinese participation in this conflict, either overtly or covertly.

To what extent is there Chinese participation in North Hanoi, to what extent is there actual Chinese participation in the operations of the Vietcong, as far as you are aware of it?

Secretary BROWN. [Deleted.] There is a railway that runs from Lo Ki to Hanoi, and another one from Hanoi up to the northeast, to a city whose name I don't remember.

Mr. STRATTON. Kumming?

General McCONNELL. No.

Mr. STRATTON. Kumming is the other way?

Secretary BROWN. The northwest—I am sorry.

There are two rail spurs, and the Chinese apparently have engineer troops helping maintain the railways, and the bridges, in order to run things between southwest China and southeast China—actually the main transportation route runs through Hanoi.

[Deleted.]

Mr. STRATTON. On another subject, Mr. Secretary: There has been an announcement recently that one of the Reserve, Air Reserve squadrons in New York State which has been flying C-97 cargo aircraft on missions as I understand it to Vietnam is being phased out. We had discussion here earlier, I think with the Secretary of Defense, with regard to the C-119's.

Secretary BROWN. Yes.

Mr. STRATTON. I think Mr. McNamara's position was that the aircraft was obsolete, and therefore, for not entirely understandable reasons the whole Air Reserve unit was going to be phased out.

The C-97 squadron operating in White Plains, N.Y. is being phased out. We still have one located in Schenectady, which is engaged in regular missions to Vietnam, and yet we continue to hear rumors that this is going to be phased out.

This to me seems just incredible, how we could eliminate a unit which is undertaking actual airlift missions to Vietnam. I hope you can assure me that this is not going to happen, and that this is all a horrible mistake.

Secretary BROWN. Well, Mr. Stratton, as I mentioned in the letter that I signed out to you but which you haven't gotten yet on this subject, the program is for the C-97's to be phased out. However, the particular unit you mentioned, if I remember correctly, won't be phased out until end fiscal 1968. If it is still operating in support of Vietnam by that time, I think we will either have to find a substitute for it or keep it in.

But in fact, what will happen is, that by 1968, we are going to have so many C-141's and such a much larger strategic lift capability than we now have that all these 121's and 97's which are in the Reserve Forces will supply very, very little in the way of percentage additions to the strategic lift force, so by that time I believe they can be safely phased out.

I wouldn't do it now. I certainly wouldn't do it while they are transporting things to Vietnam.

Mr. STRATTON. Fine. That is what disturbed me.

Now, isn't this true also of the White Plains unit, which is the one that has created the immediate hub-bub, of course.

Secretary BROWN. The total lift capability is what I think we have to look at, Mr. Stratton. The total lift capability is going up very rapidly. And the best way to do that, the best way to augment that, is to take efficient aircraft, 141's, and 130's right now, the C-5's when they come in, and buy a substantial number of them and operate them at a high number of hours per day, rather than keeping in old aircraft which are very much less productive per dollar.

Mr. STRATTON. Well, but my question was, Isn't the unit that you

have phased out also engaged in missions to Vietnam as is the one located in Schenectady?

Secretary BROWN. I am not sure of the specific unit. I know many of these units have done good work. Some of them are being converted to 124's, which will produce a larger capability. But we can't convert all of them. We don't intend to convert all of them to 124's.

The CHAIRMAN. You still have a lot of requirements for 124's, don't you?

Secretary BROWN. Yes, sir.

Mr. STRATTON. In other words, Mr. Secretary, I will accept your testimony that this unit in Schenectady, I think it is the 105, will not be phased out on your plan until the end of fiscal 1968, and if they are still transporting to Vietnam, they won't be phased out then; is that correct?

Secretary BROWN. I will have to check for the record to see whether the 1968 date is right. I remember it just because I happened to sign out the letter a couple of days ago, sir.

(The following information was received for the record:)

PHASEOUT OF THE 109TH ANG AIRLIFT GROUP

The 109th ANG Military Airlift Group at Schenectady, N.Y., is scheduled to be phased out in the fourth quarter of fiscal year 1968.

Mr. STRATTON. May I ask one further question, Mr. Chairman?

Does that mean that the unit itself will then be phased out, or will an effort be made to retain these people in some other capacity?

Secretary BROWN. I think in every case we will try to make room for the people whose units are phased out in the Reserve Forces, but I can't guarantee specific places for them.

Mr. STRATTON. May I ask one more question, Mr. Chairman, of General McConnell?

What is the capability of the Air Force, as you see it, for interdicting the Ho Chi Minh Trail routes [deleted].

General McCONNELL. Yes, sir.

[Deleted.]

We attempt to keep them interdicted, day and night. We operate at night over those roads the same as we do in the daytime, not the same number of sorties, but enough to keep their heads down, so to speak, and prevent any large-scale movements.

When you say we interdicted, Mr. Stratton, we can't interdict it to the extent that they are not capable of getting some supplies through, but we can certainly interdict it, and do, to the extent that it is impossible for them to move large amounts of supplies.

Mr. STRATTON. Thank you, General.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Hicks.

Mr. HICKS. I have been advised starting about the 1st of July the airbase at McChord will start receiving the C-141's. Is that aircraft to be used solely going to Korea, or does it go to Vietnam, too?

Secretary BROWN. I believe it will go to Vietnam.

Mr. HICKS. The reason I inquire, I notice in the supplemental you have budgeted for improvements for the C-141 at Norton, and originally I understood there were improvements to be made at McChord to take care of the C-141. I do not notice that in the supple-

mental, and I understood there was nothing in the fiscal 1967 budget either.

Secretary BROWN. I believe McChord can take 141's, and I believe actually two squadrons are ultimately programed for McChord, with the first one going in this summer.

General McCONNELL. It is already budgeted for.

Mr. HICKS. That was deferred, was it not?

Secretary BROWN. There was money in the regular fiscal year 1966 budget.

Mr. HICKS. That was not on the deferred or stretchout?

Secretary BROWN. I don't believe so.

General McCONNELL. No, sir.

Secretary BROWN. I believe that construction has already been done.

General McCONNELL. It hasn't been completed yet.

Mr. HICKS. I know it has not been completed.

General McCONNELL. C-141 required construction was not on the deferred list.

Mr. HICKS. Thank you; thank you, Mr. Chairman.

The CHAIRMAN. Mr. Stafford.

Mr. STAFFORD. I notice in your supplemental request for development, if I read it correctly I notice you have \$27 million in for the A-7A afterburner development.

Secretary BROWN. It is not all for an afterburner development. Governor Stafford, I believe \$7 million of that is for afterburner development. I take it back \$10 million for afterburner development; \$3 million for engineering for a two-place aircraft; \$3 million for flight test for the two-place aircraft; and \$7 million for subsystem change integration.

Mr. STAFFORD. Thank you, Mr. Secretary, for clarifying that. I brought the matter up because the Marine Corps is also asking for money for afterburner development for the same aircraft. I understand, and I wondered if you could assure us that if an effort is being made for an afterburner by both services, if their efforts are being coordinated.

Secretary BROWN. I believe the Marine Corps is asking money for an afterburner version of the A-7A's, but we are the ones that are going to develop the afterburner. They are going to have to do some flight testing with their own instruments, their own avionics, and so on. Without having looked at their request, all I can say is I think the money that they show is for that purpose, rather than for the development of the afterburner itself, which is in our budget. But it is only \$10 million of this \$26.3.

Mr. STAFFORD. Thank you for clearing that up.

The CHAIRMAN. Thank you. Mr. Pike.

Mr. PIKE. Thank you, Mr. Chairman.

Mr. Secretary, what is your personnel view on the desirability of bombing the POL facilities in North Vietnam at this time?

Secretary BROWN. [Deleted.]

Mr. PIKE. Well, has anybody asked you for your opinion on whether this should be done or not?

Secretary BROWN. I talked to the Secretary of Defense about it.

Mr. PIKE. Well, do you recommend it be done or that it not be done?

Secretary BROWN. [Deleted.]

[Deleted.]

Mr. PIKE. Mr. Secretary, this particular procurement is an authorization of about \$2 billion. You got \$581 million in the August supplemental. Have you obligated all of the \$581 million that you got in the August supplement?

Secretary BROWN. I can't guarantee the last percent of it, but I think the answer is "Yes."

Mr. PIKE. When do you contemplate obligating the last percent of this particular supplement?

Secretary BROWN. You mean the fiscal 1966 supplement?

Mr. PIKE. This one we have before us.

Secretary BROWN. We would expect to obligate the very large preponderance of it by the end of this fiscal year. As you know, there is always some carryover. There is in the regular appropriation, too. Not all of the regular appropriation is obligated by the end of the fiscal year.

If we knew which individual items weren't going to be obligated by the end of the fiscal year, we would not ask for them, but it is not possible at this time to know that. I would expect, as I say, for all practical purposes, just about all of this will be contracted for or obligated by the end of this fiscal year.

Mr. PIKE. I will ask a question which I am sure you are very well alerted for. Have any of the items in this procurement been taken out of the regular 1967 procurement?

Secretary BROWN. No, none of them have—except for the purpose of accelerating deliveries. In other words, there were some things in 1967 that are now in the fiscal 1966 supplemental for the purpose of producing the corresponding materiel earlier.

Mr. PIKE. How many of the F-4's were originally—or the F-4's generally, I don't want to fall down on a designation—how many of the F-4's were originally in the fiscal 1967 procurement?

Secretary BROWN. This is a fairly complicated issue. There were 99 F-4E's already in 1966, and they stayed in 1966. There are a certain number of F-4E's in 1967 that have stayed in 1967. What has been accelerated in the F-4D's. Let me try to find the number. The revised procurement has increased fiscal 1966 by [deleted] F-4's and decreased 1967 by [deleted] F-4's.

Mr. PIKE. Now, the [deleted] that you have taken out of the fiscal 1967, are they going to be achieved any earlier?

Secretary BROWN. Yes. In fact, we moved them into fiscal 1966.

Mr. PIKE. I know that you are funding them in 1966, but you've got a question of how many McDonald can produce at any given time, haven't you?

Secretary BROWN. Yes. We have increased the number produced from [deleted] per month to [deleted] per month, so that something like the following will happen: We will have [deleted] more than scheduled of F-4D's by the end of fiscal 1967. [Deleted.]

Let me make this point, Mr. Pike, that moving the money from 1967 to 1966 does not in every case—in fact, in many cases it won't produce the airplanes in inventory before the end of fiscal 1966, but it will produce them earlier in fiscal 1967 than they would have been produced.

Mr. PIKE. Earlier than they would have been produced if they had been left in the 1967 procurement?

Secretary BROWN. That is right.

Mr. PIKE. You are going to get [deleted] out of—of these planes in fiscal 1966, is that correct?

Secretary BROWN. That is right. Actually, of course, that is partly the result of money that we have already committed because an aircraft takes roughly 18 months from the time you obligate the money.

Mr. PIKE. Mr. Secretary, I have a little difficulty understanding this particular ground rule by which you assume that the war is going to end at the end of fiscal 1967. Is that a ground rule for this supplemental procurement only?

Secretary BROWN. It is a ground rule for the fiscal 1966 supplement and the 1967 budget. And you have to assume some ground rule. This ground rule enables us to buy all the long lead time items which will be necessary if things continue that long or longer, and it also enables us to buy the short leadtime items and munitions, to see us through the end of fiscal 1967 period. By the end of this year, if it is concluded that the war is going to last beyond that point, or if it is concluded that there will be a step-up—further step-up beyond what is now projected in the intensity of the war, then additional funds might be required.

Mr. PIKE. Well, is there any real question in your mind that that additional fund will be required?

Secretary BROWN. My opinion is they are likely to be, but that depends on events that haven't taken place yet, and we do have enough time to make that decision later on.

Mr. PIKE. Are you satisfied with a fiscal 1967 procurement that is \$1.299 million less than your fiscal 1966 procurement?

Secretary BROWN. The answer is "Yes," at this point. A lot of the things are being prefunded. For example, attrition aircraft are being prefunded, some of them with the fiscal 1966 budget. Those [deleted] increase that we talked about in F-4's is funded with the fiscal 1966 supplement. But it is to take care of 1967 attrition as well.

Mr. PIKE. When you start talking about their being prefunded, I have a little difficulty reconciling this and with the statement that they are being accelerated.

Are they being accelerated or are they being prefunded?

Secretary BROWN. The fiscal 1966 supplement will allow us to spend the money to buy them at an earlier time. They will be delivered, some of them, during fiscal 1967, when they will be needed as attrition aircraft.

Mr. PIKE. Well—

Secretary BROWN. We calculated the fiscal 1967 attrition, Mr. Pike. We do not want to wait until the end of fiscal 1967 to have those aircraft come into the inventory. Therefore we funded them in fiscal 1966.

Mr. PIKE. Let me ask you this question. If you really believed the war would end at the end of fiscal 1967, would you buy these F-4's?

Secretary BROWN. Yes, I would have to. If not, we would be short on our approved force. Some adjustment might be possible.

Mr. PIKE. You jockey the approved force around from time to time, don't you, Mr. Secretary?

Secretary BROWN. Yes, but we work toward the approved force.

Mr. PIKE. You always work toward this month's approved force. What was your approved force of F-4's in fiscal 1965, say for 1971?

Secretary BROWN. I think it was [deleted].

Mr. PIKE. I was advised, Mr. Secretary, in 1965 you were programming [deleted] F-4 squadrons for 1971. Is that correct or is that wrong in 1965, last year?

Secretary BROWN. Let me try to verify this.

Mr. PIKE. Didn't you in fiscal 1965, cut down the number of F-4 squadrons that you were programming from [deleted].

Secretary BROWN. [Deleted.]

PROGRAMING OF F-4 SQUADRONS

In January 1965 when the fiscal year 1966 budget was submitted to Congress the Air Force had programed [deleted] squadrons of F-4 aircraft during the fiscal year 1971 time period.

Mr. PIKE. So last year you reduced your program of F-4's. Last year what was your program for F-111's?

Secretary BROWN. Ten wings.

Mr. PIKE. Ten wings?

Secretary BROWN. Yes.

Mr. PIKE. Has your program changed on F-111's?

Secretary BROWN. Yes. [Deleted.] That is to balance the increase in F-4 wings, which is to balance the decrease in F-105 and F-100 wings, as a result of attrition. The total number of wings, Mr. Pike, programed for 1971, has not changed, I believe, in the past 2 years. The balance has changed. But if aircraft are attrited, they have to be replaced.

Mr. PIKE. What was your program number of wings for F-111's a year ago?

Secretary BROWN. It was as I said, 10.

Mr. PIKE. What is it today?

Secretary BROWN. It is now [deleted].

Mr. PIKE. Would you translate that into squadrons for me? I have my figures in squadrons.

Secretary BROWN. Well, unfortunately, there is a difference in wing organization, some have four squadrons and some three squadrons, depending on whether they are overseas or here. Do you have it in aircraft? We have it in aircraft. From [deleted].

Mr. PIKE. So you have reduced the number of F-111's programed from [deleted] down to what?

Secretary BROWN. [Deleted.]

Mr. PIKE. And last year you also reduced the number of F-4's programed from [deleted] squadrons to [deleted] squadrons, didn't you?

Secretary BROWN. Well the numbers we have are [deleted] to [deleted] wings, and now we are bring them up to [deleted] wings.

Mr. PIKE. So the increase in procurement rate from [deleted] to [deleted] is necessary in part because last year you cut down the procurement rate, did you not?

Secretary BROWN. No, I don't believe that is so at all. I think only [deleted] of these [deleted] are for force modernization, that is, for

conversion. [Deleted] of the [deleted] are for attrition. And I should point out again, Mr. Pike, that the total number of aircraft in the approved above-the-line force; that is, aside from training aircraft, which are very fortunately going to be increased by [deleted] is [deleted] in 1971. Last year and this year, no change.

Mr. PIKE. Total number of aircraft?

Secretary BROWN. Total number of above-the-line aircraft, yes, sir.

Mr. PIKE. All right. But last year when he was talking to us, Mr. McNamara said the F-111 was twice as effective as the F-4, and they were going to replace them on a [deleted] basis.

Secretary BROWN. You are thinking of the aircraft carrier version, Mr. Pike. He never said it about TAC, Tactical Air Command Forces. I think the only statement that has ever been made of that kind is in the Point Defense rolloff of an aircraft carrier.

Mr. PIKE. Then you are saying that the Air Force deems the F-4 and the F-111 equal?

Secretary BROWN. No, I didn't say anything of the sort. I said the total number of aircraft in the force has remained constant.

Now what has happened is that we believe that a mix of more F-4's, some A-7's, and fewer F-111's are on the whole a more cost-effective force.

Mr. PIKE. You are moving your procurement of F-111's down and your procurement of F-4's up?

Secretary BROWN. And A-7's up. But we are making one further change which I mentioned but should mention again because I think in many ways it is the most important. We are increasing the percentage of training and support aircraft from 12 percent of the above-the-line force to 25 percent of the above-the-line force. This makes the difference between being able to fight a conventional war over an extended period of time and not being able to do so.

Mr. PIKE. Mr. Secretary, in connection with this cost effectiveness, the Air Force has just conducted a project or an investigation known as Project Sparrowhawk, in which they have compared, I don't know how much the cost got into this, but the effectiveness got into it pretty well. They compared the F-5 and the F-4 and the A-4. What was the result of that study?

Secretary BROWN. I am not aware of the result, Mr. Pike, and I am not sure it has been finished.

Mr. PIKE. I am told there are three volume's worth of paper.

Secretary BROWN. If I remember the project correctly, Mr. Pike, it had to do with the use of these things in an air-to-ground role.

Mr. PIKE. An A-4 in an air-to-air role?

Secretary BROWN. That is why I am not sure the A-4 is in it, Mr. Pike.

Mr. PIKE. Well there is something about it in our R. & D. backup book. I thought that the A-4 was in it.

Secretary BROWN. Let me look at it.

Mr. PIKE. But you are not familiar with any—

Secretary BROWN. I am not sufficiently familiar to make any statement about it.

Mr. PIKE. All right. Are you familiar with the request from your predecessor for the purchase of [deleted] F-5's back in June?

Secretary BROWN. Yes; I believe that such a document may have been sent. But I think it was really a part of a more general question of adding to the tactical force. There were a large number of proposals, of which the F-5 was one, F-4 was proposed at one time or another.

The CHAIRMAN. The F-5 is made by Northrop?

Secretary BROWN. By Northrop, Mr. Chairman.

Mr. PIKE. Didn't Mr. Zuckert request the procurement of [deleted] F-5's for South Vietnam?

Secretary BROWN. I know there was an air staff request for this, but I am not sure whether the Secretary of the Air Force sent it forward.

General McCONNELL. I can answer that question, Mr. Secretary.

Secretary BROWN. Go ahead.

General McCONNELL. We made a proposal to the Secretary of Defense in which there were several different aircraft and amongst them was a recommendation for [deleted] of F-5's I think, which would be [deleted] plus attrition.

Mr. PIKE. Not F-105's.

General McCONNELL. Not 105's, F-5's.

Mr. PIKE. Believe me, it wouldn't have been 105's.

General McCONNELL. The whole exercise was returned by the Secretary of Defense. He said our rationale behind the procurement of all of this equipment was not satisfactory to him and for us to do it over again.

Mr. PIKE. When you did it over again, General McConnell, did you use it in connection with a—or was it framed in context with a war in Vietnam, or did they make you do it in context with a 10-year war in Europe with something like [deleted] worth of combat in it?

General McCONNELL. No. We did it in the context of what we should have as an objective force considering the contingencies we might have to face [deleted] and the situation which we already face in Vietnam.

Mr. PIKE. So in June of last year it was the conclusion of the Air Force that they should have these F-5's, and the Secretary of Defense said he disagreed with them; is that correct?

General McCONNELL. He disagreed with the whole study. He didn't agree with any of it, including all the other equipment we had in it. The study was sent back to us; we had to do it over again. As a result of doing it over again, we came up with a different force structure.

Mr. PIKE. When you had to do your study over again, when the Secretary of Defense told the Air Force to do their study over again, did they tell you how to do your study?

General McCONNELL. No, sir; they did not tell us how to do it. We established our own parameters.

Mr. PIKE. Did they tell you how to do it the first time?

General McCONNELL. No.

Mr. PIKE. How did you know how to change it in order to come up with the right results?

Secretary BROWN. We didn't change it to come out with any preconceived result, Mr. Pike. We redid the study; we examined the effect of ground-to-air, air-to-air, and air-to-ground attrition. We examined a large number of different aircraft. We measured the re-

sults in terms of ordnance delivered, aircraft shot down, targets killed.

Mr. PIKE. Did you include in the latter study any cost for the attrition replacement?

General McCONNELL. Sure.

Secretary BROWN. In the sense that the attrition aircraft were measured and were one of the outputs of the study, yes.

Mr. PIKE. But did you put into the study—was one of the items in the study the cost of replacing the aircraft which were lost?

Secretary BROWN. No. The answer is, "No," because the model by which the study was done, Mr. Pike, included [deleted] of combat, and therefore—

Mr. PIKE. It was [deleted] of combat, and it was a 10-year model, was it not?

Secretary BROWN. No. No. No. I think what has confused you is, it was a 10-year costing. That is, it was to buy the force and keep it for 10 years, and then fight it for [deleted.]

[Deleted.]

General McCONNELL. Under heavy attrition.

Secretary BROWN. The attrition was quite heavy.

Mr. PIKE. I was advised the attrition was heavy, and there was not any cost put in for replacing it.

Secretary BROWN. The number of aircraft that you could buy during [deleted] would be rather small. It would not be a particularly realistic way of doing the study to do what you imply we should have done.

Mr. PIKE. Well, of course, the number of aircraft you can buy in 1 year really is very small, because it takes [deleted] months to get them going.

Secretary BROWN. Right.

Mr. PIKE. To produce them.

Secretary BROWN. Right.

Mr. PIKE. But that doesn't mean you don't have to replace the aircraft which are lost in that [deleted].

Secretary BROWN. Of course not. And the purpose of the study was not to decide how many aircraft to buy for attrition replacement. The purpose of the study was to compare the aircraft in a combat situation.

Mr. PIKE. Mr. Secretary, in the backup books for the R.D.T. & E. for the Air Force, it says this:

Project Sparrowhawk was conducted to evaluate and compare performance of Air Force F-5's, F-4's, and Navy A-4's, and to develop data for potential modifications.

I am a little surprised that you can't tell us anything about the results of that study.

Secretary BROWN. It is not in the fiscal 1966 supplement backup book. Is that the fiscal 1966 budget?

Mr. PIKE. This is the 1967 one, but this talks about a project which is all done.

General McCONNELL. I don't remember ever comparing those three.

Secretary BROWN. I don't remember the Navy A-4 in this context—(Special study on performance of F-4's, F-5's and A-4's).

Mr. PIKE. Here is what they are talking about in their fiscal 1967 R.D.T. & E. They say fiscal year 1965, and prior accomplishments, under the title of "Close Support Fighter."

This program is an outgrowth of an emergency modification program initiated in March 1965 to improve tactical support in the south-east Asia area. Project Sparrowhawk was conducted to evaluate and compare performance of Air Force F-5's, F-4's and Navy A-4's, and to develop data for potential modifications.

Now, if they have gone through all this, and they listed—if the Air Force lists it as one of its accomplishments, in 1965, I think the committee should be able to get some information on what this study showed.

Secretary BROWN. We will be glad to supply it to you, Mr. Pike.

The CHAIRMAN. You know something about it, don't you?

General McCONNELL. I remember a study which we did, Mr. Chairman. We took the F-5, the F-4C, the A-7, and the A-6. I don't specifically remember the A-4 in it at all. Those are the four that I do remember. We made excursions to determine which would come out as being the most cost effective aircraft. Whether we would have to modify an aircraft we already had in production, or whether it would be best for us to get a new aircraft.

The CHAIRMAN. You just let us know the result of this thing. What Mr. Pike is reading is supposed to be fait accompli.

Secretary BROWN. It is. I am quite sure it is a different thing from what General McConnell and I have been talking about. It sounds to me as if what Mr. Pike is talking about was a study, and perhaps some experiments made at Eglin Field to determine what changes might be made in each of these aircraft to make the delivery more accurate and so on. We will be glad to supply the results.

(The following information was received for the record:)

SPECIAL STUDY ON PERFORMANCE OF F-4's, F-5's, AND A-4's

The Sparrow Hawk test was performed to obtain comprehensive qualitative data on the capabilities of the F-4C, F-5A, and A-4C aircraft to perform the tactical air missions of close air support and interdiction in a permissive environment. The test was not designed to compare one type of aircraft against another.

A classified résumé is being furnished the committee.

Mr. PIKE. Part of the study as I understand it involved shipping, I think, a dozen F-5's out to Vietnam.

Secretary BROWN. They are still out there. That is the Skoshi Tiger.

Mr. PIKE. That is the Skoshi Tiger and that was a followup to it?

Secretary BROWN. That is right.

Mr. PIKE. When we go into this procurement, where we are procuring all kinds of airplanes, I should think you would be able to tell us something about the results of a study designed to tell us which airplanes were effective.

Secretary BROWN. I am sure we can, Mr. Pike, and I am sure we will. The results obtained in Sparrow Hawk, as I now read it, and the results that will be obtained in Skoshi Tiger, are really inputs into the kind of study that we did in order to make a force structure decision. They will tell you how often you can sortie the aircraft, what the accuracy of delivery is, what their attrition is likely to be, and so on. We can provide those results to you.

Mr. PIKE. General McConnell, on May 3 last year you sent out a paper on the subject of air superiority to almost everybody in the

Air Force, as I read the list of addressees. Have you ever done a similar paper on the subject of close air support?

General McCONNELL. I do not recall whether we sent one out to all the addresses or not, but we have done a similar study on close air support.

Mr. PIKE. You recall this document on the subject of air superiority that bore your signature?

General McCONNELL. Yes, sir; I remember it.

Mr. PIKE. In it you said this:

If political sanctuaries are permitted in the air battle, a large share of combat will be air to air, at times and places of the enemy's choosing. Thus, depending upon the effectiveness of air cover, aircraft on strike missions near a sanctuary will require the ability to drop their external ordnance and survive in air-to-air combat.

How do you reconcile that statement with the procurement of A-7's? Do they have the ability to survive in air-to-air combat?

General McCONNELL. The study we made with respect to the A-7's and all of the other fighters we were looking at that time, was for the specific purpose of coming up with a ground support capability in a permissive environment which had either been gained by air superiority or a permissive environment such as we have now in southeast Asia because of the political situation which obtains. In that study the survivability of the A-7's was just about the same as the F-5. I think the F-5 survived just a little bit better than the A-7 did. But in terms of ordnance deliverability in close support of ground forces the F-5 did not have the capability of the A-7.

Therefore, we composed a force so that we would have the capability to gain superiority in the air with aircraft such as F-4's, F-11's, and while achieving that superiority we would be able to give close ground support to our troops with the A-7, which was the best aircraft we looked at for that purpose in a permissive environment. In making this study which constituted [deleted] with several parameters about it, survivability of the A-7 was very little less than that of the F-5. It was considerably less than the F-4 model.

Mr. PIKE. You have gone back to the study between the F-5 and the A-7.

General McCONNELL. A-7 and A-6 and other aircraft.

Mr. PIKE. I am asking you whether the A-7 has this ability which you say will be required to drop ordnance and survive in an air-to-air combat.

General McCONNELL. It can't survive in an air-to-air combat such as a more modern aircraft can, such as the F-4C or the F-111.

Mr. PIKE. Can it survive?

General McCONNELL. It can survive by getting on the deck and running.

Mr. PIKE. All right. I would like to direct this again to General McConnell. What experience do we have with F-4's in air-to-air combat against the Migs?

General McCONNELL. We shot two down with F-4's.

Mr. PIKE. Have you ever shot any F-4's down with F-4's?

General McCONNELL. Not that I know of.

Mr. PIKE. Wasn't a SIDEWINDER missile launched from an F-4 which shot down another F-4?

General McCONNELL. I can't answer that question. It was not an Air Force airplane involved in the alleged incident.

Mr. PIKE. All right. [Laughter.]

That gets me back to the Secretary's statement. When you say that you have found, Mr. Secretary—I want to get your exact language here—you have in your R.D.T. & E. \$10 million to initiate development of a tactical strike fighter version of F-4 aircraft, because positive target identification is a problem. It sometimes becomes difficult to attain a missile firing position in certain air-to-air combat situations. When did you learn this?

Secretary BROWN. Are you asking about me personally?

Mr. PIKE. Well, when did the Air Force come to this conclusion?

Secretary BROWN. Oh, I think we have known this for several years. [Deleted.]

Mr. PIKE. Well, at the moment you say, you go on to say, this places a real premium on close-in maneuvering capability, aircraft performance, and the availability of discriminatory weapons, such as a gun.

Are you telling us that you built your air-to-air superiority plane without having a gun on it?

Secretary BROWN. Well, we put guns on the F-4's. [Deleted.]

Mr. PIKE. When you say you put the guns on the F-4's, you are saying that they were built not to carry guns?

Secretary BROWN. That is right, the original Navy design didn't have a gun, Mr. Pike.

[Deleted.]

Mr. PIKE. One last question, Mr. Chairman.

General McConnell, would you give us a comparison between the availability of A-7A's and of F-5's for Vietnam?

General McCONNELL. We do not have A-7A's yet available. We won't have any A-7A's until [deleted]. The availability of the F-5's, if we wanted to increase the production line and/or take them out of the production line which we now have for MAP—as you know, they are coming off at the rate of about [deleted] a month. So obviously they are certainly more available at the present time for operations in Vietnam.

Mr. PIKE. Mr. Chairman, I apologize. May I have 2 more minutes?

The CHAIRMAN. Go ahead, 2 more minutes won't hurt.

Mr. PIKE. Mr. Secretary, you say we have conducted more—we are conducting more sorties in South Vietnam than we conducted in Korea?

Secretary BROWN. Yes, sir. It is close, but I think we have more attack sorties in Vietnam than Korea.

Mr. PIKE. Are we dropping more bombs—tonnage?

Secretary BROWN. Yes.

Mr. PIKE. Is it actually true we have dropped a ton of bombs for every Vietcong?

Secretary BROWN. Let me see—we have probably dropped 200,000—yes, I think it is close. Maybe we have only dropped half a ton, but, as you know, we probably also fired 100 bullets for every Vietcong. I don't know how many—

Mr. PIKE. Are you talking about the Air Force?

Secretary BROWN. I am talking about the ground forces in the case of bullets.

Mr. PIKE. How many bullets do you suppose the Air Force has fired to every Vietcong?

Secretary BROWN. One thing is clear: neither the Army nor the Air Force has hit them all.

Mr. PIKE. With an approximate droppage of a ton of bombs for every Vietcong that there is, you still feel that our air support operations over there have been superb?

Secretary BROWN. Yes, sir.

Mr. PIKE. That is all.

Secretary BROWN. And I believe our ground operations have also been very good.

The CHAIRMAN. Are there any other questions?

We want to get to this Milcon. Are there any other questions?

I want to finish the front row first.

Mr. Walker?

Mr. WALKER. No questions.

The CHAIRMAN. Wait a minute, Mr. Ichord. Go ahead, Mr. Ichord.

Mr. ICHORD. I get a big kick, General McConnell, when I see you high-time pilots, see the beaming smile of affection that comes over your face when you talk about finding a new use for the old C-47, because all of you have probably spent some time in a C-47. You have a great deal of affection for it. Aren't these C-47's, though, when you put the Gatling gun on it, and use it for—what exactly is the use of it, the C-47?

General McCONNELL. On the C-47 we stick three Gatling guns out of the windows on the left-hand side. They are fired simultaneously by the pilot who looks through a sight which we have made out of an old fighter sight. We used to have optical sights in the fighter aircraft. Those guns can shoot 6,000 rounds per minute each. They have gunners behind them so they can be reloaded immediately.

The pilot of the aircraft can, by putting his wing down on what we used to do as a "pylon 8," he has very accurate control of that fire. He can put it practically wherever he wants it. It has turned into a terrific weapon for the purpose of killing Vietcong, if you can find them.

Mr. ICHORD. How many missions of the C-47's have gone out?

General McCONNELL. How many have gone out?

Mr. ICHORD. Yes.

General McCONNELL. [Deleted.]

Mr. ICHORD. How many planes have you lost?

General McCONNELL. Two; one shot down and one crashed.

Mr. ICHORD. Of course this is a pretty permissive environment over there?

General McCONNELL. That is right.

Mr. ICHORD. You don't have any enemy air, and you have very little antiaircraft fire?

General McCONNELL. In South Vietnam?

Mr. ICHORD. In South Vietnam I am speaking of.

General McCONNELL. Yes.

The CHAIRMAN. We can sure use the Wright brothers now, if we could get them?

General McCONNELL. Yes, we sure could. I have no apologies to make for our use of the C-47's; I think they have done a good job over there and are still doing a good job by [deleted].

The CHAIRMAN. I am glad you do not have any apologies, you can't tell what will happen in warfare, can you?

General McCONNELL. That is right, sir.

The CHAIRMAN. Go ahead, Mr. Ichord—is your production schedule keeping up to what you expect to use them for?

General McCONNELL. [Deleted.]

The CHAIRMAN. The production line of the planes is no bottleneck.

General McCONNELL. No bottleneck on the planes.

Mr. STAFFORD. Will the gentleman yield?

Mr. ICHORD. I yield to the gentleman briefly.

Mr. STAFFORD. Northeast Airlines is about to dispose of 18 DC-3's. That will take care of the production line bottleneck.

The CHAIRMAN. Let's go.

Mr. ICHORD. General—

The CHAIRMAN. Did you ever think about using the C-46's?

General McCONNELL. We don't have many more C-46's.

The CHAIRMAN. You are doing contracts with them?

General McCONNELL. I beg your pardon?

The CHAIRMAN. You are doing contracts with them?

General McCONNELL. Yes, we are contracting for airlift with them within the United States.

The CHAIRMAN. Command Airlift?

General McCONNELL. The contracts under the Log Air program include C-46 aircraft.

Mr. ICHORD. This morning, General, you testified as to your views as to the need for a follow-on bomber. I don't want to call up any old "sleeping dogs," but a number of years ago several people in the Air Force were trumpeting the B-70 as the follow-on bomber. I don't hear anything about that plane any more. Is it true, General, that after taking a look at the B-70, that this just "ain't" the plane you have in mind?

General McCONNELL. The B-70, in my opinion, was too far ahead of the state of the art to make it at that time, or possibly even to make now, if you are going to use it in numbers in warfare. It is too complicated a piece of equipment. I just don't think that it had—I don't believe the state of the art was up to making an aircraft in numbers that you could put in the inventory and operate within a degree of reliability. In addition to that it had no low level capability.

Mr. ICHORD. What exactly do you have in mind as a follow-on bomber?

General McCONNELL. Well, we don't have in mind a 3.0 mach, which means it would have to be made out of titanium—We are proposing an aircraft built with current manufacturing techniques. That is one of the problems we had with the B-70. It was the first one we tried to make with titanium and honeycomb steel. We had quite a problem with it. I have in mind an airplane that would do about 2.5 mach that has intercontinental range unrefueled, that will carry an extremely high payload in terms of nuclear weapons, and can be used also to carry a good payload in terms of conventional weapons.

It will be able to penetrate the defenses we think will be there in 1975 to 1985.

Mr. ICHORD. That was the recommendation that you made to the Secretary of Defense?

General McCONNELL. Yes, sir; that is right.

Mr. ICHORD. And you haven't gotten any action, he hasn't acted upon that recommendation?

General McCONNELL. The Secretary of Defense says that in the event it should be his opinion we are required to replace the B-52G's and H's that we could still get this replacement without going into a contract definition phase this year.

Mr. ICHORD. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Now, any questions down this way?

Mr. SCHWEIKER. No.

The CHAIRMAN. Excuse me, Mr. Bates.

Mr. BATES. I have just a couple of questions, Mr. Chairman.

Mr. Chairman, I must say again this information that has been related to us this year and last year in these hearings in respect to airplanes is pretty distressing when we consider in this advanced stage in time that we have got to use airplanes that were outdated years ago, or in the case of the TFX, to use a plane that is not as good as one in which we discontinued the lines in 1962.

So we had to have recourse to the Sky Raider, because we had nothing else to use.

Now, Mr. Chairman, one of these days we might have to fight an enemy that is bringing his stuff up to date. And it is this kind of stuff that really disturbs me. Sure, we can use it. General McConnell, you are going to do the best you can with what you have. You are a good soldier. Maybe we won't always have this kind of an environment in which we find ourselves today so any jury-rig affair can be used. I don't like to send our men out there either today in the C-47, even with a Gatling gun out the window. Many other planes have been around here for years, to take the very place for this purpose for which the C-47 is now being used today. But it is still in R. & D., or a decision has not been made on it, like the AMSA.

Do you want to say something, Secretary Brown?

Secretary BROWN. The AMSA is not going to do the C-47 job, Mr. Bates.

Mr. BATES. Nor is the B-52?

Secretary BROWN. No.

Mr. BATES. I am talking about the three planes I mentioned. All of them are throwbacks to developments of two decades ago and here we are today—with the C-47, sure.

Secretary BROWN. I can't think of anything in design that could do better what the AC-47 is doing. It is so specialized for the use that I don't think it is worth developing another airplane for that purpose. You use what you have for a special use.

Mr. BATES. We are talking about a wide variety of things that could give support, either from an armed helicopter or something. We have been talking about it for years in this committee. We were talking about, if you want to bring it up to date, referring to your AMSA. We have been trying to get something along that line. Gen-

eral McConnell said this morning, if you want to get into an argument about this, this is what we want, we can provide this. But all I am saying is it is distressing to see today we are committing men to battle, using things that were developed 20 years ago or 30 years ago practically in some cases. Sure, it is the best. And we will get along with the TFX.

Secretary BROWN. Again about the AC-47, Mr. Bates, it is up there as a platform. It is a convenient platform——

Mr. BATES. It is a platform I am glad I am not on.

Secretary BROWN. I would rather be on it as a platform above, where they couldn't reach me with guns, than any platform I can think of, because it is a safe platform. The new development actually is the introduction of the machineguns.

Mr. BATES. I understand that.

Secretary BROWN. I wouldn't be put on any other platform. I don't think you could do this job—as you say, you couldn't do it with a B-52 or an AMSA. A C-130 would do it.

Mr. BATES. I wasn't trying to relate these things in terms of utilization. I was relating them in terms of antiquity. This is the point I was trying to make.

Secretary BROWN. What is old is not necessarily bad, Mr. Bates. I am enough of a conservative to believe that.

Mr. BATES. What is that?

Secretary BROWN. I am enough of a conservative that I believe that.

Mr. BATES. Let's get off that subject for a minute.

Now this morning you indicated the TFX is going to be cheaper than the B-52?

Secretary BROWN. Well, a prorated share of the R. & D.

Mr. BATES. Is this going to be your actual cost out of the production line, or is this going to involve the allocation of R. & D. costs, et cetera?

Secretary BROWN. No; this is the total program cost.

Mr. BATES. When you say "total program," do you mean all of your R. & D.?

Secretary BROWN. Yes, but not very much.

Mr. BATES. You are spreading all of these initial costs of your TFX into your Navy, into your Air Force, into your bomber, et cetera?

Secretary BROWN. Yes. One can compare the two things also just by taking the average production cost, and again I think——

Mr. BATES. What would you expect that to be eventually?

Secretary BROWN. For which, the F-111, Mr. Bates?

Mr. BATES. Yes.

Secretary BROWN. The bomber would be about [deleted] million dollars. The number that I remember as being about [deleted] million dollars is the airframe plus the engines plus the avionics—the flyaway cost is about [deleted] million dollars.

Mr. BATES. Exclusive of R. & D.?

Secretary BROWN. Yes.

Mr. BATES. What was the B-52, what was that, 8 million?

General McCONNELL. \$9.7.

Secretary BROWN. Is that flyaway?

General CROW. That is comparable.

The CHAIRMAN. If you added into that cost the delivery of a bomb from Guam [deleted] taking into consideration the refueling and the inventory required for that—how much would that cost?

Secretary BROWN. You might need two tankers for the F-111. You might only need one for the B-52.

The CHAIRMAN. So the delivery cost would be higher than the TFX?

Secretary BROWN. I am not sure it would higher, but it would be close.

Mr. BATES. Do I understand the figures a moment ago were comparative costs for flyaway off the line, not inclusive of R. & D.?

Secretary BROWN. Not inclusive of R. & D.

Mr. BATES. Are these comparative?

Secretary BROWN. Those are comparable; yes, sir.

Mr. BATES. We might sell some of these to the British?

Secretary BROWN. We have a sales agreement with the Australians already. [Deleted.]

Mr. BATES. Mr. Healy will tell you about that. Is this a [deleted] dollar price tag on those?

Secretary BROWN. It is actual cost?

Mr. BATES. This is straight, no loans, no grants, no nothing?

Secretary BROWN. I am not sure of that. I think there is a credit involved.

Mr. BATES. There usually is. I will get off that for a moment. The next question I have is this: Does this supplemental submission here add up to your total needs and requests as of now, taking into consideration, of course, fiscal year 1967 requests? Do you have anything else in addition, or does this fill your needs as you see them now through fiscal year 1967—this plus what is coming up?

Secretary BROWN. This plus fiscal 1967 fulfills the needs that we can foresee, but this is according to certain ground rules which I should repeat. One is that if the war continues past fiscal 1967 we are going to need some money in fiscal 1967 beyond what we have programed—additional attrition aircraft, for example.

If the intensity of conflict increases, so that we force deployments beyond what we have here, and they are required, then we will need additional money—that is, beyond what we have programed.

Mr. BATES. Your programing is in excess of your present level?

Secretary BROWN. Yes. [Deleted.]

A third thing that could change things is we may not have calculated the consumption of munitions exactly right. We could be off by 10 or 15 percent. You can't really calculate these precisely.

Mr. BATES. Let me ask you on that point with respect to what we are doing today. Is our military activity now in Vietnam being limited at all in any degree—serious degree—because of our inventory conditions?

Secretary BROWN. No.

General McCONNELL. Not in my opinion.

Secretary BROWN. The Chief was out there in October; I was out there in January, and although there are always local shortages of something that the people might prefer, they have always got something that can do the job and the missions have all gone and all been effective.

Mr. BATES. But there is no serious problem either with respect to the delivery system or the weapons?

Secretary BROWN. Not in my opinion.

Mr. BATES. The military operation is not being curtailed for that reason?

General McCONNELL. That is right, Mr. Bates. [Deleted.]

[Deleted.]

Mr. BATES. Are the 750-pound bombs used from bases in Vietnam?

Secretary BROWN. Yes, there are 750-pound bombs there.

Mr. BATES. Is it true you are flying those into Vietnam from the Philippines?

General McCONNELL. No, not to my knowledge. They are being delivered by ship.

Mr. BATES. I know they were. But are they at the present time being flown there? Will you check that for the record?

Secretary BROWN. Yes. I know of no such example, but I will check that.

Mr. BATES. Mr. Secretary, one of the things that disturbs us here is the same problem that arose a year ago, and that is the question just where are we going. Now a year ago we talked about 23,000, that was our level. All of a sudden we find out we have mushroomed up, overnight [deleted]. Now we picked up this secret document here, supporting the information you have in this presentation and [deleted].

General McCONNELL. Yes.

Secretary BROWN. Yes, sir.

Mr. BATES. So here we are not only going from 23,000 or 500 advisers in Vietnam, up to 200,000, [deleted] ground air troops. [Deleted.] I haven't had any of this discussed with me. We start out with just a small advisory mission over there, and all of a sudden it blossoms up, and here we are today—I never had the slightest idea in the world that we were going to go to this kind of a degree [deleted].

[Deleted.]

Mr. BATES. [Deleted.] This is not for operation; this is for construction.

Secretary BROWN. You can't operate the aircraft without the airbases.

Mr. BATES. I am talking about dollars, Dr. Brown. I understand that statement you just made. I understand that.

Secretary BROWN. Yes.

Mr. BATES. I will repeat my statement. This is not for operations.

Secretary BROWN. Right.

Mr. BATES. This is just for construction [deleted]. This is an awful lot of money. It represents a projected effort of considerable size.

Secretary BROWN. You are right. The total, of course, we are asking for is \$324 million for construction.

Mr. BATES. How much?

Secretary BROWN. \$324 million. We are actually asking for \$274 million in Air Force military construction, but we are counting on getting \$50 million out of the \$200 million for the Defense agencies.

Mr. BATES. I understand that. [Deleted.]

Secretary BROWN. Well, in my opinion putting much more money in fiscal 1966 than is in there is not going to get us anything quicker, because there are limitations on the number of people who you can move in.

Mr. BATES. All right. But that doesn't mean it is not needed, nor does it mean eventually that is where we are going. That is what I am talking about at the moment.

Secretary BROWN. I wouldn't rule out that possibility at all, Mr. Bates. I think this is our estimate of what we see now as required to do the job.

Mr. BATES. [Deleted.]

Secretary BROWN. I think that this really is something that goes far beyond my responsibility, Mr. Bates.

Mr. BATES. [Deleted.] Is this the road we are going down now?

Secretary BROWN. [Deleted.]

Mr. BATES. As I indicated a moment ago, Mr. Chairman, my interest is trying to determine just what responsibility we have assumed, and how far we are going to go, so that we have an appreciation of the problems that confront us. A year ago, as I say, our problems over there, were what we assumed were very small, and we were to go no further than just 23,000. That was the figure given to us specifically, even when we advocated more. We were told this is as far as we were going to go.

That is the reason why I am asking the question now. Here we are coming up with a quarter of a billion more dollars just for construction alone. [Deleted.]

Secretary BROWN. Well, Mr. Bates, these large amounts of money, large deployments of troops and of aircraft and the Naval Forces are in the present judgment of the Secretary of Defense, the Secretary of State, and the President what is necessary to meet the increased threat. The threat, of course, has increased enormously during the past year. Additional deployments of Vietcong regiment, hard-core regiments, of regular forces of the North Vietnamese have put much more pressure on South Vietnam. [Deleted.]

The CHAIRMAN. [Deleted.]

Secretary BROWN. These are responses to those things.

As you know, there is a large variety of opinions in this country as to whether their responses are much too large, or much too small. They are the responses that the President has chosen in his judgment as being the correct level of response, and I support that program, and I support that judgment.

Mr. BATES. Yes, but what I am trying to find out as far as I can, specifically what that judgment is. How far does that judgment go?

We can understand it just in a classical concept, fighting against communism, but if we are going to defend all of this territory over there, and to what degree we are going to commit troops, this is information I think this committee ought to have, so as we embark upon a new program of a quarter of a billion dollars in construction alone, I think this committee ought to have that information to the Nth degree we can have it. That is all I am trying to say.

General McConnell, do you feel [deleted] that the B-52 will be sound enough as far as long-range bombers are concerned until the FB-111 comes off the line, or if we come through with an AMSA by 1975 or so, that the gap will be filled, there will be no holes left in there?

General McCONNELL. I believe it will, sir [deleted]. I think the bomber gap will be filled if the FB-111's are produced on schedule, and

if we have an aircraft which will supplant the B-52 at the end of its useful life.

Mr. BATES. This is the last question, Mr. Chairman: Is it true there are Chinese or Russian fishing boats off the Philippine coast who send word to Vietnam every time our B-52's take off.

General McCONNELL. [Deleted.]

[Deleted.]

Mr. BATES. That is all I have. Thank you.

The CHAIRMAN. You know it is a sad commentary. Originally we had a separate Air Force. I was never in thorough accord with a unification. I favored a separate Navy, separate Air Force, and separate Army, originally, because I thought you ought to all do your own business. But it is a sad commentary, here it is the 15th of February 1966, and every plane that you are using, or ordering, was developed by somebody other than the Air Force. You haven't got a plane you developed that you are ordering here, the F-4, the F-5, the 7; somebody else developed it. That is why Mr. Hébert and I raised the very devil here some few years ago you weren't developing an IMI.

General McCONNELL. We developed the F-111 and the F-105.

The CHAIRMAN. You are not ordering any of them though?

Secretary BROWN. We are ordering F-111's.

The CHAIRMAN. You didn't develop the F-111. The Navy had as much to do with that as you did.

General McCONNELL. It was a joint development.

Secretary BROWN. Off the record, Mr. Chairman.

(Discussion off the record.)

The CHAIRMAN. Back on the record.

What I want to see, as my Air Force of which I am very proud, I want to see you get out here and do what you are capable of doing, instead of going the expedient routes. This worries me.

Mr. BATES. That is what I said a few moments ago, Mr. Chairman.

General McCONNELL. That is what I want to see, too, Mr. Chairman.

Secretary BROWN. We all do, Mr. Chairman.

The CHAIRMAN. We may take up this AMSA program. From my past performance, somebody ought to realize I don't talk through my hat—if you catch the point.

Secretary BROWN. I do, indeed, Mr. Chairman, but we can't have the AMSA under any circumstances before 1975.

The CHAIRMAN. You can't have anything if you don't start.

Secretary BROWN. No matter what we do, no matter what happens we can't have it before 1975.

The CHAIRMAN. Mr. Secretary, you don't realize how unpopular this war is becoming. We've got to do something. It worries me. This war is getting very unpopular the way we are conducting it. These sanctuaries, all these things—Haiphong—the American people just don't believe in waiting and waiting and waiting; this is a Communist game. That wouldn't faze the Communists to wait 10 years over in Vietnam. They would wait 100 years. That is their business. And furthermore they are orientals, add another 100 years for orientals, they will wait you out. The American people want this thing over yesterday.

You get out in the crossroads and the grassroots, this thing is getting hard to take. And certainly a crowd of people in this country are making mileage on it. I want to see us get busy and do something. I recognize right now you have problems, and we have to get this over to the American people, your logistic problems. This thing right here, that is why I want to get it out as fast as I can, the construction problems. [Deleted] you have no recreation. In one of those bases, there is only one restaurant in town where a party could eat. Mr. Hardy, myself, and Mr. Long went on the base, nothing but mud. These morale problems are very hard to conquer. That is why we are going to rush this bill as fast as we can.

General McCONNELL. We have recreational funds in the bill.

The CHAIRMAN. The American people are not going to take a long-drawn-out war; they just aren't going to do it. Don't you think I'm right?

General McCONNELL. I think you are right, Mr. Chairman. You have a much better feeling of course of the thoughts of the American people than I do, but I think the war over there is going to last for quite awhile.

The CHAIRMAN. It will last quite awhile, but our bombing has got to be escalated in certain areas; don't you think so?

General McCONNELL. [Deleted.]

The CHAIRMAN. Yes. And these sanctuaries have got to be——

General McCONNELL. [Deleted.]

The CHAIRMAN. Mr. Nedzi.

Mr. NEDZI. I have just one question, Mr. Secretary, or General McConnell. What is the relationship between the attrition rate of aircraft in Vietnam and the inputs at the present time—that is aircraft and pilots?

General McCONNELL. I don't quite understand your questions.

Mr. NEDZI. Are we putting more? Are we increasing the number of aircraft which we have?

General McCONNELL. Yes, sir, we are increasing the number of aircraft which we have over there.

Mr. NEDZI. By how much?

General McCONNELL. [Deleted.]

Mr. NEDZI. Are these being transferred from other parts of the world, or are we also increasing at a more rapid rate our production of aircraft?

General McCONNELL. We are increasing the production at a more rapid rate, but that is for attrition of aircraft that have already been shot up. [Deleted.]

Mr. NEDZI. Is our total inventory of aircraft increasing?

General McCONNELL. [Deleted.]

Mr. NEDZI. [Deleted.]

General McCONNELL. Again it depends on attrition.

Mr. NEDZI. [Deleted.]

General McCONNELL. Oh, no, that is when it will be finished.

Secretary BROWN. [Deleted.] At the same time, we will be in the process of adding about [deleted] aircraft to our training base.

Mr. NEDZI. Does this concern you at all?

Secretary BROWN. Well, we are going to end up better off than we were when we started.

Mr. NEDZI. In the meantime?

Secretary BROWN. [Deleted.]

Mr. NEDZI. Is the situation with respect to pilots related to the aircraft, the same situation prevails for both pilots and aircraft?

General McCONNELL. We don't anticipate any shortage of pilots as a result of being able to increase our training rate [deleted].

I don't anticipate any shortages of pilots.

Secretary BROWN. We are going to have to train almost an extra thousand pilots a year, but we are going to be able to do that. This is a consequence of the mission tour, either 100 missions in North Vietnam or a year in southeast Asia. You are going to have to replace those people with additional pilots.

Mr. NEDZI. Is there any shortage of observation aircraft in the Air Force? I had word come to me last week that at some base just south of the 17th parallel we have nine pilots and only one plane, and they draw straws to see who is going to take the plane up.

General McCONNELL. Well, I am certain that is not a true statement.

Secretary BROWN. We have 30 aircraft, 30 O-1's in each of the IV Corps area, so we have 120 altogether. We may put in more, but I do not think we have that many pilots.

Mr. NEDZI. One final question, General McConnell, and this is provoked by your response to Mr. Ichord in the B-70.

Two or three weeks ago when General LeMay appeared before Mr. Hébert's subcommittee, he stated that in his judgment the B-70 was an old airplane, and that the state of the art had passed it by. This sort of conflicts with your statement today. Have you any idea what he meant by it, or can the two be reconciled?

General McCONNELL. Maybe we weren't talking about the same state of the art. In tactics the B-70 is outdated in some technologies. I think it was well ahead of its time. I do not believe we could make a B-70 aircraft, even at the present time; with the complicated problems that it has had. I think we have a lot of things, of course, that have been improved, such as avionics and engines, and materials, and things of that nature, but I think that the—

Mr. NEDZI. You disagree, then, with General LeMay's statement that it is an old airplane?

General McCONNELL. I don't believe the state of the art has passed it by overall—in tactics, yes.

Mr. NEDZI. I don't know what the answer is. I am still trying to determine if you disagree with General LeMay's statement when he says the B-70 is an old airplane.

General McCONNELL. Of course, it is an old airplane, but that relative to the state of the art technology has passed the airplane by.

Mr. NEDZI. I have no other questions, Mr. Chairman.

General McCONNELL. We are now in the business of attempting to make a supersonic transport, and it is apparently going to be a very tremendous task to get it built. So if the state of the art had passed the B-70 by, it would appear to me we wouldn't have any problem making a supersonic transport, because the B-70 can do 3.0 mach at 80,000 feet or 90,000 feet.

Mr. NEDZI. I have no further questions.

The CHAIRMAN. Let me say this before you start.

We told the Secretary of the Navy to let us know by July 1 what he had done by way of committing these funds, and we would make the same request to you, Mr. Secretary, and please keep the committee advised just how far you have gone by way of obligating these funds at the beginning of the fiscal year.

Secretary BROWN. All right, Mr. Chairman; we will be glad to do that.

Mr. LENNON. General, is it your understanding the POL facilities in South Vietnam are in tight security—I am talking about in South Vietnam.

General McCONNELL. Are under what kind of security?

Mr. LENNON. The question was, is it your understanding the POL storage facilities in South Vietnam are under tight securities?

General McCONNELL. You mean our POL security?

Mr. LENNON. Yes.

General McCONNELL. They are not under as tight security as they should be; the Vietcong have lobbed mortars into Dha Nhang.

Mr. LENNON. They mortared them?

General McCONNELL. They did put mortars in there.

Mr. LENNON. I asked that question because last week we heard testimony from the Secretary of Defense, and the Chairman of the Joint Chiefs, to the effect that 90 percent of the POL that was used in North Vietnam came through the port of Haiphong [deleted]. This was on the question of the striking of those facilities. [Deleted.] So I asked the Secretary the question.

[Deleted.]

General McCONNELL. [Deleted.]

Mr. LENNON. [Deleted.] That is the reason I wanted your statement with respect to that matter.

Now, what is the basic objective of the limited bombing that we are doing now in North Vietnam [deleted]. What is the basic objective that you are seeking?

General McCONNELL. The basic objective is to interdict all of the lines of supply and the equipment that rolls on those lines of supply so that we can reduce to an absolute minimum the amount of supplies they are able to put into South Vietnam [deleted].

Mr. LENNON. General, if it is a fact—and both the Secretary and the Chairman of the Joint Chiefs agreed—90 percent of the POL that was used in the country there went through the port of Haiphong [deleted]—that petroleum and lubricants and oil is used in the industrial complex, in the manufacturing plants of North Vietnam, I would think, wouldn't that be true?

General McCONNELL. That is right.

Mr. LENNON. In fact, some of your powerplants are run, too?

General McCONNELL. They are run by electricity.

Secretary BROWN. Hydro.

General McCONNELL. Yes.

Mr. LENNON. All hydro?

General McCONNELL. Some of them.

Mr. LENNON. Some are not hydro?

General McCONNELL. Some are not. A great majority of them are. [Deleted.]

Mr. LENNON. [Deleted.] I suppose this question should be directed to the Secretary, because of his relationship to the Secretary of Defense:

[Deleted.]

Secretary BROWN. I am sure that is a factor, Mr. Lennon [deleted].

Mr. LENNON. [Deleted.]

Secretary BROWN. Well, let me try to put forth his analysis with much of which I agree. Of course it is better for him to give it to you, himself, but let me go through it.

The purposes are as you and General McConnell have both said, in bombing North Vietnam, (a) to reduce the flow of goods and people and materiel into South Vietnam, (b) to improve the morale of South Vietnamese; (c) to indicate to the North Vietnamese that the war is going to cost them something if they insist on supporting it.

The effect of the first, which is the most immediate military effect, has not been negligible, but not enough to stop the flow. [Deleted.] So that as we apply more pressure in the south, the Vietcong and the North Vietnamese forces in the south will hurt more and more.

However, its effect, and the effect through the other two things, South Vietnamese morale, and pressure on the North Vietnamese to do less, has to be weighed very carefully [deleted].

[Deleted.]

Mr. LENNON. What is the feeling of the Secretary of the Army and the Secretary of the Navy with respect to this subject matter?

Secretary BROWN. I don't really want to represent their opinions.

Mr. LENNON. Have you heard them say?

Secretary BROWN. I have spoken with the Secretary of the Navy about this, not with the Secretary of the Army. [Deleted.]

[Deleted.]

Mr. LENNON. [Deleted.]

Secretary BROWN. That is a possibility. I can't really judge their motivation. [Deleted.]

Mr. LENNON. The chairman is so correct and accurate in his statement of the average man in the street, particularly about the striking of the in-port facilities from Haiphong. If you talk to them, they say, why don't we do this? [Deleted] they can't understand if we are there to destroy their morale and bring them to the conference table, if that is basic that is the thing we ought to do.

Secretary BROWN. I am afraid, Mr. Lennon, we may give a wrong impression if we let the American people think there is a cheap and easy way to win the war. [Deleted.]

[Deleted.]

The CHAIRMAN. Mr. Randall.

Mr. RANDALL. Mr. Chairman, Mr. Secretary. This question may have been answered, I have not been here all the time.

I am very much concerned. General, as I understood your testimony this morning, the B-52's, these advanced versions, G's and H's, and so forth, you said something about 1970. What is it you plan to do in 1970 with them?

General McCONNELL. I said the G's and H's, in my opinion, with some modifications to them—

Mr. RANDALL. Would be good until then?

General McCONNELL. Would be good until 1975.

Mr. RANDALL. Oh, until 1975.

General McCONNELL. I said with the program modification to the C's through F's aircraft we probably could have retained them in the inventory until 1970, but by that time they would have to go out, in my opinion, because they would be wornout aircraft.

Mr. RANDALL. Then, in any event, whether it was 1970 or 1975, there was a 5-year gap there, wasn't there, some place?

General McCONNELL. No, sir; the B-111's will come in.

Mr. RANDALL. Would you address yourself to the characteristics of the A-111, or whatever you call them, or 112. You said they don't have the range. What is their range now?

General McCONNELL. They have the same refueled range by the use of one tanker that the B-52 does. Now that doesn't mean that you just refuel just once. That means you refuel the FB-111 as it goes arcross to the target area. The tanker is on a 1-to-1 basis. It stays with the FB-111 to be sure it gets enough fuel to go in as far as the B-52. For the B-52, all you do is hit him once with a tanker, because you offload practically everything at one time. You can't offload everything at one time onto the FB-111. It doesn't take any more of a ratio of one tanker to one bomber to get the same range, approximately.

Mr. RANDALL. It is true the payload of the two is very different. What is the difference?

General McCONNELL. The B-52 will carry a bigger payload than the B-111 will.

Mr. RANDALL. What is that ratio, General?

General McCONNELL. The B-52—you are talking about the B-52C's through F's?

Mr. RANDALL. Yes, sir.

General McCONNELL. Those are the only ones we are comparing with the B-111. [Deleted.]

Mr. RANDALL. To simplify it, General, I think we are down to the point Mr. Bennett was talking about this morning, may be for political or diplomatic reasons, what ever you call it, we may not be talking nuclear. Can you translate that into ordinary ordnance? What is the ratio of the B-52 and the others, in other words?

General McCONNELL. I can translate it to conventional bombs.

Mr. RANDALL. What is it, [deleted] or what is it?

General McCONNELL. [Deleted.]

Mr. RANDALL. That is the thing I was trying to get at there.

General McCONNELL. Yes.

Mr. RANDALL. Then, if that is true, what is the thesis, or what is the thinking, what is the theory back of this sudden changeover to this other? [Deleted.] What caused all this departure from the old B-52, if you can tell us?

General McCONNELL. The B-52.

Mr. RANDALL. Is it maneuverability or range—you say it isn't range. Just what is it? Where are we?

General McCONNELL. It is a newer airplane. It is not going to break up on us without the expenditure of a lot of dough.

The F-111 was not designed originally to be a bomber. It was planned primarily as a fighter. The B-52 was not originally designed

for conventional ordnance. The B-111 is planned and the B-52 was built for the purpose primarily of carrying nuclear ordnance. And in the nuclear ordnance role the B-111 can carry a very good ordnance load [deleted].

Mr. RANDALL. Now, the thing that really concerns me, and I think we have absorbed all of our attention down there, and of course there is no question but what as time goes on this is going to become more unpopular, but what I would like you to address yourself to—and you certainly know—suppose somewhere along the line somebody decides to heat up an area somewhere else, where are we as far as our commitments in Europe? Have we taken things away from over there to use in southeast Asia?

General McCONNELL. We are not taking anything away from Europe at this time to use in southeast Asia. [Deleted.] We can meet all of our commitments. [Deleted.]

Mr. RANDALL. The chairman a moment ago made an innuendo that I know that he planned to carry on. We might not actually be in a declared war, but somewhere along the line there is surely some way that if the pressure is put on heavily enough we can do something to accelerated some plans here for this follow-on on this aircraft. As I understood the Secretary to say, we can't do anything, no matter what happens, or comes along, until when was it, 19—

Secretary BROWN. 1974 or 1975.

Mr. RANDALL. 1975.

I had a little tiny part in the effort in World War II. I know we got pretty busy when the fire was built under us. Haven't we reached that point yet; is that what we are saying?

General McCONNELL. It is my personal opinion when you start building a modern piece of equipment, such as a follow-on bomber for the B-52, you will not have it in the operational inventory in substantial numbers until 10 years after you start with the project definition or contract definition phase, as a minimum. It took 11 years to get the B-52 in.

Mr. RANDALL. What is the reason for that, General? Is it on the planning board? Or is it a matter of funding or what is the cause for all that lag in there?

General McCONNELL. The matter of design, and the matter of getting it funded. It is a matter of getting it tooled up. It is a matter of running the necessary test on it. And then getting it into the operation inventory in numbers so that the crews can operate it. It took us 11 years, I believe, on the B-58. It took us, I believe, 9 years on the B-52. When you go back to the B-17, which was a relatively simple airplane, or the B-29, which was also a relatively simple airplane, it only took us about 4 or 5 years. But our experience has been when you introduce a modern piece of equipment into the force, before you get it operational in substantial numbers, so you have reliability with it, and can depend upon it, the crews know how to operate it, and how to maintain it, it is 10 years.

Secretary BROWN. It is partly a consequence of our insistence on the best.

Mr. RANDALL. You were in charge of the development?

Secretary BROWN. That is right. This is my conclusion. I am not saying it is a bad thing to insist on things being large, fast, compli-

cated, and versatile. It is a good thing perhaps, sometimes, because it allows you to use them for different purposes, but it takes a long time.

The CHAIRMAN. You want to take that money and reprogram it.

Secretary BROWN. No; we have never done that.

General McCONNELL. We used all the money we got.

The CHAIRMAN. Some of them wanted to reprogram some of it, didn't they, Russ?

Mr. BLANDFORD. As a matter of fact we indicated to them, if they requested that we would not approve it.

Secretary BROWN. All the money appropriated for the AMSA has been release to us, Mr. Chairman, and we are in the process of putting it out to work on the AMSA.

The CHAIRMAN. I am glad to hear that.

Mr. RANDALL. Just one or two, Mr. Chairman.

This newspaper report we had lately about our planes being able to dodge SAM's, is that pretty accurate? There has been some yak-yak, but there are newspaper accounts that we have a technique worked out that the SAM's are not hitting us, is that right?

General McCONNELL. When we first started encountering these SAM's, we actually had never encountered them before in battle, so we didn't exactly know how to handle them. We have learned pretty much now about tactics which we can use to reduce our attrition by SAM's; the use of these tactics reduces our concern.

Mr. RANDALL. I see. Then really some of our worrying is gone about these concentrations of SAM's. That is some encouragement.

General McCONNELL. They are a nuisance, Mr. Randall [deleted] they are not prohibiting us from doing our mission.

Mr. RANDALL. We heard the story from others about the effectiveness or lack of effectiveness of a target. It seems nearly everyone went down there during the recess, but as I read the summation of all those accounts and reports there is pretty much agreement on [deleted]. But the third thing we cannot seem to get anybody to agree on now is the [deleted]. We have heard other versions, I would simply like your statement on it.

General McCONNELL. The troops in South Vietnam, mostly eat off the South Vietnamese economy.

Mr. RANDALL. That is Vietcong?

General McCONNELL. Vietcong, and PAVN, too. [Deleted.]

Mr. RANDALL. Is that right?

General McCONNELL. [Deleted.]

Mr. RANDALL. I am glad to know that, because it seems to me it would certainly affect the morale of the Vietnamese that way. That is the one thing we could do [deleted].

Thank you very much, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Randall.

Now, without objection we approve the money for the R-4D.

Mr. LENNON. Could I ask Dr. Brown one question?

The CHAIRMAN. Yes, sir; go ahead.

Mr. LENNON. Dr. Brown, did you as the Secretary of the Air Force, or as Assistant Secretary of Defense for R.D.T. & E., recommend the phasing out of the B-58's?

Secretary BROWN. No; I didn't recommend that.

Mr. LENNON. Then, Mr. Chairman, we have the situation where the Secretary of the Air Force didn't recommend it, the Chief of Staff of the Air Force didn't recommend it, and the three officers who have the prime responsibility who testified before the subcommittee all say they didn't recommend it, yet the Secretary, on his own initiative, ordered it done.

The CHAIRMAN. In that connection, I wish you would put in the record the things you requested, Mr. Secretary, of OSD, that were knocked out in this supplemental. Put that in the record.

Secretary BROWN. Yes, sir; we can arrange to do that.

(The following information was received for the record:)

[In millions of dollars]

Adjustments by office, Secretary of Defense, fiscal year 1966 supplemental requirements for southeast Asia

[In millions of dollars]

Appropriation and item:

	<i>Amount</i>
Operation and maintenance, Air Force:	
Depot maintenance.....	-27.2
Training.....	-4.2
Miscellaneous.....	-3.7
Missile procurement: Bullpup B (AGM-12C) [deleted].....	-18.0
Other procurement: Electronics and telecommunications equipment.....	-15.0
R.D.T. & E.:	
Conventional munitions.....	-4.8
Aircraft operational support.....	+10.2
Other operational support.....	-25.7
F-4.....	+10.0
Miscellaneous.....	-15.2
Military construction:	
Clark Air Force Base.....	-7.2
Clark-Subic Bay POL pipeline.....	-3.1
Miscellaneous.....	-5.9

The CHAIRMAN. Now, without objection—I am going to finish with you this afternoon—right now, I am about ready to finish with you.

We approve the money for the appropriation, "Aircraft Procurement, Air Force."

Summary

[In millions of dollars]

	<i>Amount</i>
Combat aircraft:	
F-4D.....	+731.0
A-7A.....	+50.3
OV-10A.....	+15.6
RF-4C.....	+13.3
Other aircraft:	
CH-3F.....	+12.0
HH-3E.....	+6.7
U-10.....	+2.4
Modification of inservice aircraft.....	+133.9
Aircraft spares and repair parts.....	+554.6
Common AGE.....	+27.2
Other charges.....	+25.7
Classified projects.....	+7.0
Total program.....	+1,587.5
New obligational authority required.....	+1,585.7

Summary

	<i>Amount</i>
Program system:	
AGM-12C Bullpup B.....	+\$19,500,000
BQG-34A FIREBEE drone.....	+10,000,000
Other support.....	+34,200,000
Total.....	+63,700,000

The CHAIRMAN. Now, without objection, the committee approves those, let's get to the other project.

We have explored all of, as far as we could, the construction. I think we know all about it, all we will ever learn, [deleted]. We know all about that. We have gone into this thing very fully for quite some time now. I have seen just about everything [deleted] in Taiwan, [deleted] the Philippines, and everybody on the committee has seen everything in the United States, so I don't know why we can't approve this construction as it is, and, Mr. Secretary, keep the committee advised on your obligations and put in these things you asked for, and, Mr. Secretary, you made a fine witness, you have been responsive, you have been honest in your answers, and your first appearance before this committee you have made a fine impression. I wish to congratulate you.

Mr. BLANDFORD. We approve of the R.D.T. & E. of \$71 million and the missiles, and also the Secretary put the justification in for the construction items in accordance with the memorandum read today.

Secretary BROWN. The R.D.T. & E. money is for the A-7 modification. For the TSF version of the F-4, for a low altitude fuse. For various small items [deleted].

The CHAIRMAN. Without objection, I want you to spend that money and do what you have been doing, and keep the committee fully informed. You won't have any trouble with this committee if you follow the course you have been following by keeping us closely advised.

Mr. Secretary, I want to congratulate you, you have done that.

General McConnell, you are doing a fine job, we want to help you. That is the reason for these questions we have been asking.

Secretary BROWN. Thank you, Mr. Chairman.

General McCONNELL. Thank you, Mr. Chairman.

The CHAIRMAN. Your responses have been very satisfactory.

Mr. LENNON. I haven't seen any action by anybody about this October thing.

The CHAIRMAN. Mr. Hagan, did you have any questions?

Mr. HAGAN. No, Mr. Chairman.

The CHAIRMAN. Tomorrow we are going to take up the Army. I have to go to Mr. Thomas' funeral, a great American. We will meet all day tomorrow. Mr. Hébert or somebody will be in charge of the committee until I get back.

We will excuse the Air Force. We want to finish this week and get this thing on the floor. We have the same sense of urgency that you have. We have been working under handicaps, too. Half of us ought to be in bed with the flu. We are all trying to work out this problem here, but we will do the best we can, and thank you very much.

(Whereupon, at 4:18 p.m., the committee adjourned until Wednesday, February 16, 1966, at 10 a.m.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., February 16, 1966.

The committee met at 10:10 a.m., the Honorable L. Mendel Rivers, chairman, presiding.

The CHAIRMAN. Let the committee come to order.

We will start this morning with the Honorable Stanley R. Resor, Secretary of the Army, and, Mr. Secretary, we have been quite impressed with the way you have gone at your job and the fine cooperation you have given the committee, and the attitude toward Congress has been very encouraging.

I would like to say to you that you made a fine impression on the committee, and, I understand, Congress in general. This is very gratifying to us, and we can assure you that you will have our closest cooperation on anything in which we can be helpful to you, because you have a very difficult undertaking and we recognize this. We must work in close unity, and I am sure this condition will improve even more.

Our relations with the DOD must be of the highest order of cooperation. We urge you to keep us closely advised at all times. This is the best way I know to get the cooperation which is so vital to the successful procession of anything the Army undertakes.

You have another claim to fame. Mr. Blandford tells me that you and he were classmates at Yale. That is not any disability before this committee. We are glad to know that.

It hasn't hurt Mr. Vance before this committee, either. I believe between you, Mr. Blandford, and Mr. Vance, you should have a pretty good standing before this committee. Just keep it up.

I am going to turn the Chair over to Mr. Hébert. I have to go to Mr. Thomas' funeral. Mr. Hébert will conduct the committee with greater dispatch than even I do, and I am sure he will proceed very rapidly to the points involved in the testimony, and I will be back for this afternoon's session, but I doubt I will get back for this morning.

So, Mr. Secretary, you may begin. I will turn the gavel over to Mr. Hébert.

Mr. HÉBERT (presiding). Mr. Secretary, you have a prepared statement?

Secretary RESOR. Yes, I do; but first, before the chairman leaves, I want to thank him very much for his generous remarks and to reciprocate the feeling that I hope we can work closely and well with this committee. It is essential.

Mr. HÉBERT. You have a prepared statement; you may read it.

(The biographical sketch of the Honorable Stanley R. Resor, Secretary of the Army, is as follows:)

STANLEY R. RESOR, SECRETARY OF THE ARMY

Stanley R. Resor was born in New York City on December 5, 1917. He is a graduate of Groton School, Yale University, and the Yale Law School. He majored in government at Yale, where he received a B.A. degree in 1939 along with a commission as a second lieutenant in the Field Artillery Reserve.

During World War II, Mr. Resor interrupted his studies at the Yale Law School to serve with the Army from February 1942 to January 1946. Entering on duty as a second lieutenant, he attended the battery officers' course and the officers' advanced course at the Field Artillery School, Fort Sill, Okla., before going overseas with the 10th Armored Division in 1944. He served in the European theater of operations, participating in the defense of Bastogne during the Battle of the Bulge. He was awarded the Silver Star, Bronze Star, and Purple Heart; and his unit received the Distinguished Unit Citation.

Returning to the United States in October 1945, Mr. Resor reverted to inactive status on January 16, 1946. He returned to the Yale Law School and received his bachelor of law degree in June 1946.

Since 1946, Mr. Resor has practiced law in New York City with the firm of Debevoise, Plimpton, Lyons & Gates, becoming a partner in the firm in 1955. Mr. Resor has specialized in corporate law. He is a member of the American Bar Association, the Association of the Bar of New York City, and the Yale, Links, New Canaan Country and New Canaan Winter Clubs.

On April 5, 1965, Mr. Resor assumed the office of Under Secretary of the Army. He was sworn into office as Secretary of the Army on July 7, 1965.

Mr. Resor is married to the former Jane Lawler Pillsbury of Wayzata, Minn. They have seven sons.

STATEMENT OF HON. STANLEY R. RESOR, SECRETARY OF THE ARMY

Secretary RESOR. Mr. Chairman and members of the committee, I welcome this opportunity to appear before your committee to discuss the fiscal year 1966 supplemental budget. I will limit my remarks to 5 minutes, and look forward to presenting a more comprehensive statement on Army matters during the fiscal year 1967 budget hearings.

I have recently returned from a visit to southeast Asia. I found a prevailing "can do" attitude and a sense of purpose and dedication that was extremely reassuring. The officers and the men are fully aware of why they are there. To be sure, there are logistical problems, but they are, to a large extent, inherent in a situation where roads are interdicted and port facilities are in the process of expansion. The fact is that these problems have imposed no significant persistent limitations on the operations of our combat units. When one considers [deleted] the buildup [deleted] the achievements [deleted] are remarkable.

You are all aware of the recent increases in our commitments in Vietnam. Beginning last May with the commitment of the 173d Airborne Brigade and a total Army in-country strength of only 16,000, we have increased to a total of 3½ division force equivalents and an in-country strength today of 131,500—that is Army. We have accomplished this buildup without a callup of the Reserves, which attests to the flexibility of the Army. To accomplish this, it has been necessary to activate over 500 new units and to program the activation of some 600 additional units beginning in early 1966. We have been author-

ized a strength increase in fiscal year 1966 from 953,000 to 1,159,000 to provide manpower for this expansion. Our training base is being expanded from an average training load of about 105,600 in fiscal year 1965 to a capacity of about 178,000 by June 1966. We are increasing monthly output of aviators from 125 to 315 per month, and we are currently looking at an even further increase. The 315 rate will be reached by September of 1966.

To cover possible emergency requirements for additional forces during the buildup period, we have intensified the training of three divisions, six brigades, and supporting forces of the Reserve components.

The total obligational authority contained in the Army fiscal year 1966 supplemental budget is \$4.79 billion, of which 51 percent is for the procurement of materiel items. In addition, the Army requires \$210 million in lieu of the transfer of a similar amount of money from stock funds to the MPA account.

As Secretary McNamara explained, we had anticipated last year that money from stock funds would be available to offset MPA requirements, but Vietnam requirements have precluded this.

The materiel appropriation contained in the fiscal year 1966 supplemental budget provides basically for combat consumption and initial issue for new unit activations. More specifically, it includes provisions for combat consumption for Vietnam through June 30, 1967. It also includes the initiation of procurement of equipment for one infantry division force, additional combat and service support forces, and long leadtime aircraft components to maintain the option to form a second airmobile division.

Major items included in the supplemental funding are \$826 million for aircraft, including utility, transport, heavy lift and observation helicopters; \$329 million for vehicles; \$241 million for communications and electronics equipment; and \$671 million for ammunition. High-dollar value ammunition items requested are \$176 million for 2.75-inch rockets; \$76 million for 5.56-millimeter, \$59 million for 40-millimeter, and \$51 million for 7.62-millimeter cartridges; and \$34 million for facility reactivation and expansion for ammunition production.

The resources which this supplemental budget will provide are essential to the buildup and conduct of operations in Vietnam. As a result of our continuing review of force requirements, it may be necessary to make further program changes as the year progresses. This budget has my full support, and I recommend favorable consideration by this committee.

Sir, that completes my statement.

Mr. HÉBERT. Thank you very much, Mr. Secretary.

I have one or two questions that I would like to ask at this time in connection with personnel.

The figure estimated to supply the additional 300,000 personnel is what?

Secretary RESOR. You are referring to the end strength?

Mr. HÉBERT. Building your personnel up, as I understand, 900,000-plus to 1 million-plus.

Secretary RESOR. That is right. We will build up to a figure in the budget of 1,159,000 for the fiscal year 1966 end strength.

However, the Secretary of Defense has authorized us to continue to use our training centers to their full capacity and to conduct train and retain activities in some of the units. So it is quite probable we will actually go beyond that figure.

Mr. HÉBERT. But is there money included in the supplemental to supply the funds to accelerate this training? That is what I am trying to find out.

Secretary RESOR. There isn't money expressly in MPA for this. It would take reprogramming or some other action to take care of the cost of the additional manpower.

Mr. HÉBERT. You will have to come back here and ask for either programming or additional funds to increase your personnel?

Secretary RESOR. Yes; if, as we hope and expect, we can increase our end strength beyond this figure. We don't know exactly now what we can get to, but we are going full-steam ahead.

Mr. HÉBERT. Now, what relationship does this increase in manpower have to the count of 22 division concept which we discussed last year in the Guard-Reserve hearings? Have you gone beyond the 22-division concept, in your build-up?

Secretary RESOR. This 22-division concept includes both Reserves and Active Army.

These figures relate only to the Active Army, and this would be enough for the previously existing 16 divisions, the new 9th Infantry Division which we activated in February, and the three brigade forces which are equivalent essentially to an 18th division.

Mr. HÉBERT. Well, in other words, you are holding to the 22-division concept?

Secretary RESOR. Actually, it is a $27\frac{1}{2}$ -division force equivalent concept; if you count the Reserves you have the equivalent of $27\frac{1}{2}$ -division force equivalents.

Mr. HÉBERT. What I am trying to develop, Mr. Secretary, is, we heard a lot of conversation during the so-called merger hearings as related to the contingency war plans.

Secretary RESOR. Yes.

Mr. HÉBERT. That was strictly based on the 22-division concept, 6 reserves, 16 regulars, I think. Isn't that right, General?

General JOHNSON. We added two, Mr. Chairman, you will recall. We added the two so-called theater reinforcing divisions. You are really talking about a 24-division concept.

Mr. HÉBERT. Twenty-four concept?

Secretary RESOR. We have had one more added (the 9th Infantry Division Force), so that makes it 25. Then we have 7 independent brigade forces, 4 in the Active Army (3 new separate brigades and the 173d) and 3 in the Reserves for a total of $21\frac{1}{2}$ division force equivalents. The 173d brigade which is an independent brigade—you know it is in Vietnam already, and it is the kind of brigade that can support itself in combat. It is slightly larger.

Mr. HÉBERT. So we are up to 27, then, is it?

Secretary RESOR. Twenty-seven and one-third.

Mr. HÉBERT. The slice remains the same as in our original discussion, I think it was 25,000 slice—division slice?

General JOHNSON. No. Over the course of the last year we have had a number of developments with regard to the way that we structure both the Active Army and the Reserve, and I think it would be well to lay out the changes that have evolved.

We used three basic building blocks. The first building block is the division, and the division we carry in round numbers at about 16,000.

Mr. HÉBERT. Where did I get the figure of 24 or 25?

General JOHNSON. I am not through, sir.

Then, in order to accompany that division into combat, some units go concurrently with the division. Others follow up immediately behind it. We call the first increment behind the division an initial support increment. This support increment is designed to support that division for a period that we use for planning purposes as 60 days.

However, if the intensity of combat is very high, it might be as little as 30. If it is very slow, or low, it might be as high as 75 or 90.

We select 60 days as the middle ground.

Then in order to sustain that division for an indeterminate period of time, we add what we call sustaining support increment. Now, the initial support increment we have established as somewhere between 16,000 and 20,000, depending on the geographical area, and for the sustaining support increment we have established somewhere between 13,000 and 16,000 again.

So that we then get a total division force, both in the theater, in the area of combat, and in the area immediately adjacent, for southeast Asia for example [deleted] would be considered as a part of the theater.

We have a total division force that will vary from around 45,000 to 52,000 depending on the area for which planned.

We have a division an initial support increment, and a sustaining support increment, with the total force in the neighborhood of 50,000.

Now, the difference between the initial support increment and the sustaining support increment is substantially one of timing of introduction of the force. And the kinds of units and detachments in these two increments are substantially the same. There are between 85 and 90 percent of the units in the detachments, which are the same kinds of units.

For example, in the initial support increment you will have engineer construction battalions. You will have ordnance maintenance units in both.

Mr. HÉBERT. General, in connection with that, in supporting units that we are discussing now, in the discussion with regard to the Guard-Reserve program, Secretary Ailes was here at that time. We had much discussion on the adequacy of the merger as related to the contingency war plans. You will recall that.

Now, was this build-up considered or in evidence during the discussion of those so-called contingency war plans, or is this something new and added in the necessary build-up strength of—this 300,000 more people now?

General JOHNSON. I can't answer the question without knowing the date to which we refer. Are we referring now to a period before July, or after July?

I will answer the question this way, Mr. Chairman: The buildup in the Active Forces was decided in a very brief period of time during the last 2 weeks in July. During the period prior to about the 24th of July, the Army staff was busily engaged in planning for a Reserve callup. About the 24th of July a determination was made that there would be no Reserve callup, and that we would use Active Forces instead, and it was at that time the Army was given an increase of 235,000 men over and above approximately 960,000 that it had then.

Subsequent to that time there have been small increments of manpower added.

The Reserve realinement was discussed, as I recall, in the sessions here in the months preceding July—I believe in April and June. If my memory is correct, the specific answer to your question is that at the time we were discussing Reserve realinement there was no consideration of a further buildup of the Active Forces.

Mr. HÉBERT. Well, of course, what I am trying to develop here for the committee to understand, General, is the fact that you are right in your time frames. So when we were discussing the matter of the Guard-Reserve realinement, we were discussing it on the premise there would be a callup of Reserves, in discussing the contingency war plan, and the 22-concept division which we use as a general term would have been sufficient to supply our needs at that time.

However, having abandoned the callup of the Reserves, then you had to reappraise your situation as far as personnel were concerned, and in discussing then the contingency war plans you had to come up with this figure of 300,000 additional; is that accurate?

General JOHNSON. Yes, sir. The addition of manpower to the Active Army is a direct result of the decision not to call the Reserves. Had a decision been made to call the Reserves, we could have met the current requirement with regard to the buildup in the Active Army.

Mr. HÉBERT. That is what I am actually trying to find out so the committee will fully understand what we are discussing to date.

We were discussing the other proposition with reference to the contingency war plans; we were then discussing on the basis of the callup of the Reserves. That having been abandoned, you took a reappraisal of your situation, personnelwise. You needed 300,000-plus more men, and you are not regarding the Reserves in this connection at all, and I am to assume from that you do not need the Reserves in this present plan you are presenting today?

General JOHNSON. That is correct. The Reserves are not considered in the supplemental, with one exception. The exception is that concurrently with the buildup there was initiated an accelerated training program for what we term a Selected Reserve Force, and there is a modest amount of money in here to underwrite that Selected Reserve Force.

Mr. HÉBERT. However, to activate that accelerated force it will be necessary to federalize the Guard and ask the Reserves to be called up. You couldn't utilize that training unless the Guard was federalized and the authority to call the Reserves up was given?

General JOHNSON. Yes, sir. It requires either a declaration of an emergency by the President, or it requires a congressional resolution in order to call the Reserves to Federal service.

Mr. HÉBERT. We are still not discussing that matter this morning—the callup of extra people?

General JOHNSON. No, sir.

Mr. HÉBERT. Can you support this added strength without using the Reserves in support? In other words, do you have enough Regulars in this program to support this accelerated program, your 300,000 more people?

General JOHNSON. In terms of building the force, we can. In terms of the employment of the force within any given time frame, the timing of deployments will determine this. [Deleted.]

Mr. HÉBERT. But you cannot deploy them without assistance—without support from the Reserves?

General JOHNSON. We can deploy this force without any further assistance, providing [deleted].

Mr. HÉBERT. Do any of the members of the committee have questions on the Secretary's statement?

Let's finish the statement first.

No questions on the statement?

Mr. Pike.

Mr. PIKE. Mr. Secretary, along the lines that Mr. Hébert was questioning you on, would you tell us what is happening to the demand for positions in the Reserve forces?

The Reserves, are they having difficulty filling their slots or are they finding it a little easier than they did, say, a year or two ago?

Secretary RESOR. No, we do not anticipate any difficulty in reaching the program figure. As you know, we are programed to go to 270,000 by the end of fiscal year 1966, and we are on schedule to reach that figure.

Mr. PIKE. How does this situation of filling your slots in the Reserves compare to what it was 2 years ago?

Secretary RESOR. I am afraid I can't answer that, except to say, as I think is common knowledge, it is easier to get enlistees in the Reserve units when we have high draft calls. And also, we have been helped by the inactivation of the units that were inactivated last fall because we have the trained personnel from those units who can be used in the remaining force.

Mr. PIKE. Obviously the thing which concerns many of us, I think, is the fact or the allegation that in view of the policy which has been promulgated and followed that the Reserves have become a place to go if you don't want to go to Vietnam.

I would like to have your comments on this. We see pictures of the baseball stars and the football stars signing up with the Reserve units, and the policy has been made fairly well known that this is a good place to be if you don't want to go to Vietnam.

Would you care to comment on that?

Secretary RESOR. Yes, I will try.

First, when signing up with that in mind, they run the risk that if there is a callup of the Reserves, that they made a mistake.

Secondly, it is essential that we have this Selected Reserve Force in a high state of readiness. To do that we must take in REP's, as we call them—Reserve enlisted program people. We are currently programed to send all of the REP's to the Selected Reserve Force into

the training centers by the end of June 1966. That is roughly 58,000 people.

We are giving priority in the training centers to our active Army because there is a more immediate need.

Mr. PIKE. Well, are you concerned about the image which the Reserves appear to be getting under the current policy as to whether they will or will not be called up? I mean, in a Berlin crisis they were called up.

Secretary RESOR. That is right.

Mr. PIKE. In a Cuban crisis they were called up.

Now, here is a war which seems to me to exceed in intensity and demands and seriousness both the Berlin crisis and the Cuban crisis, and we appear to have a new policy.

Aren't you a little concerned about what is going to happen to the picture in the public mind of the Reserves?

Secretary RESOR. I don't think so, because there are various distinctions between this war and the two crises you referred to. For one thing—this is my personal opinion—unless we could get authority to call the Reserves for at least 18 months—and as you recall in both of those other instances Congress limited the call to 12 months—it is really doubtful how much good they would do us, because it takes roughly 4 months to get them called and get them in. Then it takes a month to get them over to Vietnam, and then we like to have the units, once they get into Vietnam, spend about a month to get acclimated; then we must allow them time to come back. If you deduct all of that, it is hardly worthwhile to call units for a 12-month period.

Mr. PIKE. If this is the problem, couldn't that be solved rather readily by the President declaring a national emergency?

Secretary RESOR. I am not—

General JOHNSON. Let me take this question, if you will, Mr. Pike.

Mr. PIKE. Would you answer that question first?

What would happen to the authority to call up the Reserves as far as time is concerned if the President declared a national emergency? Couldn't they call them up for 24 months, then?

General JOHNSON. They could call them up for any period of time that the Congress prescribes for calling them up.

Mr. PIKE. I am no expert—

General JOHNSON. Up to 2 years.

Mr. PIKE. I am advised it could be for 24 months. You certainly ought to know more about that than I do, General, so I will drop that. Go ahead.

General JOHNSON. This is the legal limit now. I think the Congress could extend that period of time if they so desired. This is under the existing law.

Mr. PIKE. If the President declared an emergency, they can call them up for 24 months?

General JOHNSON. Yes, sir.

Mr. PIKE. Go ahead. I didn't mean to interrupt you.

General JOHNSON. I think you have to put this into context of going back to the early part of 1965, and the policy that was being pursued at that time, and to which an appreciable extent, is continuing to be pursued.

In early 1965, first, there was a deteriorating situation in Vietnam. No one knows what is in the mind of the people in Hanoi and in the minds of the people in Peiping at the present time. But we do know that over the course of the last 20 years, as we have stood firm and given evidence of determination, that they have fallen back on the classic Marxist doctrine of strategic withdrawal, a doctrine of two steps forward and one step back.

As we increased pressure slowly in a very restrained way in the period between February 1965, and the end of the year, there was no change in the outlook of Hanoi and the Communist Chinese insofar as it could be detected.

Now, concurrently, the readiness of the Active Army Forces was such that by some internal reorganizations we could meet from active resources the requirements that were imposed by Vietnam, and we have continued to do that.

Since the tempo of activity in Vietnam is really a two-way street in part, but which can be controlled in part by the allied side, it is possible to phase forces in in such a way that you can continue to rely on Active Forces if this is what the administration desires.

Mr. PIKE. Was the decision made in July not to call up the Reserves made upon the recommendation of the Army?

General JOHNSON. No, sir.

Mr. PIKE. That is all I have, Mr. Chairman.

Mr. HÉBERT. Are there any further questions?

Mr. STRATTON. Mr. Chairman, may I ask a question either of the Secretary or the General?

In view of this impression which Mr. Pike has referred to, and which I think is probably somewhat current, has there been any attempt on the part of the Army to slow down the opportunity for young men to get into this 6 months' Reserve program as a means of avoiding the draft?

Secretary RESOR. I can answer that. We are under a congressional mandate to have an Army Reserve at the end of this year, of 270,000 men. So we have to go to that figure. I take it we have no choice.

As far as the Guard is concerned, the Guard is substantially full at this point—perhaps 1,000 spaces understrength.

Mr. STRATTON. I have had a number of young men that have written to me, their parents have written to me, saying they wanted to get into the 6-month program, and there are no vacancies, or they aren't taking them at the moment, or something of that kind.

Are you getting so overwhelmed with applicants that you can space them like this?

Secretary RESOR. We can be selective, which is in the interests of the Reserve Components.

Mr. STRATTON. Well, what is the situation? Are you being overwhelmed with applicants in terms of the number of spaces available or what?

General JOHNSON. No, sir. There is a different cause.

In our training centers we plan for a given load during the year, and we phase in a certain number of individuals that we are going to use for replacements for the Active Army. Every day that goes by we lose approximately 1,000 people from the Active Army. We don't separate anyone on Sunday, and we don't separate normally on

Saturdays, so this means that somewhere on the order of between 5,000 and 6,000 people a week are leaving the Army. So we phase people into the training centers so they will come out of advanced individual training, additional school training, to replace our losses as best we can predict them.

Then, on top of that, we plan each year for a certain number of individuals to enter the training centers under the 6-month program. This is what we call the Reserve enlisted program.

With the increase in the active establishment we have used the training spaces in our training centers for the Active Army augmentation, and have deferred the training of the individuals in the 6-month program.

We have given a priority in the training centers to approximately 58,000 individuals in the Reserve enlisted program who are required to fill the Selected Reserve Force to a strength of 100 percent.

The people you hear from are probably the parents of boys who have been recruited by Reserve units not a part of the Selected Reserve Force, and whose training in the training centers we have deferred.

Mr. STRATTON. Well, in other words, the limitation, then, is a limitation on your ability to train, because of the priority on the Active Forces you are emphasizing the training of those and the training of the Reserves is secondary, is that correct?

Secretary RESOR. Yes, sir.

Mr. PIKE. In that circumstance, General, why hasn't there been any interest in, for example, calling to active duty the training Reserve divisions that we have?

We have in my State, for example, the 98, which is a training division, specifically set up for training purposes.

Many of the members of that division are a little concerned that at a time when we are apparently slow, when we are apparently short on training personnel, that there seems to be no interest whatsoever in activating those who are specifically qualified in this particular field?

General JOHNSON. [Deleted.]

We can ask for volunteers to come in, but an individual is reluctant to volunteer because this does not give him any job rights when his tour is over. It also doesn't give him much stature with his family without the necessity to go.

So there is some reluctance to come in on a volunteer basis, although many people have said informally, "If you order us, we are ready," but there is no order. So I think that is the answer to the question.

Mr. STRATTON. I think I get the message.

In other words, if it weren't for that policy it is possible that the Army might be interested in activating a division that is specifically directed toward training operations?

Secretary RESOR. Well, of course this is in a large sense a very short-term problem. We are programming for fiscal 1967, 130,250 REP's into the training centers, and that could well increase. I think it is really too early at this point to tell whether it would be worthwhile to call an individual training division. Because there is a timelag before it gets in operation and can start training.

Mr. STRATTON. I would think if you had a division with a specific MOS of training, and training was the thing that you needed, that now would be the time to call them if any time made sense. And to say

even though we are short on training personnel that it would take too long to train the training division, to train those that need to be trained, raises some question about just how sensibly we are using this particular part of our Reserves.

That is all I have, Mr. Chairman.

Mr. HÉBERT. Mr. Hardy.

Mr. HARDY. See if I understand that correctly, General. You said as a decision or orders from the echelon higher than the Army not a single reservist may be called to the Active Army, is that right?

General JOHNSON. In the absence of a declaration of an emergency.

Mr. HARDY. I am talking about under the present situation.

Secretary RESOR. This is a matter of law. There is no authority.

Mr. HARDY. All right, there is no authority now because you haven't got a declaration of an emergency?

General JOHNSON. Yes, sir.

Mr. HARDY. The only thing you can do, then, is to permit volunteers to come in from the Reserve. That is the only way you can get a Reserve in the Active Army?

General JOHNSON. We have had a number of them come in as individuals.

Mr. HARDY. What kind of a shape were you in on this mandate, Mr. Secretary, that you referred to a minute ago—I was real pleased to hear you say you had a mandate to have 270,000 in the USAR camp within a year. We have had trouble getting mandates at the time they were carried out down at the other end of the avenue. I am glad to hear you indicate it is your intention to carry this out.

Secretary RESOR. We have this one very carefully programed. We are on schedule. And I don't think we are going to have any trouble meeting the 270,000 strength.

Mr. HARDY. I don't think you will have any trouble meeting it if you want to meet it, but sometimes down from that end of the avenue we are told up here, you make the law, and we carry them out. I am glad you are not doing that on this particular one.

Secretary RESOR. No; we want to meet it and will meet it.

Mr. HARDY. Then, with respect—let's talk for a second about the 6-month training program. I had experiences similar to the one Mr. Stratton referred to. As far as I can determine, it is virtually impossible for anybody to get in the 6-month training program any more.

General, does that come about from the fact you have limited the number you have put in there to such an extent to all intents and purposes the 6-month training program is out of the window?

General JOHNSON. Generally speaking, Mr. Hardy, we limit enlistments in the Reserve Forces, either the Guard or the U.S. Army Reserve, when we are unable to accommodate the individuals within a reasonable period of time into our training centers.

In other words, we don't want an individual who has not had an opportunity to undergo basic and advanced individual training in a training center in a Reserve unit for a period of a year, simply because he doesn't get the requisite initial training in that Reserve unit on a weekly basis.

Mr. HARDY. You haven't got anywhere you can use him, either, after you get him in there, have you?

General JOHNSON. We wouldn't be able to deploy him if he were in the unit under that circumstance, because he wouldn't really be qualified to enter combat if the Reserve unit were called up.

Mr. HARDY. Well, you've got no authority to call him up.

General JOHNSON. No; but if authority were granted to call him up in a Reserve unit, if an emergency were declared, then the unit would be called up.

Mr. HARDY. Can you give us a figure as to the current rate in which the 6-month trainees are being taken in?

Secretary RESOR. Yes; I have the figure right here. In the Reserves they are coming in at the rate of about 5,000 a month.

Mr. HARDY. 5,000 a month. How does that compare with the rate that came in a year ago?

Secretary RESOR. I will have to supply that for you. I believe the rate is higher. I do know this; that we have a higher rate than what we originally programed for in fiscal 1966.

Mr. HARDY. I think it might be interesting. I believe, Mr. Chairman, we ought to have just for the record, so we see what is really happening—I think we ought to have a comparison of the last several years—the current rate with what came in to this program during the last several years. I think it would be helpful to understand the situation.

Maybe the Secretary has a figure coming up down there.
(The information requested follows:)

Average enlistments per month

Fiscal year	ARNG	USAR	Total
1963.....	4,936	2,408	7,344
1964.....	8,959	3,675	12,634
1965.....	5,682	2,279	7,961
1966 ¹	13,905	4,183	18,088

¹ Based on enlistments July through December 1965.

Secretary RESOR. What I have here is 1965. We took in 27,000 men into the USAR. I don't have the total we will take in this year for the USAR, but, for instance, our program this year for December was to take in 3,500. We actually got 5,100. We programed 3,600 in November; we actually got 6,400. We programed 3,000 in October and we actually got 5,000.

Mr. HARDY. During the last few months of the year you accomplished your 27,000. If you had only 27,000 in 1965, your previous rate before those last few months was very low, then, I would take it?

Secretary RESOR. Our rate this year has varied from 2,000 up to the current rate of about 5,000.

Mr. HÉBERT. Mr. Secretary, may I ask a question if Mr. Hardy will allow me?

As I understood you in the beginning, you said you are building up to the mandated strength in the Reserve Forces through the utilization of the 6-month trainees, and I detected an inference in the way you presented it that you really didn't want to do it this way—I mean, you didn't want to use those 6-month trainees, except you had to carry out the mandate of the Congress; is that correct?

Secretary RESOR. No. We are happy to go ahead and program to and attain the 270,000 rate. I thought someone was raising the question as to whether we shouldn't shut off enlistments in the Reserves because it was characterized as a draft haven.

Mr. HÉBERT. Where are these people trained? Do you have training facilities?

Secretary RESOR. We will train all enlistees in the selected Reserve Force—something over 58,000 men this year—in the Regular Army training centers.

Mr. HÉBERT. You have the facilities available?

Secretary RESOR. Yes, sir. As to the people that are deferred in the non-Selected Reserve Force and have to go over to next year, we have instituted in the actual units themselves self-training programs. The unit conducts the training program.

General JOHNSON. To go back to Mr. Hardy's question again, if I may, Mr. Chairman. In fiscal 1965 we programed 144,700 REP trainees. We enlisted 95,540. That is the year ending last June 30.

Mr. HARDY. What is the 27,000 figure we had a while ago?

General JOHNSON. The 27,000 was the USAR enlisted during fiscal 1965.

We also enlisted 68,000 National Guardsmen for a total of 95,540.

Mr. HARDY. That was in this effort to build up the National Guard and knock off the Reserves?

General JOHNSON. No, sir; not in fiscal 1965, sir.

Mr. HARDY. Well, maybe you didn't want to do it, but you certainly had that effort going on in fiscal 1965.

You started out with that in mind certainly prior to calendar 1965.

Maybe you didn't, but certainly up in the DOD they did. I don't remember now what your discussion was on this particular point.

General JOHNSON. I support the realignment, sir, but I would like to point out that the 1965 budget would have been presented to the Congress—

Mr. HARDY. 1966 budget?

General JOHNSON. No, sir. I am talking about the 1965. This is the 1965 program. We would have been over here in the early part of 1964, and the program itself would have evolved in 1963. So the figures I am talking about are for a year before the realignment program was advanced.

Now, why didn't we get the program?

We didn't get the program basically because there were not enough volunteers at that time. We had the capacity in fiscal 1965 to have trained all that were in the program, had they been available for training.

Mr. HARDY. They didn't start becoming available in larger numbers until the Vietnam situation got bad, and the draft began going up?

General JOHNSON. I think it would be fair to say there is a direct relationship between the size of the draft and the number of volunteers for the 6-month program.

Mr. HÉBERT. Mr. Bennett.

Mr. BENNETT. General, I heard your reply to Mr. Stratton. I would like to follow up a little bit on this line of questioning.

As I understand it, you are not calling the Reserves because you don't have power to call the Reserves under the present situation; is that correct?

General JOHNSON. We are not calling the Reserves because there has been no decision by our superiors to take action that would permit calling on the Reserves.

Mr. BENNETT. Well, I thought there was some testimony here that without the declaration of an emergency—I thought there was testimony to this effect—I don't know which is right.

Mr. HÉBERT. Without an emergency, or an act of Congress?

General JOHNSON. We have no authority to call them in the absence of a declaration of emergency by an authority superior to the Army.

Mr. BENNETT. So you don't at the present moment have the power to call them?

General JOHNSON. No, sir; we do not.

Mr. BENNETT. That is what I thought it was. I am laying the predicate. I am asking the man in charge of running our Army, do you think that we should use the Reserves?

General JOHNSON. The question must be predicated on our longer range commitments to South Vietnam. [Deleted.]

I can say this: There would be less turbulence in the Army today if we were to call the Reserves.

Mr. BENNETT. On the assumption the war would last, then, probably a year or two, wouldn't it be wise to call the Reserves today?

General JOHNSON. Not necessarily. If there is a significant increase in the number of people deployed, and a requirement to sustain those forces for an appreciable period of time, then I think it would be desirable to call the Reserves.

Mr. BENNETT. Isn't one of the great problems of maintaining the Reserve force of the Army or any branch of the armed services, to give sufficient activity and useful utilization periodically during the period of the reservist's tenure, or the Reserve units' tenure?

Secretary RESOR. I would like to make a comment on that.

Mr. BENNETT. I would love you to make it, but I am talking to the general right now, if you don't mind.

Secretary RESOR. Excuse me.

General JOHNSON. I expect you would get a divided opinion on that, Mr. Bennett, among the reservists themselves, as to whether or not—

Mr. BENNETT. It really isn't a decision for the reservists themselves; it is a decision for the military brains of our country. This is not necessarily the reservists themselves. That is like asking whether or not a man wants to have chipped beef for supper in the Army. That is not necessarily a decision he makes.

General JOHNSON. No, but the decision as to whether he eats it is one he makes. This is, I think, the point we are discussing. Does he eat that chipped beef?

Mr. BENNETT. I couldn't hear you.

General JOHNSON. The decision whether he eats that chipped beef is one that he makes.

I think that really is the subject that we are discussing.

Mr. BENNETT. The reservist should have an opportunity to go in if he actually wants to go in, because you told me he is not going to be called; he can individually volunteer, I presume; but they are trained to be units of reservists, and I presume they would want to go in that way if they went in.

I think the reservists feel that would be a logical thing.

So then you feel not necessarily, if the thing is going to last a year or two, would the reservists be logically to be called up?

Can you give me the reason underlying this "not necessarily," because I don't understand it in view of the fact I thought reservists would be greatly enhanced in their ability to aid our country in time of duress, if they had an opportunity occasionally to serve in a military capacity other than just training—

General JOHNSON. On an inactive status.

Mr. BENNETT. So I am mystified by the question of why it would not necessarily be to the advantage of our defense to call the Reserves.

General JOHNSON. Traditionally when the Reserve units are called, both the Guard and the U.S. Army Reserves, and as they come to active duty, there are individuals who have been members of the unit for one reason or another who request the deferment or request that they not be called. In many instances these are granted for fair and equitable reasons.

Immediately they are called there begins to be a change in the composition of the unit; for example, there are instances of sickness or an individual sees an opportunity in some other area for which he feels he is qualified, and he asks for transfer to that other area. In addition, we begin to phase-in a number of replacements, so that the character and the identity of the unit over a period of 6 months to a year changes significantly.

The duration of the callup has a significant impact as well. Is it a year, or is it 2 years? There is also the matter of useful employment, as described by Secretary Resor.

Mr. BENNETT. Well, offhand it seems to me the thing you refer to, which I am very familiar with, because, after all, many of these people contact Members of Congress and say, "I have been serving as a man, as a platoon leader, but I am actually a practicing lawyer, and I think it is now time for me to practice law."

We are familiar with this sort of thing. But isn't the calling up of the Reserves at a vital time in the national defense of our country a good way to come to grips with this very problem, because otherwise, wouldn't this potential lawyer be sitting there for 20 years, and eventually retire as a man who has been a platoon leader, theoretically, but actually when it came time to serve, may have been about to serve as a lawyer?

So isn't it good for the national defense standpoint to occasionally call Reserves for this very reason alone, to see to it that the units are, in fact, vital military organizations prepared to perform their function, which they have been paid for, and which they volunteered to do?

General JOHNSON. I would not be prepared to say so. I think that is a rather harsh judgment to make, because what you are saying substantially is that periodically all of the Reserve units should be called to Federal service, and shaken out hard. That is substantially, I believe, what you are saying.

Mr. BENNETT. I wouldn't say "periodically," but I would say in time of war like we have today, it might be a wise thing to do.

You are doing a lot to destroy the morale of the Reserves today—not you personally, but I mean the country is—by implying to them they are not really wanted. And you even said here today you don't see any reason, you can't anticipate any use for them, even if the war lasts

a year or two. You don't see any real use, but you have a mandate from Congress to do it.

General JOHNSON. No, sir. I haven't said that, and I don't believe that the Secretary has said that.

Mr. HÉBERT. Gentlemen—

Mr. BENNETT. In courtesy to the Secretary, I would like to say—courtesy to both of you—I thought that is what you said. I am sorry if it is not what you said. I will read the testimony later and see if I made a mistake.

In courtesy to the Secretary, I didn't mean to cut him off; I was just pursuing this thought with the general. Any observation you wish to make—

Secretary RESOR. I apologize for appearing to interrupt.

The experience after the callup of the Reserves in the past has been that, when you return the unit to Reserve status, it is in a much poorer condition than when you had it. A Reserve, in a sense, is a wasting or perishable asset. If you use it, then you don't have it, it takes a long time to build up again.

I think that is a factor that we have to consider there, and it really relates to the length of the war. If it is going to be a long war, then really you are better off, in my opinion, using active Army—active and newly activated units. I say that because we would have Reserve units over there under a 12-month rule, we would have them over there for 7 months; they come home and we would no longer have that division. The Reserves would have been depleted. And we would have depleted what we need very much today, which is this Reserve force to fall back on in case there is a major escalation, which we hope there will not be.

Mr. HÉBERT. That is of vital interest, I think, in this program.

There are many questions I am sure members of the committee would like to ask.

However, we want to get along with the supplemental. Without asking the Secretary and general to say in the record at this point, all the figures and data on the Reserve callup—I mean the training program which you discussed in general here, how many callups, in line with the questioning, so we will have it in front of us. I am sure coming events do cast their shadows before them. You two gentlemen know what is ahead of you. We will discuss the National Reserve-National Guard realignment later on. This is the indication of the great concern the committee has.

However, I think in the interest of moving along with the business at hand, we will start on the book now, Mr. Secretary.

Mr. LENNON. Mr. Chairman, are you suggesting there be no more questions along the line that has been asked this morning?

Mr. Chairman, may I make an inquiry, please, respectfully?

Mr. HÉBERT. Yes.

Mr. LENNON. Are you suggesting there should be no more questioning of these witnesses on the subject matter that has been kicked around here for the last 30 minutes?

Mr. HÉBERT. I recognize, Mr. Lennon, your desire.

We kicked it around for an hour. We kicked it around 2 or 3 months ourselves; you know that.

I recognize you to pursue it, because I don't want to cut anybody off, because this subject matter, as evidenced by the questioning taking

place here this morning, is right on the top of the list of concern in this committee. We are going to have quite a problem on it, as Mr. Lennon and the members of the subcommittee on which he serves know. That is the reason why I have allowed the latitude this morning in the questioning of this thing.

So go ahead, Mr. Lennon.

Mr. LENNON. Thank you, Mr. Chairman.

General, I believe you stated in early July the decision was made at the higher echelon that the reservists would not be called?

General JOHNSON. Late in July.

Mr. LENNON. Late in July.

Was your opinion solicited or asked as to whether or not the President should declare an emergency which would authorize calling up the Reserves?

General JOHNSON. Not at that time.

Mr. LENNON. Was it subsequently asked?

General JOHNSON. Yes, sir.

Mr. LENNON. Approximately at what date?

General JOHNSON. In December, and again in January.

Mr. LENNON. In December of last year?

General JOHNSON. 1965, and January of 1966.

Mr. LENNON. What was your response in December of last year as to whether or not in your judgment the President should declare an emergency which would authorize the calling up of the reservists?

General JOHNSON. I recommended that the Reserves be called.

Mr. LENNON. And again, in January of this year, General, what was your recommendation?

General JOHNSON. The same.

Mr. LENNON. The same.

Now, the Secretary has indicated, by inference at least, that one of the factors in the decision not to declare the emergency by which the authority would come to call up the Reserves was a possible extension over a long period of the conflict in southeast Asia.

Do I understand that correctly, Mr. Secretary?

Secretary RESOR. Yes.

Mr. LENNON. So, it was a factor in the President's decision not to declare an emergency?

Secretary RESOR. No. No, I don't know what went on in the President's mind. I am just saying that is a factor which occurs to me, and which I know has been discussed—I had no discussions with the President on the subject.

Mr. LENNON. Yes, I understand, but you do think it was a factor in the final decision of the President not to declare an emergency?

Secretary RESOR. I think it was a factor in the recommendation of the Defense Department.

Mr. LENNON. So—

General JOHNSON. I don't think, Mr. Lennon, that we can attribute anything to the President, as to the factors in his mind, sir.

Mr. LENNON. I understand.

This is indicative to us, the administration, the Commander in Chief, the President, does anticipate a rather long conflict in southeast Asia.

That brings me to the 1967, fiscal 1967 budget. I am not talking about the supplemental that is before us today.

But that would indicate, in glancing over it rather casually, and a little bit to a greater degree of casual attitude, that you are projecting the hope or the belief in that budget—I am talking about the Department of Defense, and especially for the Army—you expect hostilities to end sometime in late 1967, isn't that true?

Secretary RESOR. No. We have merely been directed to budget for combat consumption through June 30, 1967, as a planning date. That does not imply that anyone thinks the war will end on that date. But for budget purposes we have to agree on some planning date. This was the system that was actually used in the Korean war, and appears to be a workable system. And it gives us time so that we can come back to Congress if we need to—before the leadtimes run out—to discuss again what the additional requirements are, based on the assumption that the war will continue, say another 6 or 12 months.

Mr. LENNON. I gathered, Mr. Secretary, from the response that you gave to at least two questions asked of you by the members of the committee here this morning, that if substantial more forces were needed in southeastern Asia, then the question of calling up the Reserve would become a very critical one?

Secretary RESOR. It is not only the question of the number of forces you deploy, it is question of the phasing or the rate of deployment. If the phasing and rate is slower, then the Active Army with the activations is in better position to handle it.

Mr. LENNON. I think you statement indicated you had an in-country strength of 131,000-plus Army?

Secretary RESOR. That is correct.

Mr. LENNON. The news media, just last month, I believe, indicated in a news article that we could reasonably expect escalation of forces in Vietnam and Thailand by late fall, or certainly early winter, of at least 400,000 combat troops.

Is there any substance in that statement?

[Deleted.] I would like to know what your thinking is now. What do you project for the Army's strength in southeastern Asia by November 1 of this calendar year?

Secretary RESOR. I don't think I am in a position at this time, really to predict that.

[Deleted.]

The figure I was speaking of currently is Army strength.

Mr. LENNON. I am sorry—

Secretary RESOR. I was just saying that I don't think I am in a position to actually make a useful, intelligent prediction as to the yearend strength.

Of course, as we all know, it depends to a considerable extent on what Hanoi does, and what their rate of infiltration is. It is a subject that is under discussion, but it hasn't really gotten any further than that. I wouldn't be in a position to say.

Mr. LENNON. Mr. Secretary, your 1966 supplemental budget, as related to public works, or construction [deleted].

Secretary RESOR. Of how many?

Mr. LENNON. [Deleted.]

Secretary RESOR. I am not sure it does predict the figure. [Deleted.]

Mr. LENNON. [Deleted.] Thank you, Mr. Chairman.

Mr. HÉBERT. Mr. Ichord.

Mr. ICHORD. General, you or the Secretary, one, stated you are losing 1,000 men a day out of the armed services.

General JOHNSON. Out of the Army.

Mr. ICHORD. Out of the Army, right.

You, of course, would like to have probably most of those men reenlist.

You do have a reenlistment problem.

I am wondering if you have given any thought to the possible adverse effect of the GI bill we passed a few days ago by a vote of 369 to nothing in the House will have upon your reenlistment problem. Are you concerned about any possible adverse effect?

General JOHNSON. Not at the present time. We had evidenced some concern in the hearings last year that this was a possibility, but we found that we have some difficulty predicting what people are going to do.

For example, despite the fact that the Active Army is carrying the burden in Vietnam, our first term Regular Army reenlistment rate over the course of the past 6 months has increased.

Mr. ICHORD. It has improved? I am glad to hear that.

General JOHNSON. It has improved.

I don't know by what rate, but we have gone up some.

We had in 1962 a 23.8 percent rate; in 1963, a 22.2 percent rate; and for the first 5 months of 1966—fiscal 1966, we had a 26.7 percent rate.

Mr. ICHORD. Yes. I know it is difficult to predict what people are going to do, but you feel, then, probably it won't be too serious a problem, that it wouldn't affect your reenlistment rates to definitely?

General JOHNSON. I don't believe it will have a significant impact. We have a lot of programs in the Army that offer a man an opportunity to improve his education, so that many of the individuals who want to make a career of the Army can, over the course of the years, attain substantially the same benefits as they would by getting out.

Mr. ICHORD. Thank you very much, Mr. Chairman.

Mr. BATES. Mr. Secretary, on page 2 of your statement, the last paragraph, you said, in addition that the Army requires \$200 million—\$210 million in lieu of the transfer of a similar amount of money from the stock funds for the MPA account.

Would you explain that, please?

Secretary RESOR. I will be candid. This is a very complicated subject.

Mr. BATES. I will be candid, that is the reason I asked the question.

Secretary RESOR. The stock fund, as I understand it, is essentially a revolving fund.

Mr. BATES. It is unless you disturb it. That is the reason I am asking the question.

Secretary RESOR. Right.

The prediction was, when the basic budget was made, that we wouldn't need that much working capital in the stock fund.

Now, as you can see, as your business expands, and you have more sales, you need more working capital. Essentially that is what happened here.

Mr. BATES. Yes; but this talks about a transfer from stock funds to the MPA account.

Secretary RESOR. Well, as I understand it, the plan was to assume we had \$210 million-excess working capital in our stock funds, and that we could transfer to meet part of our projected MPA obligations. When the rate of the buildup increased, we had to carry larger inventories and we needed more working capital. Therefore it became quite clear that the \$210 million was no longer excess capital funds, but would have to be retained in the stock fund.

Mr. BATES. I would presume that that would be a judgment that would have been exercised ahead of time, that you didn't in fact have an excess amount in your stock fund, because everything has been building up in recent years.

Your account payables would be more, your demand upon the account would be more, and therefore, the drawing down from the stock fund account would appear to be something contrary to the general trend we have been following.

Secretary RESOR. I am familiar with the problem we have today. The drawdown part came up at the time the basic budget was prepared, which was over a year ago. I am not familiar with the computations on which they reached the projection that we could actually save \$210 million.

Perhaps there is someone here who knows. I don't believe we brought anyone who is completely familiar with the history of this. General Taylor will be the man. General Taylor will later appear before you. Or I can supply that.

Would you like to know why we originally thought we could take \$210 million out of the stock fund?

Mr. BATES. Yes, because it is a very convenient budget arrangement to take money out of a stock account, rather than ask for appropriations in the same amount. This is a very nice thing. It is a windfall. But it depletes the amount of goods that are available on the shelf.

Secretary RESOR. Precisely. Precisely, sir.

General JOHNSON. Not necessarily, Mr. Bates.

We have a continuing change in the type of vehicles, for example, or the type of weapons that we have. To give you an example, we converted the artillery in the divisions in the 7th Army from 105 millimeter to 155 millimeter a couple of years ago. When we did that, we then automatically created a surplus in 105 millimeter ammunition. While this example does not bear directly on a stock fund transaction, it is indicative.

Now, that 105 millimeter ammunition, then, is eligible for military assistance programs. So a part of what you term a "windfall" results from modernization practices, where stocks that are funded by the stock fund become excess to Army requirements. So you get some money back.

Over the years this has been a—

Mr. BATES. Yes, but you take that out of your inventory. You either have a stock balance in items or you have it in cash to fill up the entire stock fund.

Now, you can take something out of that, it is reimbursed in cash under the present appropriations. This is what happens.

So in any event, if you take out some old equipment, it is a windfall, then, as far as the account is concerned because then you put new money

in there, and you are unloading some of your old stuff under your military assistance program. That is actually what you are doing.

But this is not really the question I am asking. What I am concerned about is whether or not we are cutting down on the size of the stock count, and therefore not replenishing it so we have that much to draw upon in the future.

Now, if we just absorb so much of the stock count, and spend it for other purposes, that is a windfall, whether for the MPA account or something else.

General CHESAREK. Over the past several years the stock fund has generated funds which have been applied to the MPA program. These are generated from two sources:

(1) The pricing policy: In other words, you buy a lot of spare parts, you sell them, then, to the customers, which reimburse the fund. Any difference in pricing between the procurement price and selling price we try to keep as close as possible.

Mr. BATES. You average them out, don't you?

You don't try to make a profit for the stock account?

General CHESAREK. No, you don't make a profit, but there is always a variant between the prices as published in the field and the latest price you get from a competitive procurement. This generates some money.

The other source is long stocks. This is the point that you were talking about.

As the structure of the Army constantly changes, long stocks in the stock fund are generated, and as these are used, over a period of time. This too generates money that you don't need for replacement of these long stocks.

Mr. BATES. No, but you have a replacement generally of something else to take its place.

General CHESAREK. Just as we are doing right now for this emergency, we have injected substantial additional sums of money into the stock fund obligation authority to buy new parts as required for Vietnam.

Mr. BATES. I understand that. But the only concern I am expressing is that we have a certain amount of money in a stock—in a revolving fund. What I don't want to see happen is to deplete the stock, and use these funds, or stocks, for some other purpose, so we won't have to request appropriation for it.

Now, that is my concern.

Are we doing that in this case, or was that our intent?

General CHESAREK. As the Secretary indicated, we are not doing that.

Mr. BATES. I know you are not doing it. That is indicated. But what was the intent?

General CHESAREK. The intent was, in the estimates by the fiscal analysts, we would, in fact, have generated that sum as excess in this fiscal year. We are now saying "Not so."

Mr. BATES. I don't understand how you generate excesses.

You have some differences in prices, that is true, but how do you generate anything to amount to any money, at all?

General CHESAREK. Well, you take—

Mr. BATES. You don't make a profit?

General CHESAREK. No, you don't try to make a profit, sir.

You have to publish the price to the field agencies that buy spare parts the price, so that they know how much consumer money they can apply—you know, they have limited amounts.

Mr. BATES. By specific appropriations?

General CHESAREK. These prices are published in a bulletin form. When an inventory control point buys spare parts it does this now under competition, largely. We achieve a very fair price, and sometimes the reduction in price is substantial.

By the time you can get the field bulletin changed to reflect new price, and distributed worldwide, 6 or 9 months pass.

Mr. BATES. If you guess about right, you are not going to have a change either way.

General CHESAREK. It has proved over time to generate——

Mr. BATES. Then you just overcharge your stock fund in the first instance.

General JOHNSON. We are overcharging the customer.

Mr. BATES. The customer in your estimate.

General JOHNSON. Yes, sir. But I think there are two answers to your question.

The first is that we historically have shown what amounts to a profit from the stock fund.

For example, we buy 100 helicopters. We buy parts for 100 helicopter blades—rotor blade assemblies. At the time that helicopter passes out of the system, perhaps we have 20 or those left.

Mr. BATES. Right.

General JOHNSON. That we overbought.

We sell those helicopter blade parts, but we don't have to buy any replacements of that particular type.

Mr. BATES. For something else. That is right.

General JOHNSON. Yes.

There is a continual generation of funds this way.

The second thing that happens is, each time we come over here to ask for our annual appropriation, we always show the Congress what transfers will be made between appropriations, such as a transfer from stock fund to military personnel, Army.

As for the question that I think is really troubling you: Yes, we have differences of opinion as to whether this money should come from the stock fund or not.

These are internal, sometimes to the Army, sometimes between the Army and the OSD analysts, but generally speaking, we have had an adequate obligational authority to maintain our stock fund with the parts that are required. Generally speaking this is the case.

Mr. BATES. General, I have no objection to these guestimates, and the fact you might have overages or underages. These are matters of judgment.

But what I don't want to see happen is the utilization of a stock fund for operating purposes in lieu of asking for new money. This is what I don't think we should be doing.

General JOHNSON. Yes, sir.

This is precisely what we are doing here; we are coming to you and saying that we had made an estimate that we could use stock funds for pay, but we now find that we cannot do that. We would like to have the \$210 million for military pay.

Mr. BATES. That I understand.

The question was raised, and I thought we ought to get the thing solved.

Mr. HÉBERT. Members of the committee, we will take the black book and turn to tab A.

Mr. Kelleher will proceed.

Mr. KELLEHER. Mr. Chairman, immediately behind the Secretary's statement is an index of all of the tabs, and they are tied directly into the individual items.

The first involves the CH-47A helicopter, the Chinook. The Army is requesting [deleted] of them at a price of \$114.9 million.

The second item—

Mr. SCHWEIKER. I would like to ask either the general or the Secretary are there any armored Chinooks in this buy?

Secretary RESOR. No, that is experimental still.

General JOHNSON. Out of the Chinooks we already have, we have equipped [deleted] on an experimental basis, [deleted] to see just what kind of an armed ship the Chinook will make.

We have made no determination to purchase armed Chinooks as yet. We have to run some experiments to determine whether or not we in fact should continue to arm them.

Mr. SCHWEIKER. You had one here down testing it at your proving ground for some time, didn't you?

What have been your preliminary results on that?

General JOHNSON. I can't say.

What we were checking out there was the practicality of the armament systems that we had on it. According to the reports that I have had, which had been very general in nature, they said they have been meeting their test objectives. In other words, they are able to fire their weapons, and to engage targets satisfactorily, in that particular environment, [deleted].

Mr. SCHWEIKER. Why are we so late in testing equipment of this type? In other words, just from a logical point of view we know that we have lost a lot of airplanes because of small arms and antiaircraft fire. We know we lost a lot of helicopters because of this. And here it is this late in the game that we are testing something which it seems to be obvious we should have been testing a year back.

General JOHNSON. I would take the opposite view. The Chinook has been fielded at least a year ahead of the normal time we would field the Chinook. At the time it participated in the air assault test in what is now the 1st Cavalry Division, we were having an availability rate on that machine of about [deleted] percent, entirely unsatisfactory.

The reason that we did it was because it was the kind of machine that we wanted, and we were willing to accept this rate for test purposes.

Since going to Vietnam—and this is only in the course of the last 6 months—the availability rate on that machine in Vietnam has now gone up to between [deleted] percent.

Mr. SCHWEIKER. What do you mean by "availability"?

General JOHNSON. When we want to fly it, it is ready to fly, it is not down for repairs or it is not down because there are no parts to put it in a flyable condition.

Mr. SCHWEIKER. Maybe my question should be a little more basic—General JOHNSON. Let me finish, Mr. Schweiker, if I may, please.

Mr. SCHWEIKER. All right.

General JOHNSON. So we have moved out exceptionally fast in arming this Chinook, we feel, to explore all possibilities for providing higher support for our forces.

We think that we have been exceptionally aggressive in this area of the armed helicopter.

Mr. SCHWEIKER. Well, General, you may be right, but I have been informed the Army waited anywhere from 4 to 6 months after getting a proposal to build an armored Chinook before they gave the green light to do it. This was right in the middle of our buildup at the time. So this is what I am getting at. In other words, it seems to me this is the type of thing you would be experimenting with. And I understood that the Army, or the Pentagon—maybe I shouldn't say the Army—waited anywhere from 4 to 6 months when we were escalating over there before they agreed to go ahead with this whole idea.

General JOHNSON. Mr. Schweiker, I got a briefing from General Besson, who advanced this concept to the Army Materiel Command, and on the day I received the briefing I said, you take off [deleted]. There wasn't anything written or anything else. He sent his team [deleted] to work out the details of the test with the people [deleted].

I don't believe that there has been any delay whatsoever, although it takes a little bit of time to process papers. I would also point out that the helicopters we have diverted for this test are the same helicopters that we require to place in units [deleted].

So we have placed this program in a higher priority than [deleted].

Mr. SCHWEIKER. I don't have all the facts at my disposal, but I would appreciate it, General, if you would supply me the date the manufacturer supplied you folks with the proposal on these [deleted] experimental units and then the date you folks gave them an OK. I sure would like to have that for a record.

General JOHNSON. Any time a manufacturer gives us a proposal we have to recognize there is a modest amount of self-interest on the part of the manufacturer. We have to check his proposals pretty carefully, because it is sometimes hard to distinguish between fact and fiction in some of the things that a manufacturer tells you.

Mr. SCHWEIKER. Well, this I agree with, General, and I realize, as you say, this is a comparatively new piece of equipment. I concede that.

But maybe the more basic question I am getting at is, it seems to me, with our helicopter buildup over there, and the losses we have been sustaining in the air war, maybe we should have been looking—I am not saying Chinook—any type of armored helicopter equipment a few years back. This is what I am looking at.

General JOHNSON. We started looking, sir, back in 1956, and have been progressing since that time on armed helicopters.

Mr. SCHWEIKER. I just would leave the point to show I think this is a badly needed weapon. I regret that it is in the middle of the war before we are bringing it in. Our plane losses and our helicopter losses are a rather sad tributary to the fact we have not counteracted the ground in an effective way. I certainly hope, and I am not pushing

for this particular model, but I certainly hope we will keep pushing this concept, and I would like to have for the record the Army's time schedule of when they got the proposal and when they decided to go ahead with it, Mr. Chairman.

General JOHNSON. You give me a golden opportunity, Mr. Schweiker. I would like to give you some statistics on our helicopter losses. We are enormously proud of what the helicopter has done—all of our helicopters. They have demonstrated remarkable resiliency in Vietnam.

I have got some figures from the 1st of January 1962—and you will recall we had then the old HC-21, a very old helicopter—through the 31st of December 1965. In that period of time we have flown 867,876 combat sorties, and by a "combat sortie" I mean one in which the helicopter and its pilot and crew and load have been exposed to hostile fire. In that period of time we have lost 64 to ground fire.

This is 4 years that I am talking about. We had 146 knocked down. The difference between 146 and 64 is the aircraft that were recovered.

What that means is that we lost 1 helicopter for every 12,561 combat sorties. We had 1 knocked down for every 5,944.

We had a lot of them hit—many, many hit—1 for every 326 combat sorties.

Mr. SCHWEIKER. Yes.

General JOHNSON. When you put it in total sorties you get an even bigger figure. We lost 1 for every 19,508, as a combat loss.

Mr. SCHWEIKER. I won't dispute that, General. My point is a little broader in that when you go in with a helicopter landing the point is how many men do you lose at this point, and if you had an armored helicopter come in and clear out the area it seems to me rather logical you are going to save α percent lives because you can clear an area, and also our fixed-wing aircraft. I just wonder how many—I understand we lost something like a billion dollars' worth of fixed-wing aircraft. My point is, I wonder if we fully exploited a weapon like this, and I am not particularly addressing it necessarily to the Army, in some of the areas it is not necessarily the Army's concern. That is all.

Mr. KELLEHER. Tab B, Mr. Chairman, is the Iroquois [deleted] for \$386.3 million.

Mr. HÉBERT. Without objection it is approved.

Mr. KELLEHER. Tab C [deleted] Pawnees for \$17 million.

Mr. HÉBERT. Without exception we will move to the next item.

Mr. KELLEHER. [Deleted] Flying Cranes for \$26.6 million.

Mr. HÉBERT. Without exception, go to the next item.

Mr. SCHWEIKER. What is the basic of this? In other words, what can the Flying Crane do that the Chinook couldn't, just briefly? I see their loads are about the same, that is why I ask the question.

Secretary RESOR. It can carry much more. And it can lift and recover a Chinook. It is very hard for a Chinook to recover a Chinook. The Flying Crane can recover a Chinook very easily. I think the current figure is that we have recovered \$19.4 million worth of aircraft with the four Flying Cranes we have out there now in the Air Mobile Division—or had, we lost one.

Mr. SCHWEIKER. Your own data sheets here show they both have a mission load of 10,000 pounds. Maybe I am confused. But your own statistics say their loads are the same.

Secretary RESOR. I think it is partly a question of how—

Mr. SCHWEIKER. Yet one costs [deleted] the price of the other. That is what I would like to have cleared up.

General CHESAREK. The Flying Crane external load can go up to 20,000 pounds.

Mr. SCHWEIKER. It can go up to 20,000?

General CHESAREK. It can go up to 20,000 pounds.

The configuration of the aircraft is such that you can carry a wide variety of loads.

Mr. SCHWEIKER. Why don't you put that in your data sheet, then?

General JOHNSON. If you will look under paragraph 8, under "Range," you will notice in the parenthetical expression "30-mile nautical radius with 20,000-pound mission load."

Mr. SCHWEIKER. What is the 10,000 pounds based on that you have in the mission load figure, then?

General JOHNSON. That is the mission range, 270 nautical miles, you will notice; 260 nautical miles is shown up above.

There is a direct tradeoff, of course, between these.

Mr. SCHWEIKER. Thank you, Mr. Chairman.

Mr. KELLEHER. Tab E, Mr. Chairman [deleted], \$100,000.

Mr. HÉBERT. Without objection it is approved.

Mr. KELLEHER. Tab F [deleted], OV-1 airplane, \$26.5 million.

Mr. HÉBERT. Without objection it is approved.

Mr. KELLEHER. Tab G, follow-on airplane [deleted], \$13.2 million.

Mr. HÉBERT. Mr. Wilson.

Mr. WILSON. I would like an explanation of the type of airplane you are recommending in the utility followon. Is that in any way like the OV-10 that has been under consideration by the Army and the Air Force?

General JOHNSON. We can't really tell you what the followon is going to be, because we are running some tests. It will have some of the same characteristics as the OV-10.

Mr. WILSON. I notice you have a stowing characteristic, you have a passenger-carrying characteristic. In cargo this is almost the same requirement as the OV-10.

Let me ask you a little further, do you have any requirement, either—obviously you don't in this—but do you have it in the fiscal 1967 for the OV-10, which the Air Force is ordering?

General CHESAREK. The transport version of the OV-10 does not have a good STOL capability.

Mr. WILSON. The OV-10 I have seen has a very definite STOL capability.

General CHESAREK. The primary configuration of the OV-10 is a two-passenger carrier. Of course, they do have a cargo version.

Mr. WILSON. I am talking about the Coin, the Lara, or the OV-10A, or whatever you want to call it. It is capable of carrying 8 or 10 people depending on the configuration. It carries about the same load.

I wonder if maybe your requirements aren't really quite similar to what you listed as requirements for the Coin-Lara?

General JOHNSON. Are you talking about the OV-1 here now?

Mr. WILSON. You have a requirement here for airplane utility followon as you call it.

Secretary RESOR. Tab G.

Mr. WILSON. According to the mission, it is very similar to the OV-10A mission. I am wondering why all of a sudden we decide we don't need the OV-10's, and they are going to come in with another airplane of similar characteristics.

General JOHNSON. We are looking at the OV-10 as one of the candidates to see whether or not it will meet this mission requirement. We have contributed to the development of the OV-10, as well. I think we put up \$2 million.

Mr. WILSON. That was the reason for my question. I was wondering perhaps if you were thinking about it because the mission is so much similar to the Air Force's OV-10.

General JOHNSON. We are thinking about it, Mr. Wilson. The reason we have not specified the type of aircraft here is we are running a competition to determine what aircraft it ought to be. One of the candidates is the OV-10.

Mr. WILSON. Yes.

General, let me ask you: Have you personally read the report of the close air support hearing—

General JOHNSON. The Pike report?

Mr. WILSON. The Pike report.

General JOHNSON. Yes, sir.

Mr. BOB WILSON. Do you find great disagreement in the criticisms of that report? Maybe this is—

General JOHNSON. As I read your report, Mr. Wilson, you stated that the report was not intended to be critical, it was intended to be a help.

I don't want to associate myself with the criticism.

Mr. BOB WILSON. You accepted it in the manner in which it was presented?

General JOHNSON. Yes; I thought many of the points brought out there were fine points, and we would continue to work on them. As a matter of fact, some of the things you raised in there, we have already taken some action on.

For example, last April General McConnell and I signed an agreement on forward air controllers. We don't have the same number as the Marines, but we have one per battalion; the Marines have three.

However, the Marines have four rifle companies, where we only have three in our battalions. We get a liaison officer at the battalion who can also act as a FAC; thus giving us a capability for two FAC's.

Mr. BOB WILSON. Did you sign an agreement they communicate with the helicopters, rather than going through an airborne liaison man?

I think this is one of the most critical points that we brought up, the fact that forward air controllers couldn't communicate with the airplanes that are dropping the ordnance, and I hope the Army is showing some concern. I know Dr. Cheatham indicated great concern from his standpoint on the problem area. The Marines and the Navy can talk to each other. The forward air controller can actually direct the course of the airplane coming in. I wondered if the Army

is paying enough attention to this problem, because, believe me, your Army people who came in are concerned about it, that are working there on the frontline, the fact that they have to depend on a little observation airplane flying around to carry their communication to the airplane that is dropping the bombs, or the napalm, whatever it is.

Mr. BLANDFORD. The Air Force testified they are going to use the OV-10A basically as a replacement for the O-1X.

They are going to continue to use the OV-10A for the forward air controller observation aircraft to bring in aircraft, but in addition, indicated that it would also have ordnance, and that could be called in. So when they get the OV-10A this will probably be the first time they will have the loiter aircraft on station, that your forward air controller can talk to directly.

If he can identify the target, this aircraft would then be able to deliver a limited amount of ordnance.

So the Marine Corps is going to use it basically as a Lara, the Air Force-Army are going to use it basically as an observation airplane, but with an ordnance capability. Isn't that correct, General?

General JOHNSON. Yes; as it applies to Army personnel using Army radios communicating with Air Force aircraft. However, the Air Force FAC's use Air Force radios to contact the aircraft directly. Our new family of radios with which we are presently equipping the force, the AN/VRC-12 and AN/PRC-25, have a greater range spectrum, and we have provided these radios to the Air Force so that they can communicate directly with our troops.

Mr. BOB WILSON. The problem was not the range, but the fact you are working on different bands and different wave lengths.

General JOHNSON. That is what I say. Our new radio has a broader radio spectrum, which permits us to do that.

Mr. BOB WILSON. You are conscious of the need?

General JOHNSON. Yes, sir. And we are also solving the problem, I might add.

Mr. BOB WILSON. Thank you.

Mr. ICHORD. I understand the boys out in the field in Vietnam, armed the Mohawk, the OV-1, with guns, some time ago. Is that correct?

General JOHNSON. The first Mohawks that we sent over there were armed with guns and with rockets.

Mr. ICHORD. I understand that they have now taken the guns off the Mohawk, and the rockets.

General JOHNSON. In December I didn't check, but last March—and I put out the order that they be taken off, because it is directly competitive with the function of the Air Force—but last—

Mr. ICHORD. General, I didn't quite understand that. You said you got an order. I understand they have been ordered to take the guns off, and they have taken the guns off, is that correct?

General JOHNSON. No; it is not correct.

In March of last year I visited the field at Vung Tau where the Mohawks were maintained at that time, and with my own eyes I saw a Mohawk armed. I had had an order put out sometime before, I might add, to not arm them, because they are a reconnaissance aircraft. They take pictures, they carry a side-looking radar in one version, or an infrared sensor in a third version.

Somebody who is supposed to be in a reconnaissance outfit that is armed is inevitably, just by the nature of man, going off looking for a fight. We have people that can do the fighting; but we haven't got people that can do the looking. The purpose of the Mohawk is to look.

Mr. ICHORD. Yes; it is basically a reconnaissance airplane.

You originated the order, the order originated with you, and you issued the order to remove the armaments from the Mohawk?

General JOHNSON. Yes.

I did not issue an order at the time to disarm at Vung Tau. For those that were armed I said, "All right, leave them as they are."

Mr. ICHORD. They have been taken off, then?

General JOHNSON. I don't know about the ones initially armed in Vietnam.

Mr. HÉBERT. Mr. Byrne.

Mr. BYRNE. Mr. Secretary and General Johnson, when Secretary McNamara was here I asked him why Piasecki didn't get some of this work, and he said he believed in competition, too.

Every time I come here I never see Piasecki getting anything.

Coming from Philadelphia, I have people working there, and first of all is the nature of self-preservation. I want to know what do we have to do to get a bite out of this apple.

General JOHNSON. Bring the bids down below the price of the winners, sir.

Mr. BYRNE. Did you ever see any Piasecki helicopters in Vietnam?

General JOHNSON. I am not familiar with all the models of Piasecki, but I did not see a Piasecki that I was aware of.

Mr. BYRNE. Any of the other gentlemen there see any of them?

Secretary RESOR. Do you know, Mr. Byrne, which competitions they have been in? The name is quite familiar with me, but I don't recognize it vis-a-vis some of our aircraft competition.

General JOHNSON. They were in on the AAFSS, for example.

Mr. BYRNE. The point that annoys me, General, is we allowed these other outfits money to extend their facilities and raise their production from [deleted] a month. There is Piasecki, practically waiting for the undertaker to pick him up. He is starving; dying on the grapevine.

General JOHNSON. Yes, sir; but I would point out that in the areas where we permitted an extensive mix of different models of equipment, we run into enormous maintenance problems.

In the aircraft field, particularly in the helicopter field, we have one of the most complicated machines that the Army mans, and if we were to get into a great mixture of different types of machines, we would have an awful time keeping any of them flying.

Mr. BYRNE. Did you ever test any Piasecki's?

General JOHNSON. Yes, sir.

Mr. BYRNE. What do you think about him? He is a pioneer.

General JOHNSON. Piasecki participated in the competition for the armed helicopter.

Secretary RESOR. Yes. Piasecki is on the Aviation Materiel Laboratory's mailing list of aviation firms, and has been sent a request for proposal on all previous aviation requirements and any procurements involving research and development and design competition.

For instance, they submitted a proposal in response to the Aviation Materiel Laboratory solicitation for the contract definition phase of AAFSS procurement.

Their proposal was evaluated by a contractor selection board. It was not accepted, since the technical proposals submitted by Sikorsky and Lockheed were considered to be superior.

Piasecki has done extensive research and development for the Army in the field of the development of an aerial jeep, and is currently performing research and development work for flight test of the 167-H1 helicopter.

I certainly can assure you, Mr. Byrne, if we could have gotten that UH-1B/D rate up faster by going to Piasecki, without getting into a parts problem, we would have done it.

Mr. BYRNE. Well, again, let me repeat: I am really interested in Piasecki, because my people work there. If it wasn't for them, I wouldn't be here. He is dying on the vine. I am going to see a little bit of work that I might have, that he gets a try, at least try to get a bite out of the apple.

General JOHNSON. I think we can assure you, Mr. Byrne, when Piasecki has a winning entry, they will get the contract.

Mr. BYRNE. You call me up and let me know.

General JOHNSON. Yes, sir.

Mr. HÉBERT. Going to missiles, Mr. Secretary—

Mr. BYRNE. Mr. Chairman, just a minute.

The statement reminds me of an Irishman who had a horse in the winter. He had no feed. He said, "Wait until the spring; he will eat grass."

So far Piasecki didn't get any grass to eat from you people.

Mr. HÉBERT. Without objection, the next item.

Mr. KELLEHER. Tab H. [deleted] battery sets for the HAWK missile, \$35.5 million.

Mr. BATES. Is there any in the 1967 budget?

Secretary RESOR. I can tell you in just 1 second.

General CHESAREK. No; no missiles in 1967.

Mr. BATES. This is ground launch?

General JOHNSON. [Deleted.]

At the present time, our level of HAWK has not increased. We have got it under a pretty careful review at the present time to see whether or not we should, because [deleted] our HAWKS are deployed overseas, so we have a rotation base problem.

Mr. BATES. General, it seems the threat has been running through these entire hearings, which is that we have been living terribly close on our inventories. Nobody knows what is down the road tomorrow. And I think when it comes to things like this—I don't mean HAWK particularly—but across the board, whether it be aircraft of whatever it may be—I think we are at this time tightening our belts a little more than we should.

I don't mind all these other programs in Government. We can tighten those belts real good, but when it comes to the defense of this country, I don't like to see this come up short. And borrowing from here to fill in there militarily, I just don't like it. That is the reason even in the pay bill the other day, the chairman and I put in one for military, yet the civilians are going to get it. But why the military pay, we are going to be short. I don't understand it.

General JOHNSON. No; I think there is another way to look at this. We have maintained a reserve in the United States to employ as required. We are now employing that reserve. And as we employ the reserve, or deploy it, we are reconstituting those elements of it that we think require reconstitution.

Mr. BATES. You are borrowing from one place——

General JOHNSON. That is not a borrowing. The reserve in the United States is designed to be employed wherever it might be required. So it is not a borrowing. It is employing it now where it is required.

Secretary RESOR. Perhaps, Mr. Bates, it might reassure you to know that in our 1966 and 1967 budgets, combined, we are buying out the Army's authorization objective, generally speaking, in substantial items.

Mr. BATES. Well, I hope so, because we are depending on your people for information, and we don't want to see us come up short. We don't know what is down the road. A lot of things could happen in the next year. And if we are planning this as to past experience, the recent past is not good enough. If we are going to double as we have in some cases in recent experience, maybe this will do the job. But let's not keep this thing to close.

Mr. HARDY. May I ask a question about that?

Are those all deployed?

General JOHNSON. No, sir; not at the present time.

Mr. HARDY. Will you tell us how many of them are?

Secretary RESOR. As of the end of 1965, there were [deleted].

Mr. HARDY. I am thinking about the [deleted]. Where did the rest of them go? What happened to the rest of them?

General JOHNSON. Of the [deleted] sets, there are [deleted] of them in Europe, [deleted] of them in the Pacific. [Deleted.]

[Deleted] sets are in Panama. [Deleted] sets are in what we call the STRAF from which we provide forces for Strike Command. [Deleted.]

We have [deleted] sets in Florida, belonging to our Army Air Defense Command. They were put down there at the time of the Cuban crisis.

Mr. HARDY. Are they in place?

General JOHNSON. They are in place.

Then there are [deleted] that we have in general support used as training sets for schools. A maintenance float is included in the number within commands.

These are sets used to provide a replacement if something happens to a set, which we then repair.

Mr. HARDY. The total backup, out of your entire [deleted] is [deleted] sets?

General JOHNSON. [Deleted] which includes [deleted] maintenance float and [deleted] nonunit training sets.

Mr. HARDY. [Deleted.]

General JOHNSON. [Deleted] in training and [deleted] maintenance floats in depot.

Our maintenance float depending upon the kind of equipment, may be [deleted].

Mr. HARDY. What is the time requirement on these?

General JOHNSON. I can't answer that question.

Maybe I can get the answer.

General CHESAREK. General leadtime, sir, is [deleted] months, total.

Mr. HARDY. [Deleted] months?

General CHESAREK. [Deleted] months.

Mr. HARDY. It is going to take you a long time to get these you are going after now. [Deleted.] This bears out the point Mr. Bates was raising a while ago. [Deleted.]

Have you got any on—apparently you have [deleted]—on order, under procurement now, if I read these figures right; is that right?

Mr. KELLEHER. In the 1966.

General CHESAREK. In the 1966 supplemental?

Excuse me, the 1966 supplemental has [deleted] sets.

Mr. HARDY. You have an undelivered figure of [deleted].

General CHESAREK. Right.

Mr. HARDY. I don't know where that [deleted] is, what your time of delivery on them is; even if you had them you would only have [deleted] that would be usable within [deleted].

General CHESAREK. That is right.

Mr. HARDY. That is a sad sort of situation.

Now, without—would you explain where the other [deleted] sets are—of course you say, net after the 1966 supplemental [deleted] are delivered, you will have [deleted] plus [deleted] adds up to [deleted]. Where are the other [deleted].

General JOHNSON. No, sir; the [deleted] I believe, are included in the [deleted].

Mr. HARDY. Yes, sir, I understand that.

If you add [deleted] to [deleted] I get [deleted].

General JOHNSON. Yes sir. I can't explain it.

Mr. HARDY. Maybe we lost [deleted] of the [deleted]; maybe that is wrong, which would mean that [deleted].

General JOHNSON. I can't explain it, sir.

Mr. BATES. All of these figures, even yesterday, were about the same. I presume it was because of losses, et cetera, or malfunctions?

General JOHNSON. It could be attrition, but I don't know. This should not be that heavy.

General CHESAREK. There are [deleted] sets in Europe and [deleted] sets in the depots.

Mr. HARDY. That would reduce the [deleted]. You are still missing [deleted].

General CHESAREK. We are still missing [deleted].

(Information requested is classified and was furnished to committee.)

Mr. HARDY. You better go ahead and change the inventory from [deleted].

There is only one other question, Mr. Chairman:

Did you have any of this procurement funded originally in your 1967 budget?

General CHESAREK. In the 1967 budget, sir, we have a total of \$39.7 million for HAWK.

Mr. HARDY. Is that in addition——

General CHESAREK. That is in addition to the 1966 supplemental.

Mr. HARDY. Is that the figure that has been in the 1967 budget right along?

General JOHNSON. To answer your question specifically, was this item transferred from the 1967 budget to the 1966 supplemental, the answer is "No."

Mr. HARDY. The answer is "No."

This is in addition to what had been originally programed in the 1967 budget?

General JOHNSON. Yes.

Mr. HARDY. All right.

Mr. HÉBERT. The committee will stand in recess until 2 o'clock. (Whereupon, at 12:03 p.m., the committee was recessed, to reconvene at 2 p.m., of the same day.)

AFTERNOON SESSION

The CHAIRMAN. Let the committee come to order.

I am all fired up now, ready to go.

We will start right along with the Hardy amendment vehicle.

Mr. HARDY. I haven't written the amendment yet. I don't have the testimony yet.

The CHAIRMAN. This is the result of the Hardy amendment last year, that we put the tracked vehicles in here.

So we will take tab I. How many are there?

Mr. KELLEHER. [Deleted] cargo carriers for \$3.5 million.

The CHAIRMAN. Without objection——

Mr. HARDY. Is this a brandnew item? You don't have any in the inventory?

General CHESAREK. This is our second year buy. It is a member of the 113 family.

Mr. HARDY. I recognize that by the contract.

General, how much has this contract amounted to in dollars of FMC since you started under the negotiated single-source procurement?

General CHESAREK. I only have a breakdown with me, sir, on unit price. It was a 3-year, multiyear price.

Mr. HARDY. I happened to see you started out with about the MM-113. It was a sole-source procurement, and it is still a sole-source contract.

I am just curious to know what is the total amount of this contract for the FMC since it was initiated with the 113-S and all the whole family that enters into it?

Secretary RESOR. I can provide that for the record.

Mr. HARDY. I think we ought to have that.

The CHAIRMAN. Put that in the record. Let's go to the next one. (Information requested follows:)

The last contract for the M-113 vehicle family was awarded to FMC Corporation as a result of a 2-step formally advertised multiyear procurement in which 32 bidders were solicited and 2 bids were received. The next chart shows production by FMC Corporation through the April 26, 1965, procurement.

M-113 vehicle family

Production by FMC Corporation

Contract No.	Date of award	Fiscal year	Procurement method	Bidders solicited	Bids received	Type contract	Vehicle	Contract price ¹
DA-04-200-ORD-856.....	May 22, 1959	1959	N.....	SS.....	1	FPR.....	M113.....	\$37,726,422
DA-20-113-ORD-26126.....	Oct. 10, 1960	1960	CN.....	17.....	4	FPR.....	M113.....	49,545,370
Add on.....		1961	N.....	SS.....	1		M113.....	
DA-04-200-ORD-1139.....	Mar. 22, 1961	1961	CN.....	19.....	2	FPR.....	M113.....	78,712,542
Add on.....		1962	N.....	SS.....			M113.....	
DA-04-200-ORD-1250.....	Apr. 20, 1962	1962	CN.....	33.....	6	FPP.....	M113.....	86,288,287
Add on.....		1962	N.....	SS.....	1	FPP.....	M113.....	
Do.....		1963	N.....	SS.....	1	FPP.....	M113.....	
DA-04-200-ORD-1251.....	Apr. 13, 1962	1962	CN.....	33.....	8	FPP.....	M113.....	28,793,759
							XM577.....	
DA-20-113-AMC-1255T.....	Feb. 18, 1963	1963	CN.....	32.....	2	FPP.....	M113.....	39,009,917
Add on.....		1963	N.....	SS.....	1	FPP.....	XM132.....	
DA-20-113-AMC-1352T.....	Feb. 18, 1963	1963	FA.....	32.....	2	FPP.....	M113.....	53,680,892
							XM106.....	
Add on.....		1963	N.....	SS.....	1	FPP.....	M113.....	
DA-36-034-AMC-0184T.....	May 17, 1963	1963	N.....	SS.....	1	FPP.....	XM577.....	14,542,162
DA-04-200-AMC-444 W.....	Feb. 26, 1964	1964	N ²	SS.....		FPP.....	M113.....	48,006,948
							M106A1.....	
DA-36-034-AMC-0289T.....	do.....	1964	N ²	SS.....		FPP.....	M577A1.....	33,832,820
							M132A1.....	
DA-20-N3-AMC-06287(T).....	Apr. 26, 1965	1965	2 step. FA..... MYP.....	32.....	2	FPP.....	M113A1.....	* 117,210,840
							M113.....	
							M577.....	
							M125A1.....	
							M106A1.....	
							M132A1.....	
							M548.....	

¹ Includes spare parts, tooling, E.O.'s, kits, and miscellaneous.² A 2-step IFB was published for this requirement but FMC was the only firm sub-

mitting a step 1 proposal; therefore contract was negotiated on a sole source basis.

³ Year contract amount, 1st-year increment \$38,442,075.

Mr. KELLEHER. Tab J, Mr. Chairman, [deleted] 155-millimeter howitzer's for \$9.5 million.

The CHAIRMAN. Without objection.

Mr. KELLEHER. Tab K, [deleted] mortar carriers for \$100,000.

The CHAIRMAN. Without objection.

Mr. KELLEHER. Tab L, [deleted] recovery vehicles for \$2.2 million.

The CHAIRMAN. Without objection.

Mr. HARDY. Which one are we on; L or M?

Mr. KELLEHER. Tab M, command post carrier, [deleted] of them, for \$3.3 million.

The CHAIRMAN. Let me get caught up with you, now. This is what?

Mr. KELLEHER. Tab M, command post carriers, [deleted] of them for \$3.3 million.

The CHAIRMAN. Without objection.

Mr. KELLEHER. Tab N, [deleted] field artillery guns, \$8.2 million.

Mr. HARDY. Mr. Chairman, before we get into that one, could I make this inquiry in connection with the others? Have we concluded all of the MC procurement?

Mr. KELLEHER. There is one more.

Mr. HARDY. I notice we don't have one here.

Is there any possibility of getting any sort of competition to these procurements?

General CHESAREK. There was competition, sir.

Mr. HARDY. One about 3 or 4 years ago.

General CHESAREK. No, sir, last year, between Chrysler and FMC FMC won it. The difference between prices on the multi-year buy was something in the order of \$30 million.

Mr. HARDY. I doubt it was legitimate competition, but anyway we will go ahead.

The CHAIRMAN. Without objection.

Now, the next one.

Mr. KELLEHER. Tab O, [deleted] heavy howitzers, self-propelled, \$3.3 million.

The CHAIRMAN. That takes us down to the last one.

Mr. KELLEHER. Tab P, the last one [deleted] mortar carriers, \$1.7 million, a total of \$75.8 million.

The CHAIRMAN. Without objection.

That takes care of that book.

Mr. BLANDFORD. R.D.T. & E.

The CHAIRMAN. Just a minute, I want to ask some questions on things they asked for that they didn't get.

Now, Mr. Blandford.

Mr. BLANDFORD. I would like to ask General Johnson with respect to procurement, if you would indicate the request that you submitted to OSD on this supplemental that you did not get.

The CHAIRMAN. That you consider vital to the prosecution of the war in Vietnam, or southeast Asia.

General JOHNSON. I asked for two specific items of hardware that we do not have.

One is the [deleted].

This is still, however, in the requirements stage. The Secretary and I, on the 21st of January, I believe, forwarded a paper back to Defense, and it has been in the debate stage there.

We feel, from all of the indications that we can get, that this will be approved. However, there is no money involved here in the budget, because there will be an internal programing.

Mr. BLANDFORD. May I ask General Johnson, when was the last request you had from General Westmoreland for this [deleted].

General JOHNSON. He reaffirmed his request in early January, but I must say that I solicited a comment on it.

Mr. BLANDFORD. Westmoreland has indicated again he wants [deleted] and that he has again reaffirmed his request for this.

When can it be made available, as far as you know?

If you had the money today and could award a contract, when could it be made available?

General CHESAREK. The first one will come off the line in [deleted].

Mr. BLANDFORD. It would still be [deleted] then, that you could have these [deleted] available.

How much money is involved in such a request?

Secretary RESOR. Well, there is about \$35 million involved in 1966, but there is a tradeoff in 1967.

Mr. BLANDFORD. Yes. You would [deleted].

Secretary RESOR. Precisely.

Mr. BLANDFORD. What you would actually be getting would be [deleted].

Secretary RESOR. Yes, if we are correct in our assumption as to what is a valid tradeoff.

General JOHNSON. The record should be clear on that, Mr. Blandford, because we also have [deleted]. It has almost entire compatibility of parts.

Mr. BLANDFORD. You are talking about [deleted].

General JOHNSON. No. We are presently buying [deleted].

The CHAIRMAN. The trade-off will be on what model?

General JOHNSON. We will trade off the [deleted].

The CHAIRMAN. You will trade off on that one?

General JOHNSON. That is right.

Mr. BLANDFORD. Can you do that within the funds available in this supplemental? That is the key to it.

General JOHNSON. With the [deleted] funds that we presently have available, we will be able to reprogram internally on the basis of the straight tradeoff.

Mr. BLANDFORD. What you are advising the committee is you may very well come up here with a reprograming very shortly which in effect would be taking money from the [deleted].

General JOHNSON. Right.

Secretary RESOR. And that might be money out of the 1967 budget into the—

General JOHNSON. No.

Secretary RESOR. The saving is in 1967. We perhaps can do the reprograming in 1966.

Mr. BLANDFORD. This was a competitive contract—it hasn't been awarded, but there has been competition in this area?

General JOHNSON. No, there has not.

Secretary RESOR. Let's go back now, it was competitive between [deleted]. The real advantage [deleted] is that there is 85 percent commonality of parts [deleted].

General JOHNSON. And they are supporting.

Mr. BLANDFORD. So what you are indicating to the committee so the committee can understand this, if you get the approval to go ahead with [deleted] this can be done without additional funds at this point, but it will require reprogramming approval by the committee. Is that the substance of it?

General JOHNSON. I believe this is correct.

General CHESAREK. We asked for about \$6 million.

The CHAIRMAN. How much do we have to add to this bill so you can make that arrangement, should the other parties who are holding it up decide to give it to you?

General JOHNSON. I think, Mr. Chairman, we will get it, so that I don't think anything need be added here.

The CHAIRMAN. Mr. Pike.

Mr. PIKE. Mr. Chairman, on this price business. You show a unit cost for this light observation helicopter of [deleted] apiece.

Would you tell us what that contract was originally awarded to Hughes for, for the production of those light observation helicopters?

Secretary RESOR. You are talking about the LOH—point E?

General JOHNSON. "C." May I defer to General Chesarek, please?

Mr. PIKE. Absolutely.

General CHESAREK. The Hughes price which was won on competition between it and the Hiller Corp., was for something in a little in excess of [deleted] for the airframe.

Mr. PIKE. That is what I thought.

General CHESAREK. That is just the airframe; not the motor.

Mr. PIKE. So we are talking about eggs and eggs, instead of eggs and chickens. What are you now paying Hughes for the airframe?

General CHESAREK. That is the contract price.

Mr. PIKE. Now, but the price is at —

General JOHNSON. To answer your question, Mr. Pike, in this particular request we are buying [deleted] in the original 1966 submission, and in the supplemental buy of [deleted] we are buying [deleted] which are within our option on the original contract, at the contract price of [deleted] per airframe. We are paying approximately [deleted] an airframe for the remaining [deleted].

Mr. PIKE. That is the figure I was after.

How did the price get from [deleted] per airframe to [deleted] per airframe?

General JOHNSON. As I understand the problem, when the contract is set up, the company agrees to commit a certain proportion of its production line to military deliveries. The remaining proportion of the production line goes for civilian sales, if they are able to sell this machine.

We are buying the civilian portion of the line during this particular period of time, and the price for the civilian portion is at the higher price.

Mr. PIKE. What do you mean you are buying the civilian portion? Do you have to buy the civilian portion at [deleted] a frame to get the same helicopter you were getting for [deleted] a frame?

General JOHNSON. We have to buy the civilian portion if we are going to get earlier delivery of the helicopter. Otherwise, we will not be able to replace the OH-13 and the OH-23 in the time frame that we want to replace them. We get a significantly better helicopter here than we do out of the current one we have deployed now in Vietnam.

Mr. PIKE. I know that, but you are getting the same helicopter you were getting for [deleted] and you are paying [deleted] times as much for it. I just can't understand how you can justify it.

General JOHNSON. Well, at the time we entered into the contract we didn't anticipate the scale of deliveries that we wanted. This contract was entered into, I believe, in May 1965.

Mr. PIKE. Well, since when do greater deliveries result in higher unit prices?

General JOHNSON. When you get the greater deliveries earlier, and you've got to add to your work force and increase the cost of your production in order to speed up your deliveries.

Mr. PIKE. I find that very hard to swallow, General. Are they working around the clock at Hughes?

General JOHNSON. I don't know, sir. I believe they are on a 21½ shift basis.

Mr. PIKE. Are we paying double time?

General JOHNSON. I take that back.

Mr. PIKE. What are you saying?

General JOHNSON. I take that back. I think that refers to Bell. I don't know what they are doing.

General CHESAREK. They are just setting up.

Mr. PIKE. They haven't produced any of them at all?

General CHESAREK. The regular 1966 buy was scheduled to come into inventory beginning in [deleted]. By taking off their line those OH-6A's which they had scheduled for commercial production we start getting deliveries in [deleted] and we actually will receive [deleted] of them before the first one would be available on the regular contract. It is this acceleration that we are having to pay for.

General JOHNSON. In this connection, Mr. Pike—

Mr. PIKE. I beg your pardon?

General JOHNSON. I say in this connection we estimate in our procurement that any time we get accelerated deliveries, the premium price you pay is somewhere on the order of 15 percent.

Mr. PIKE. Yes, but you are paying [deleted] percent premium here, General.

General JOHNSON. Of the total contract.

Mr. PIKE. You are paying a [deleted] percent increase in the cost of this bird. From [deleted] to [deleted] a copy.

Did you go back to the other competitor and ask them what they could do in this regard?

General CHESAREK. This is not a feasible alternative.

Mr. PIKE. Did you ask them, General?

General CHESAREK. No, sir.

Mr. PIKE. That is all, Mr. Chairman.

General CHESAREK. May I clarify this point, Mr. Pike?

Mr. PIKE. Yes.

General CHESAREK. Hughes has prepared to start selling these aircraft commercially, and his commercial schedule began, as I indicated, in September of 19—in October or November of 1966. The price Hughes established on the market was about [deleted] for the airframe.

Mr. PIKE. But he hadn't sold one of them?

General CHESAREK. He doesn't have any of them yet.

Mr. PIKE. He hasn't sold one.

General CHESAREK. I don't know how many orders he has, we didn't ask him. We come along and say we want all of that production. Instead of taking half of your plant production we want it all in the initial stages. He said, OK, if you pay me what I can get from a civilian customer I will let you have it.

What the price will be is under negotiation, and I don't know what it is going to be. Neither does anyone else at this point.

Mr. PIKE. Well, when you say it is "under negotiation," what is this [deleted] figure here?

General CHESAREK. That was an estimate at the time of the budget preparation, because that was roughly the price that he had indicated he was going to advertise these aircraft for commercial consumption.

Mr. PIKE. Well, it seems to me when you go to a company which has agreed to sell you a helicopter for [deleted] and you say, "We will give you [deleted] for the same helicopter because that is what you tell us you may sell it to some civilians for, and you haven't sold any yet," I think you are going hog wild.

General CHESAREK. You haven't changed the price he has contracted to sell you, plus the option quantity. That remains at [deleted]. You are asking him to sell his other production at the same price, and I don't think he will do it.

The CHAIRMAN. See if I understand what this thing is about. You don't even have any figure on your accelerated production, or any kind of an agreement on that even?

General CHESAREK. No, sir. In the original contract the specified times for delivery were laid out. They were scheduled to come in in [deleted].

The CHAIRMAN. I can't imagine.

General JOHNSON. Let's clarify the chairman's position here.

We entered into a contract with Hughes with our regular fiscal 1966 budget, and that regular fiscal 1966 budget called for him to start making deliveries to us in [deleted].

The CHAIRMAN. All right.

General JOHNSON. Now, then, we are coming to the Congress at this particular time asking for funds to get earlier deliveries from Hughes on machines that he had intended to sell on the civilian market.

Now, he can deliver these machines to us beginning in [deleted].

The CHAIRMAN. You don't know what he is going to charge you for them?

General JOHNSON. We can't enter into a final negotiation until the Congress authorizes the money to go ahead and negotiate. We would hope that we can bring this down significantly lower than the [deleted] Mr. Pike, but whether or not we can, is anybody's guess.

The CHAIRMAN. Mr. Pike.

Mr. PIKE. Mr. Chairman, I am all through. I just think that this particular procurement, where the price jumps from [deleted] on the same model, because you are trying to get more of them, is something that perhaps Mr. Hardy's subcommittee ought to look into. That is all.

Mr. HARDY. Mr. Chairman, I can't help but agree with Mr. Pike's thought about it. How in the world Mr. McNamara's cost effectiveness has gone all to pot with this kind of an operation. My goodness, you've negotiated a contract on the basis of [deleted] then you come back and say, give us an initial production, and you are going to spend [deleted] for them. General, somebody is just not doing their job right. If you can negotiate one contract on the basis of [deleted] and then when you ask them to speed the thing up you have to pay them [deleted] something is wrong.

General JOHNSON. One thing should be clear, that the contract we have still is at [deleted] and there is no change in the contract terms there.

Mr. HARDY. He could make those on the basis of [deleted] then is going to hold you up for [deleted] now, somebody in your operation is not doing his job.

The CHAIRMAN. It might not be as bad as that.

Mr. HARDY. On the surface, Mr. Chairman, it looks lousy.

The CHAIRMAN. It looks pretty bad now, but there is overtime and all of that going into this.

Mr. HARDY. [Deleted] times as much.

If we don't get a better report on this pretty soon, I am going to look at it.

Mr. PIKE. There are some other ramifications of this I think really would justify Mr. Hardy to go into this.

The CHAIRMAN. We will see about it.

Mr. PIKE. The Hughes Corp. is fairly privately owned. The profits go to an individual, and if he can show a loss instead of a profit, this frequently turns out to his advantage. There are all kinds of ramifications on this price. And the Government is taking a shellacking on it.

The CHAIRMAN. Mr. Secretary, you look into that thing a little more and give us a better explanation.

Secretary RESOR. We will. We will give you a fuller report on it.

The CHAIRMAN. You said there was another area you asked for something you didn't get.

General JOHNSON. The other is in the CV-2 or the CV-7, the Buffalo, DeHaviland, made in Canada.

Here we just have a difference of view with regard to the statement of the requirement. It must be recognized that there are many people who believe that the C-130, for example, can do the job that the CV-2 or the CV-7 can do. The CV-2 is the Caribou.

There are people who say the 123 can do this job. We are using the Otter as a substitute in some of the companies in Vietnam.

The CHAIRMAN. What?

General JOHNSON. The Otter.

The CHAIRMAN. That is another DeHaviland?

General JOHNSON. That is another DeHaviland, yes. This is one, again, on which we have replanned. It is just a case of resolving dif-

fering views. I don't believe that if the committee were to give us money that we would be authorized to spend it anyway, I would prefer to continue to argue the case within Defense channels, because I find again that if we argue our case within our own house, we do better in the long run.

The CHAIRMAN. I imagine you do.

Mr. BATES. What do you mean, General, by your "own house?"

General JOHNSON. Within the Department of Defense.

Mr. BATES. DOD, not within the Army?

General JOHNSON. No, sir.

Mr. BATES. The Army has made a recommendation for the procurement of some of these Buffaloes?

The CHAIRMAN. Yes; he has?

General JOHNSON. Yes; he has, and it has been turned down.

The CHAIRMAN. Did General Westmoreland want these planes?

General JOHNSON. General Westmoreland is a little bit in doubt as to the specific plane, actually.

He has a requirement for [deleted] companies of this type of aircraft that we do not have available. It was for this purpose we are asking for them.

The CHAIRMAN. He has a requirement for an airplane, and the DOD is not providing an airplane, so you, in your responsibility, have selected one, and this is it?

Secretary RESOR. I think they plan to provide an airplane. I think the issue really is which airplane, whether they can use some of the C-123's they've got. We would prefer to use the CV-2 and CV-7.

The CHAIRMAN. They have a brandnew fighter now you know, C-47. I understand it is a very fine fighter—FC-47.

Mr. BATES. Do you want me to yield to you? or what? who has the floor?

The CHAIRMAN. I never yielded to you. I want to read to you about the new kind of plane we are going to have. We have a plane, too, that we might recommend to you.

Off the record.

(Discussion off the record.)

The CHAIRMAN. Back on the record.

Mr. BATES. How about the CV-7A-111.

How many times have you asked for this, General Johnson? It seems to me you have been talking about this for quite a while.

General JOHNSON. We have two in Vietnam now. I believe that our total inventory of them is four that are R.D.T. & E. models. We ask, then, for aircraft to phase in as a follow on aircraft for the CV-2. I believe we asked for this phase in beginning 2 years ago. We asked for it last year and we asked for it again this year.

But the number of tests that were run in this country prior to the time our forces were deployed to Vietnam have created a divided opinion. This isn't something necessarily between OSD and the Army. Also there is an argument between the Army and the Air Force as to what will do the job. There is an argument for example with General Adams who is one of our senior and most respected Army officers who says this isn't really required in the logistics chain. He believes, for example, the best combination is the C-130, the heavier aircraft, and

that retail delivery should be picked up with the CH-47 helicopter.

Mr. BATES. Well, we were talking about this 2 years ago.

General JOHNSON. Yes, sir.

Mr. BATES. You still haven't come to any resolution?

General JOHNSON. No, sir.

Mr. BATES. The Army has considered, reconsidered, and reclamaed. So you are still at dead center?

General JOHNSON. I wouldn't say you are dead center, sir. Every time you butt your head you make a little more of a dent.

Mr. BATES. You are afloat. This is not a question of the Army—

General JOHNSON. We are still alive, I think.

The CHAIRMAN. It looks like you are not getting anywhere fast.

General JOHNSON. We are not getting anywhere fast, but I still think we are making just a little bit of progress.

The CHAIRMAN. You don't want us to fool with this thing?

General JOHNSON. No, sir. I would rather argue it out within my chain of command.

The CHAIRMAN. You think in the long run it would be better for you if we didn't give it to you?

General JOHNSON. No, sir; not for me. I think it would be better for the Army if we argue it out with OSD. I am expendable.

The CHAIRMAN. All right. We want to finish this afternoon.

Mr. BATES. Excuse me, Mr. Chairman. You will put in the record. General Johnson, the relative advantages of these choices?

General JOHNSON. Yes, sir.

Mr. BATES. You have that available so the committee can weigh the weight, the takeoff, and the various elements that go into making a decision, and the purpose for which you want to use it?

General JOHNSON. Yes, sir. I might add we did provide this for the Price subcommittee report. I think Mr. Morgan has it.

Mr. BATES. It would be very easy, then, to put it in again.

General JOHNSON. OK, sir.

(The information requested follows:)

The Army proposal for procurement of [deleted] CV-7A aircraft in fiscal year 1966 and [deleted] aircraft in fiscal year 1967 although recognized was deferred by OSD decision on December 11, 1965.

The OSD rationale for deferring the Army's procurement proposal was to allow further study of the requirement. The development of the Army's CV-7A aircraft requirement was based on detailed logistics support analyses which took into account C-130 and C-123 assets of the Air Force. The Army requirement established as a result of these analyses fills the gap between the capabilities of existing Air Force aircraft and Army helicopters.

The Army completed the service test of the CV-7A on September 30, 1965, while the engineering test was completed at Edwards Air Force Base, Calif., on November 26, 1965. Following these tests a 1,000-hour logistical evaluation was to be conducted at Fort Rucker to determine the consumption of spare parts and maintenance requirements.

In lieu of conducting the 1,000-hour logistical evaluation at Fort Rucker the Army arranged with MACV for the test aircraft to be deployed to Vietnam for [deleted] field evaluation. The first aircraft was deployed via the Pacific route on November 15, 1965, with the second following on December 20, 1965. The trans-Pacific deployment was highly successful and total elapsed times for the crossings were 44 hours and 41 hours, respectively. In order to obtain a field operational comparison with the CV-2B (Caribou) aircraft, the CV-7A aircraft are operating as a part of the 14th Aviation Battalion. To date, the evaluation in Vietnam has been highly successful and indications are that the CV-7A has twice the productive capacity of the CV-2B with corresponding decreased operating costs.

The Army plans to request the Secretary of Defense to reconsider the December 11, 1965, deferral of the CV-7A aircraft procurement.

COMPARISON WITH USAF TRANSPORTS

The Army CV-7A aircraft is designed for short takeoff and landing (STOL) performance in rough, forward-area strips. This capability is critical to the effectiveness of any aircraft assigned to movement of supplies, equipment and combat troops to and within the forward area of the battlefield. The following paragraphs compare the CV-7A with two standard USAF transports.

Characteristics	Army Aircraft CV-7A	USAF Aircraft	
		C-123B	C-130B
Cargo compartment:			
Height.....inches.....	82	98	109
Length.....do.....	377	420	496
Width.....do.....	93	110	124
External dimensions:			
Fuselage length.....feet.....	77.3	76.2	97.8
Fuselage height.....do.....	28.7	34.5	38.1
Span.....do.....	96.0	110.0	132.6
Operational capabilities:			
Ceiling, service.....feet.....	29,000	22,900	28,100
Speed, cruise.....knots.....	222	145	310
Cruise, range.....nautical miles.....	1,761	1,065	1,780
Ferry range.....do.....	3,000	4,130	4,028
Maximum takeoff weight.....pounds.....	38,000	67,000	135,000
Maximum payload.....do.....	10,630	24,000	35,000
Combat equipped troops.....do.....	41	58	92
Litter patients and seats.....do.....	24/8	46/10	70/6

100-nautical mile radius mission

	C-130B	CV7A	Proposed C-123 modifications	YC-123H
Takeoff gross weight.....pounds.....	125,000	36,500	54,000	54,000
Payload.....do.....	35,000	10,000	15,000	10,000
Takeoff ground roll.....feet.....	1,690	461	650	790
Takeoff over 50-foot obstruction.....do.....	2,390	850	1,150	1,260
Landing roll.....do.....	1,620	454	576	820
Landing distance over 50-foot obstruction do.....	2,720	817	1,096	1,370

The CHAIRMAN. Before we go to the R.D.T. & E., I want to ask you Mr. Secretary, and you, General Johnson, about this meningitis epidemic we are hearing about.

I understand it is at Fort Knox, Fort Gordon, Fort Polk. It doesn't affect this bill, but I wish you would bring us up to date on what you are doing to isolate the people who have contracted this disease that has caused quite—I think it closed Lackland in the Air Force down in Texas.

General JOHNSON. They haven't closed it. They have suspended the introduction of any new trainees.

The CHAIRMAN. They do not take in any new recruits in there, that is what they have done.

Give us a report from the Army on what your problem is.

General JOHNSON. You will recall that we had difficulty in 1964, out at Fort Ord.

The CHAIRMAN. Yes.

General JOHNSON. In October of that year we suspended all basic combat training there, and did not reopen until April of 1965, I think.

We have had remarkable success at Fort Ord since then with passive measures until yesterday, when we had a death at Fort Ord.

This individual, however, had come in from Fort Polk where he had taken his basic training. He was in advanced individual training at Fort Ord, and had failed some part of the course, so that he had started over again when he got sick and went in the hospital.

Since the Fort Ord problem we have had a very aggressive, passive campaign against the meningitis, because there is no specific treatment for it that is a sure preventive.

For example, at Fort Ord, when an individual comes in, he is kept with his platoon, a very small group of people, and given sulfadiazine for 3 days.

At training sessions, people sit on alternate seats, and there is one row of chairs reserved between platoons, because the incidence of this disease occurs in relatively close quarters, when people are grouped together too closely. It also occurs when they are permitted to over-exercise and get too hot, and cool off rapidly.

The young men coming into the Army just happen to be susceptible to this kind of upper respiratory infection.

We established a panel of the most prominent people in the country who are studying and researching as actively as they can some kind of a cure, some kind of a treatment for it.

We have the same kind of passive measures, although they will vary with commanders at each of our training centers. I have had a continuing campaign with those center commanders since November of 1964.

I get a weekly report from the Surgeon General of the Army on the incidence of meningitis, the new cases all over the country, and a comparison with the United States as a whole.

We have been under the countrywide rate as a whole this last year, and we have been significantly under the west coast, which traditionally has the largest incidence in the country.

It has been only during about the last 3 or 4 weeks that the number of cases has increased. Fort Knox, Fort Polk, and Fort Gordon have shown increases. As for this death yesterday at Fort Ord, we have put a team on the road. They have already been at Fort Knox, and they are down in the southeastern part of the United States this week, again examining into any additional measures that we might take.

The CHAIRMAN. That comes from congestion?

General JOHNSON. It comes from crowding.

The CHAIRMAN. Doesn't this point up the need for these additional barracks that you need at these places?

You know we authorized—

General JOHNSON. Curiously, sir, a man in a tent is probably better off than a man in a barracks.

I don't like to say that, but that is what the doctors tell me.

Mr. BATES. You mean healthier; not better, comfortably.

General JOHNSON. He is healthier with respect to meningitis.

The CHAIRMAN. He may be better off after he gets a little training under his belt, but you can't take a boy out of a steam heated apartment in New York and put him out on the ground in Timbuktu—

General JOHNSON. He is not on the ground. He is in a tent. It has a floor in it. It has a cot in it. He is not sleeping on the ground.

I would say this, sir, that in our training centers we are still maintaining 72 square feet per man for sleeping space for the basic individual trainees.

The CHAIRMAN. You better insist on that. We don't want any of these epidemics to get out of hand. It would be a serious thing.

General JOHNSON. We don't want them out of hand, either, sir. We are very concerned and watchful in this regard.

The CHAIRMAN. Let us turn to the little green book, Mr. Hardy.

General JOHNSON. Before we leave PEMA items, I wonder if I might just get one thing into the record that Mr. Schweiker asked me for this morning.

He indicated that there was about a 4-month timelag between the time a proposal had been advanced by industry for the armed Chinook and the time the Army took action.

I have here the industry proposal which is dated the 21st of June, 1965.

On that same date, the commander, General Besson, of our Army Materiel Command, to whom this proposal was submitted, met with the Assistant Secretary of the Army for Research and Development, and they discussed it.

On the 30th of June, 9 days later, the company was authorized by letter order to go ahead, and to arm some of these armed helicopters. I was briefed on the 18th of July, and approved the action taken that same date. But I would just like the record to show that rather than 4 months, we moved out promptly.

The CHAIRMAN. All right.

Now, on page 2 of this, Mr. Kelleher, are you ready? Will you read it, please, what the R.D.T. & E. is—or Mr. Morgan, you have it?

Mr. MORGAN. Mr. Chairman, the total requested amount in the supplemental for R.D.T. & E. is \$27,995,000.

The four budget activities in which this is included are as follows:

Military sciences, \$4,848,000. This is primarily to combat malaria in southeast Asia, as I understand it.

General Dick is here to expand upon this, or answer any questions that the members of the committee may have.

The next budget activity is aircraft and related equipment——

Mr. HARDY. That is like the report on the malaria situation, where you are making any progress on it.

The CHAIRMAN. We can ask General Johnson for that. We don't have to ask General Dick for that.

Mr. HARDY. Mr. Chairman, we saw a good many of these boys that were experiencing a lot of difficulty with this.

As I understood it then, you are having some problem in really combating it. I think we ought to have this information.

The CHAIRMAN. Does this thing mean the continuation of your program money to keep the program going?

General JOHNSON. More than that, sir, it means an acceleration of the research program into some kind of a cure of what is called plasmodium falciparum malaria.

Our incident rate began to go up significantly in October. It increased again in November. This is the result of 1st Cavalry Division action north of their base camp at Bong Son, and out in the Chu Pong Mountain-Ia Drang Valley area.

In December, when there wasn't as much activity, and they were in their base camp most of the time, the incident rate dropped down.

Also, in December, we sent out General Blount, who is the foremost malariologist in the Army, to look at what might be done. We had noted from other experiments that a drug used to treat leprosy resulted in the individual taking that drug not getting this strain of malaria.

So on the first of January, a controlled test was initiated in the 1st Cavalry Division to see what the results would be.

We have not had a reading yet on the results of that test. This will require some months of continued treatment. This is a daily pill, rather than the weekly chloroquin-primaquine pill, which is the normal thing.

The CHAIRMAN. You let the committee know if you don't mind, as soon as you get a reading on it.

General JOHNSON. As soon as we get a reading we will inform you. We are pursuing this aggressively.

Mr. HARDY. This item we are talking about is to provide additional research in this area?

General JOHNSON. Yes, sir. Searching for a direct suppressant of this plasmodium falciparum malaria.

The CHAIRMAN. The next item, Mr. Morgan.

Mr. MORGAN. Aircraft and related equipment, \$4,600,000.

One of the important subsystems in this budget activity, Mr. Chairman, is the development of the 30-millimeter automatic gun. [Deleted.]

The CHAIRMAN. Without objection.

What is the next one? Ordnance, \$2,800,000?

Mr. MORGAN. \$2,800,000; yes, sir.

The CHAIRMAN. What is that?

Mr. MORGAN. The major item in that is the development of a tracked vehicle, tracked or special vehicle for adverse terrain and remote areas.

The CHAIRMAN. Without objection.

Mr. HARDY. Is that going to be contracted?

The CHAIRMAN. That is in-house, or is this going to be contracted?

General DICK. In-house to date, at the Army Tank Automotive Center. They are now evaluating bids for production contract award.

The CHAIRMAN. I see.

This is in-house R.D.T. & E.?

General DICK. That is in-house development.

The CHAIRMAN. What is the next one?

Mr. MORGAN. The next one budget activity, other equipment. \$15,747,000. The major item in that category is Project MUST. This is the mobile hospital that some members of the committee viewed the demonstration on down in San Antonio.

The CHAIRMAN. We all favor that. That is one of the finest developments we have.

I sent a committee down to Texas to see that.

Mr. HARDY. Is that pretty well along?

The CHAIRMAN. It is operational, isn't it?

General DICK. They only have prototype models. The effort for this year is to continue the engineering, finish it, and put the prototypes actually into the field.

The CHAIRMAN. I see.

That is what we want you to do.

Now, that is all for that, isn't it?

Mr. MORGAN. That is all for R.D.T. & E., Mr. Chairman.

The CHAIRMAN. That is a very modest request.

What is our next item?

Let's get to the construction, we will take General Shuler. We are always glad to have General Shuler around before our committee. He is a very cooperative witness.

What do we take?

Mr. COOK. The big blue book contains 1391, the other blue book contains the general summary.

The CHAIRMAN. The general summary?

Mr. COOK. Yes.

The CHAIRMAN. Is General Shuler going to respond to this, or is he going to be a backup to you?

General JOHNSON. It depends on the nature of the questions, sir.

The CHAIRMAN. You are doing pretty well yourself.

You don't have any institutional restraint, do you?

General JOHNSON. No, sir.

The CHAIRMAN. For your information, we don't release these transcripts until we decide to release them, General.

That is a new program on the Hill.

Now, for [deleted] it is \$4,600,000.

Mr. Hardy, do you want to take a typical installation [deleted].

Mr. HARDY. I tried to find a typical installation. I glanced through this, and went through the Navy's book, and I can't find anything in any of them.

The CHAIRMAN. I don't see how we can really—it is pretty full as far as the sheets are concerned.

Mr. HARDY. Well, it is. I don't know how you can really analyze this thing. I think the thing that will be most helpful is if we can understand a few generalities that want into this thing.

The CHAIRMAN. Why don't we take [deleted].

We took Cam Rahn Bay, and we took Da Nang for the Navy, and we have seen both of them.

Why don't we take, let you tell us what is going on [deleted]. You have that new [deleted] you are developing there. I guess the engineers are in on that, General Shuler. That new [deleted] you are getting ready to develop [deleted].

General JOHNSON. Yes, sir. I can talk to that, sir. [Deleted.] toward improving the line of communications [deleted].

The CHAIRMAN. This will be to supply [deleted].

General JOHNSON. This is to supply [deleted].

The CHAIRMAN. Isn't [deleted] that [deleted] you have up there where you have an airfield?

General JOHNSON. Yes, sir; there is an airfield there.

The CHAIRMAN. Where we had lunch.

General JOHNSON. Yes.

The CHAIRMAN. That is a [deleted] place.

General JOHNSON. Yes, sir. [Deleted.]

The CHAIRMAN. Yes, sir; we understand that.

General JOHNSON. [Deleted.]

Mr. BATES. General Johnson, talking about LOC's. About 10 or 12 years ago we were [deleted] concerned in Europe about LOC's, so we built up the pipeline over there from France, developed the ports on the channel. Now I understand that these ports, our ports, have been closed over there, and we are moving in through Bremerhaven, operating in a north-south position as we were some 12 years ago when we were all alarmed about that situation.

Do you want to comment on that, General?

General JOHNSON. Well, that is not entirely so.

We established the depot system across France into western Germany, and the depot system, with stocks in the depots, is still there. [Deleted.] But all of the time that we were moving supplies into Germany we have always used the northern ports simply as an economic matter. It is considerably cheaper on the tonnages that are moved to move through Bremerhaven and Rotterdam. Much of it has gone into Rotterdam and then gone down in the canal system; others into Bremerhaven, and then gone down the railroad.

We have shipped in recent years on the order of about [deleted] percent of the tonnage moving into Europe through Bremerhaven and Rotterdam—mostly through Bremerhaven.

We still move [deleted] material over and through the French ports and into the depots which are located in France and into western West Germany—the depots west of the Rhine.

Mr. BATES. We were very much alarmed, and General Eisenhower when he was over there in NATO back in 1951-52, so we just had to get a new LOC. Mr. Hardy was on the trip with us. We were paying the French Government 25 percent extra in taxes for everything we built over there, whether the airfield or the pipeline or whatever it might be.

So we got in the pipeline. Now that is there now and operating. that is correct.

Now, we developed these ports. Now, are these essentially closed now?

General JOHNSON. Substantially closed; yes, sir.

Mr. BATES. Are these the same ports that were so vital in those days?

General JOHNSON. Yes, sir.

Mr. BATES. Why were they so important then and so insignificant today?

General JOHNSON. At the time the construction was undertaken we had in Europe, in 1950, if you will recall, the 1st Division, that was spread from its headquarters at Badtoltz all the way up to Giessen, north of Frankfurt. We had a constabulary. But we had less than two division's worth of forces in Germany. One real division, and the rest of it was the equivalent of our armored cavalry units today.

Since that time, first, all of Europe has recovered. Throughout Europe there has been a restoration of combat power within the countries there. Germany, you will recall, didn't start until 1956 to rebuild armed forces, and she now is just completing the last of 12 divisions. She still has some deficiencies with respect to the support forces that she has.

The same thing is true of France. They had very little in the way of armed forces in 1950, as did Belgium and the Netherlands. Now those countries do have forces.

The second thing is that the overt belligerency of the Russians, since 1961, has not been of the same order that it was in 1949 and 1950.

Mr. BATES. That is why we have to be more careful.

General JOHNSON. This has a certain merit.

The CHAIRMAN. Of course your airlift has improved, too.

General JOHNSON. Pardon, sir?

The CHAIRMAN. Your airlift has improved, too.

Mr. HARDY. This is another important element I would suspect, the belligerency of General de Gaulle has sort of offset the decline in belligerency of the Russians. We went into this thoroughly, Mr. Chairman, when my subcommittee was over there, and our report is going to have something to say about this proposition as soon as I can get it out.

Mr. Bates went with us.

Mr. BATES. Yes.

Mr. HARDY. You didn't get down to Orléans.

The CHAIRMAN. To Orléans?

Mr. HARDY. We didn't get to Orléans. The folks in Orléans came over to Heidelberg. That was a sad experience.

The CHAIRMAN. All of them had quarters, this was when I was down there.

General JOHNSON. It is still the headquarters of the communication zone, yes.

Mr. BATES. Why don't you button this up for me, General? Why don't you need them today? Are they still available in the event you need them? Are they there and still available?

General JOHNSON. The depots and the ports?

Mr. BATES. The ports.

General JOHNSON. The physical facilities that we think we need are still available to us.

Mr. BATES. How long would it take you to get them operational?

General JOHNSON. This is a matter of judgment. The judgment will vary from [deleted] to begin to issue a limited quantity of supplies to [deleted] until you have a complete flow.

The CHAIRMAN. Well, your ports were Bayonne, La Rochelle, St. Nazaire, then you had the complexes coming up, the Wadia, and I forget the other, you had a big installation at Guadia, and then your headquarters at Orléans.

General JOHNSON. Forward to Verdun and Nancy.

The CHAIRMAN. Nancy, yes.

Well, in response to Mr. Bates, what is your response, they would be available?

General JOHNSON. The physical facilities would be available [deleted].

The CHAIRMAN. Those hospitals the people live in, they walk out one day, and you turn them into a hospital the next, those big installations.

General JOHNSON. At Nancy that is what we planned, yes.

The CHAIRMAN. At La Rochelle, too.

General JOHNSON. At Orléans, too.

The CHAIRMAN. At Orléans, too.

Mr. BATES. The concern was expressed to us in 1952. We did something about it, we got these things in operation. Are you satisfied now, General Johnson, that these are closed, and we are operating the way we are, or do you think we ought to restore them to the condition they were—I am talking about the ports now.

General JOHNSON. The basic question that has to be answered in a case like this is the extent to which you are going to maintain, on a continuing basis, a level of effort to be prepared for war tomorrow. A judgment has to be made: Is war going to come tomorrow, or are you going to get a strategic warning that will permit you to reopen some facilities and start some supplies flowing? [Deleted.]

On top of that, in Germany itself, [deleted] you again have the level of supplies that will initiate the flow.

What this means is that you have a reservoir upon which you can draw, and the question is getting the flow started to replenish some of the reservoir. You don't have to replenish it all.

Mr. BATES. My question is, Are you satisfied with the status quo?

General JOHNSON. I would prefer we had a little bit more activity in the line of communications.

Mr. BATES. That means opening up the port to some degree?

General JOHNSON. Not necessarily opening the port, but we would exercise it periodically [deleted]. But we had a little bit better planning in some of the installations in France.

The CHAIRMAN. Thank you, Mr. Bates.

Are you finished?

Mr. BATES. Well, I don't want to take too much time on it, Mr. Chairman. I can go into this rather extensively. Mr. Hardy and I will get into it a little bit further I think later.

The CHAIRMAN. Mr. Hardy, what do you want to ask?

Mr. HARDY. Mr. Chairman, I would like to get back to the [deleted] situation. There are one or two items there specifically.

The CHAIRMAN. Are you on page 10, Mr. Hardy?

Mr. HARDY. Mr. Chairman, I am not sure what page I am on.

Secretary RESOR. What facility, sir?

Mr. HARDY. I wanted to follow one book here and find it in another.

The CHAIRMAN. Turn to page 10, that is what I am looking at, air-field facilities, the big book, port development, road development—

Mr. HARDY. First of all let me ask this: How firm are your estimates [deleted]? Is that a pretty good yardstick to tie these figures down to?

General JOHNSON. I would say on the estimates [deleted] based on my discussions [deleted] in December, the estimates that he has are reasonably close. He was talking to me in terms of the [deleted] million dollars that we have here.

Mr. HARDY. Is your construction over there sufficiently similar to construction here that we can apply a cost factor to, that we can understand?

General JOHNSON. I can't answer that question.

General SHULER. I would like to add to what General Johnson just said. There is one exception to the firmness of the cost estimates, and that is at [deleted].

We already have a rise in the cost [deleted], which is a [deleted] million dollar rise as against [deleted] million we have in our request

here. The original estimate was made in the field by field engineers, without taking [deleted] and so forth, and when the architect-engineer got finished with his design, this is what it is going to cost.

So you will have those kind of rises, sir—

Mr. HARDY. I didn't know the Corps of Engineers didn't make any estimate of [deleted].

General SHULER. This was done under the Navy, who has the contract.

Mr. HARDY. I was going to ask you in a few minutes to relate these items in here to what the Navy is doing. So now what you are saying is the Navy gave you lousy information?

General SHULER. I didn't say that, sir, you conclude it.

I would like to say, Mr. Hardy, that the cost index in the area over there, [deleted] averages 2.5 to 1, and goes as high as 4 to 1. And it has risen. It has been going up all the time.

Mr. HARDY. Isn't your supply of indigenous labor [deleted] reasonably adequate?

General SHULER. [Deleted.] In Vietnam it is not.

Mr. HARDY. I understand Vietnam. [Deleted.] I do not understand why your cost factors would be comparable [deleted].

General SHULER. They are not exactly comparable, sir, but they are much more than in the United States [deleted].

Mr. HARDY. Let me talk about [deleted] just a little bit.

We are building quite a thing [deleted] there, and I saw the model of it. It is really quite an operation.

Now you already have the [deleted] there; is that [deleted] installation being expanded?

General JOHNSON. Being abandoned, sir?

Mr. HARDY. Expanded. In addition, are you putting in some [deleted] facilities as well? I take it the Corps of Engineers is also building the [deleted] facilities, is that right?

General JOHNSON. The [deleted] facilities are [deleted]. Whether or not that [deleted] installation [deleted] there is being expanded, I don't know, sir.

Mr. HARDY. These airfield facilities that you've got in here, is that strictly Army, or does that have anything to do with the Air Force?

General SHULER. Everything in our request, sir, is for Army.

Mr. HARDY. How far is your Army installation going to be from the Air Force installation? [Deleted.]

General SHULER. Sir, it is [deleted] miles [deleted]. We have a road going in there which will take normal Army traffic. It is [deleted] miles from the same location to [deleted].

Mr. HARDY. What I am trying to understand, General, is just this: You have airfield facilities in here, a relatively small item, \$51½ million, it doesn't amount to very much, but how close is that to this [deleted] airfield the Air Force [deleted]. Or is that to serve something else?

General JOHNSON. The one at [deleted] is quite close, but what we are talking about here—

Mr. HARDY. The Air Force won't let you use their facilities [deleted] for your operation?

General JOHNSON. The point is, sir, you have to have a maintenance hangar; you have to have some place where your tools are.

Mr. HARDY. I understand that. As a matter of fact, if that is done in a lot of other places, even sometimes the military has those located in the same area where civilian operations exist. The only thing I am trying to understand here right now is why the Army needs an airfield that close to a [deleted] installation that the Air Force [deleted].

General SHULER. Sir, this is to support our rotary aircraft, and also to support [deleted] troops and cargo aircraft [deleted].

Mr. HARDY. [Deleted.]

General SHULER. Yes, sir.

Mr. HARDY. With all the facilities [deleted].

The CHAIRMAN. You mean at [deleted].

Mr. HARDY. Yes. The Army is putting one right there beside it. I have just a little trouble understanding that. I thought we had unification. As a matter of fact, I thought Mr. McNamara was knocking your two heads together.

General SHULER. May I tell you where we are putting these two facilities, sir?

Mr. HARDY. I just asked you, I understood General Johnson said right close together.

General JOHNSON. One facility was nearby.

General SHULER. The \$5 million is at a point [deleted] miles away from the area we are talking about [deleted].

Mr. HARDY. That was the first question I asked you as to how close they were.

The CHAIRMAN. You just found out.

Mr. HARDY. I still don't know because we have a little disagreement down there, and the conflict is going to be in the record.

General SHULER. I don't believe General Johnson answered the question on this particular line item, sir.

Mr. HARDY. Let me ask you something else. Is the Navy doing any port development?

The CHAIRMAN. Why don't you ask the Navy?

Mr. HARDY. I haven't got the Navy here now; I've got the Army. I want to see if it is duplicated.

General SHULER. The items in here are for the Army. It is port development for the Army. I do not know what the Navy is doing in the way of port development.

Mr. HARDY. Is the Army going to build [deleted] facility [deleted] there, or is the Navy going to build it?

General SHULER. The only [deleted] facility we have is the item described, sir, which is [deleted] miles out from the area we are talking about.

Mr. HARDY. [Deleted.]

General SHULER. Yes, sir.

Mr. HARDY. I am trying to understand where these things are. I thought you said this was at or near [deleted].

General SHULER. No, sir; it is not.

Mr. HARDY. I would like to ask you one other question here in connection with cantonment facilities.

The CHAIRMAN. What is the name of that [deleted].

General JOHNSON. That is [deleted].

The CHAIRMAN. That is the one we are talking about?

General SHULER. That is right; yes, sir.

The CHAIRMAN. They are in agreement on it, Mr. Hardy.

Mr. HARDY. Yes; I think they are, that is what I am trying to understand. I don't know why we are duplicating any facilities.

General JOHNSON. I don't believe we are duplicating any facilities here, Mr. Hardy. [Deleted.] He has tied this together, so it is my understanding there is no duplication.

The CHAIRMAN. It is in the engineering stage anyway now.

Mr. HARDY. This is quite a thing. I think it is going to be a real fine installation.

The CHAIRMAN. I'm sure. This is the same as [deleted].

Secretary RESOR. It is the same principle. It is [deleted]. Now we are trying to get one that is not [deleted].

Mr. HARDY. Mr. Chairman, I don't want to pursue these things very long, but I would like to just get an understanding on one or two others.

In connection with your cantonments, construction [deleted].

General JOHNSON. [Deleted.]

Mr. HARDY. You have \$500-a-man unit on there. Is that similar to the kind of thing you are going to build [deleted] also?

General SHULER. Yes, sir. This is a little complicated. We have to move with a fast moving express train, as far as changes over there, so we start out with a man in a pup tent, then we will put a slab on the ground and put a tent on it. The slab will be built so it fits a prefab building later on. Finally we get him into the prefab building on the concrete slab. This takes time; it is an evolution.

Mr. HARDY. Are you getting all of this for \$500 a man?

General SHULER. Yes, sir. This is [deleted].

Mr. HARDY. I think the cost [deleted] is a little more, General. As I recall it, it is \$1,500 a man.

General JOHNSON. He is on page 15 of this.

General SHULER. Do you have the large or small book, sir?

Mr. HARDY. I have both of them. I'm trying to use them both at the same time.

General SHULER. All right, sir, I've got you. That is \$500 per man [deleted].

Mr. HARDY. That is right; that is [deleted].

General SHULER. That is right, sir.

Mr. HARDY. What I'm trying to understand is what kind of thing you are going to do there. They had quite some interesting troop housing arrangements [deleted] also.

Now, is this going to be the same kind of thing you are going to build here [deleted].

General SHULER. Yes, sir; it should be the same type. The fact of the matter is the construction boss who has [deleted] been installed over there has now got specific instructions out [deleted]. If you travel over there you will find all different kinds [deleted] put in up to now. This practice is going to be stopped. It is going to be one kind, and the cheapest kind we can get along with.

Mr. HARDY. I don't know what kind that will be.

If I can ask you, turn to the [deleted] housing—if I can get these items, I will be through.

On your [deleted] housing, I had the page on it a minute ago.

General SHULER. Page 23, in the last book.

The CHAIRMAN. Page 23.

Mr. HARDY. You've got an item of \$1,215 a man, plus \$175. And in this you are not getting the kind of housing that you are getting [deleted] at all. This is strictly a tent proposition, isn't it?

General SHULER. Yes.

Mr. HARDY. I was wondering first, about your cost factor here, in view—in fact I don't suppose you have anything here except the frames and the slabs?

General SHULER. No, sir. I hope you are on the same page I am.

Mr. HARDY. Page 23.

General SHULER. If you will read, sir, in the description, this is not just the troop housing, that is, the tent slabs, this is all the supporting facilities. This has to do with—with storage, drainage, corrections, developing roads, administrative facilities, supply facilities, and all that.

Mr. HARDY. How reliable is this figure, General?

General SHULER. Sir, I will make a general statement on all the figures in Vietnam. I wouldn't say they are very reliable, because, as I say, we've got a moving combat situation. Prices are rising over there. We may not even build some of these things; we might build something else after telling the committee. We can't look into the future that accurately.

Mr. HARDY. How many units have you already built?

How many men will you take care of in the ones already constructed?

General SHULER. You will notice the quantity of [deleted] on here [deleted].

Mr. HARDY. I didn't ask you that; I am asking about what you already have.

General SHULER. All right, sir, I'm going to arrive at that figure. The figure that [deleted] this construction in this bill supports, is [deleted] for the Army, so the difference is roughly what we have built for and what we are building under contract or troop effort now.

Mr. HARDY. In other words, you already have [deleted] already provided for?

General SHULER. No, sir; I didn't say that.

Mr. HARDY. You said the difference between these two figures, I just tried to do a little arithmetic.

General SHULER. I didn't say that, sir. They are either in-place or being built under contracts.

Mr. HARDY. They are already funded?

General SHULER. Yes, sir; previously funded.

Mr. HARDY. Is your experience such that you can get a good feel on the cost?

General SHULER. I think this particular estimate here, sir, is probably more accurate than some of these other items, except, as I said before, we may not build all these [deleted]. The combat situation may dictate a change. I can't say this is an accurate estimate.

Mr. HARDY. Just one other question and I'm through, Mr. Chairman: on port facilities in Vietnam you have [deleted] million dollars, and they are at [deleted] locations. I have tried to compare some costs here, but I haven't been able to get anywhere with it because

apparently they are on different yardsticks, or different specifications, so it is hard to tell what they mean.

But I presume that at all of these same locations the Navy is going to build facilities, also. Are you aware of the accuracy of that?

General SHULER. I am not aware of it, sir. By looking at the names I'm sure they are doing it at some of them.

Mr. HARDY. You have Cam Ranh Bay on here, a right good-sized operation; I know the Navy has a tremendous operation there.

General SHULER. I can't say for all, though, sir.

Mr. HARDY. You don't know whether it applies to all of them?

General SHULER. One point here. The Navy doesn't have an operation, a significant operation, at Cam Ranh Bay.

Mr. HARDY. They don't?

General JOHNSON. No, sir. The Navy responsibility for port operations is limited to Chu Lai and Da Nang. They are up in the north.

The CHAIRMAN. The Navy has an airstrip, I know that.

General JOHNSON. The Navy and the Air Force share in the strip at Cam Ranh Bay. There are a number of things there with respect to air fields but not with regard to the port facilities.

Mr. HARDY. One other general question and I'm going to quit, and that is this: How firm are these line items?

General SHULER. Well, sir—

General JOHNSON. Let me answer the question. Very unfirm, sir, and we are going to have to come back, I would say, repeatedly when there is more definitive information available and plans are more firm.

The CHAIRMAN. I would think Cam Ranh Bay would be kind of firm.

General JOHNSON. Not when you get into construction costs. One example that I can give from the top of my head is that about last July we asked for costs on a brigade cantonment in the Bien Hoa area for the 173d Airborne Brigade which went in there in May. The first cost we got from the contractor—and he was about 60 percent through his design—was \$6 million. In September the cost had gone up to \$8 million. Well, we said we can't stand this. He chopped back and went to slabs and tent frames. By the time this project was completed—and of course this includes utilities and water and that type of thing—costs then were at \$10 million. I don't know just what they are going to do about it. I'm sure they won't build a facility at that cost. It had gone up from 6 to 10 and standards had been lowered. That is why I say this is very, very soft. That is why General Dunn is out there trying to pull this together.

Mr. HARDY. What about the land acquisition? Who provides for that?

General JOHNSON. It is provided through a very tortuous and slow process.

The CHAIRMAN. Have you finished, Mr. Hardy?

Mr. HARDY. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Pike.

Mr. PIKE. General Shuler, how many line items, or what total funding of line items for southeast Asia do you have in your military construction program for fiscal 1967?

General SHULER. Nothing.

Mr. PIKE. So the entire military construction for fiscal 1967, in the southeast Asia area, has been moved to the 1966 supplement?

General SHULER. No, sir. There is an item for military assistance—I believe it is [deleted] million in there, which is a new system of programing for military assistance.

Mr. PIKE. That is the new military assistance program, you are leaving that in the 1967 procurement?

General SHULER. That is right.

Mr. PIKE. All of the construction has been moved from the 1967 into the 1966 supplement?

General SHULER. Sir, the total items that were moved from the 1967 program to this supplement is \$19 million worth. Seventeen line items at 10 stations.

This was done to gain 7 months in the time that it would take to get these facilities constructed. And this is the only reason for moving them.

Mr. PIKE. How can you gain 7 months when it is now February and the 1967 money would be available in July?

General SHULER. No, sir. The money, sir, and the authorization—and we need both of them—in my program, the MCA program, is about October.

Mr. PIKE. What about this POL line in Alaska? Was that in the 1967 procurement originally?

General SHULER. No, sir. That was in the 1966 program, last year.

Mr. PIKE. I remember that.

General SHULER. This committee approved it, but it didn't survive the Congress.

Mr. PIKE. But didn't you have it in your 1967 procurement originally? Hadn't you planned to put that in there?

General SHULER. This is one of the 17 line items I'm referring to, Mr. Pike, that was moved up to gain leadtime.

Mr. PIKE. Is this leadtime in this POL in Alaska that important?

General SHULER. Oh, yes, sir. This is an extremely important project to the Air Force, specifically at Elmendorf.

Mr. PIKE. Are all of these programs, which are in here, going to be completed by the end of fiscal 1967?

General SHULER. The target date, sir, is the [deleted].

Now, I would be very frank—

Mr. PIKE. Let's talk about this [deleted] facility at [deleted]. Is that going to be completed by [deleted].

General SHULER. Yes, sir, this is all figured to be completed by that time. But I want to be frank about this thing. In my personal opinion, as an engineer, there are going to be a lot of slippages in this. But it is all going to be underway, that is the point.

Mr. PIKE. Well, General. I want to say this is going to come as a shock to you, but I want to say I have seen some of this construction that you have been doing [deleted] in particular, and I think frankly you have done a fabulous job over there. I really do. This [deleted] type construction, and the length of time they have gotten it up in, I recognize you are going to have slippage in these things. I am concerned about this business of just lifting the whole thing out of the 1967 budget into 1966, and I think you slippage is going to more than compensate for any time you are going to save.

But I do recognize that you've got an awful job to do over there. I really think they have done a fabulous job [deleted].

The CHAIRMAN. Thank you, Mr. Pike. I join with him.

I think the only way we can approve this is to approve the whole southeast Asia. You see how hard it is to pin down anything?

General JOHNSON and General SHULER, and the Secretary have told us frankly they can't be any more firm than they have been.

Mr. BATES. That is as to figures. Do we have all of the items either in this or in the 1967 or do you have other items we don't know about in a different package that is coming down the road? Do you understand the question? Is this the whole package?

General SHULER. I understand the question, sir. I cited this rise in the [deleted].

Mr. BATES. Items now, I'm not talking about money.

The CHAIRMAN. Line items.

Mr. BATES. Do you have any more items under consideration that you have not submitted?

General SHULER. To be very frank, sir, we have a money amount of line items that are not in this program; yes, sir, that may in the future come up here, depending on what happens.

General JOHNSON. Wait a minute, are you addressing southeast Asia alone?

Mr. BATES. Yes.

General SHULER. There is no question, sir, we will probably be here again unless this thing levels off or stops.

Mr. BATES. I'm just trying to find out if you have items that have been eliminated here that you do expect to bring up maybe as a supplement to the 1967 budget. Is this what you anticipate?

General SHULER. Yes. We have some items eliminated, sir. I can't say we are coming back up with them, but in reviewing this particular request we have before this committee, it was cut by \$117 million. [Deleted] of that was for a third country forces, which we accepted without reclama because the statement was made it would be funded out of MAP funds. The rest of it we made a reclama on it, but we did not get the reclama honored. I can't say we will be back up here with these items.

The CHAIRMAN. It is a constant review, isn't it?

General JOHNSON. That is right. There are really [deleted] basic problems with which we are confronted.

The first one of these is the standard of living that we provide out there. We have items in here we have to look at again, such as bowling alleys, swimming pools, and basketball courts, and this type of thing.

The second thing is the cost of labor and materials. These have been relatively uncontrolled.

[Deleted.]

Now, in the deployment last summer we had a request from General Westmoreland to put troops one place, but some were diverted en route and landed someplace else. Obviously, we may be picking up units from a place where they have been living for perhaps a year, [deleted] and move them to some other location 100 miles away.

This we just can't predict.

The CHAIRMAN. Now, Mr. Lennon, did you have a question? Mr. Randall, I believe, had a question.

Mr. LENNON. General Shuler, just take [deleted] for illustration. Your total military construction under the 1966 supplemental I believe in round figures is [deleted] million?

General SHULER. That is right; yes, sir.

Mr. LENNON. That is in the big book.

Your counterpart in the Navy, and your counterpart in the Air Force, in arriving at their requests for military construction [deleted] I assume of course it is before these figures and booklets and backup statements are prepared, that you and your counterparts in the Navy and Air Force sit down and take a good hard look at military construction that you are projecting, the Navy is projecting, and the Air Force is projecting, before they prepare it, so there won't be any overlapping or repetition.

General SHULER. Sir, this starts right in General Westmoreland's headquarters. It goes up to CINCPAC where that is done, comes through the channels into the Pentagon, and we do it in the Pentagon. The Department of Defense does it in their review.

Mr. LENNON. Then your answer to my question is in the military construction supplemental for 1966, did you, your counterpart in the Navy and Air Force, coordinate it before these backup sheets were brought here with the recommendations as being included in the 1966 supplement?

General SHULER. Yes, sir, we did.

Mr. LENNON. One other question. The same thing would be true with respect to military construction by either the Army, the Air Force, or the Navy, in southeastern Asia, in the 1966 supplemental, right?

General SHULER. Yes, sir.

Mr. LENNON. Thank you very much.

The CHAIRMAN. Now, Mr. Randall.

Mr. RANDALL. Mr. Chairman, the question was asked, I was quite shocked when you said you didn't know about the port facilities [deleted] there. you didn't know what the Navy was doing, but the answer is you do not.

General SHULER. I don't know what they are doing, sir, but we did coordinate this together in the process. I do not recall right now what they are doing.

Mr. LENNON. Will the gentlemen yield at that point? But you know they are supposed not to overlap?

General SHULER. I know this was checked out, but I can't recall what they are doing in this location.

Mr. RANDALL. Mr. Chairman, I would like the general to tell us the cost index down there, there is one for 2.5. That is a combat area. This is a pretty shocking thing here. You said you went into it in a matter of months, and General Johnson said 6 million outstanding in 4 months. Where do we stop at? What is the answer?

General SHULER. In the first place we are sitting on an index of 1 here right now. About the highest you get in the United States is at West Point, N.Y., which will run you up to about 1.32. As you go around the world you can get up to 5 to 6 to 1. What I said was in Vietnam it is averaging 2.5 to 1, and going up as high as 4 to 1 in some cases. Sir, this is escalating over there. Materials have been

short; overtime of the contractor; he is on a cost-plus-fixed-fee in Vietnam, and things have just risen. These are the facts of life. And that is why we are pretty confident we are not asking for too much money, because we are going to need it.

Mr. RANDALL. Well, what sort of construction—I mean we know you have them listed here, troop housing and so forth, and port facilities of course are a different thing—but what is the contractor doing? Are we doing any construction ourselves?

General SHULER. Two efforts. One is the contracting effort under the Navy, the officer in charge of construction, he handles all the contractors [deleted] and the engineer troop units do troop construction to augment this effort, and then the Sea Bees have their own effort, and the Air Force has created some new units that do some of the base development.

Mr. RANDALL. Well, you mentioned a new figure here of 4.1 to 1. Mr. Pike thought you were doing a real good job [deleted].

General SHULER. [Deleted.]

Mr. RANDALL. Mr. Chairman, I am just not possessed of enough facts, but I certainly would like to have an opportunity to later on—we won't ask any more questions now.

The CHAIRMAN. They can't be any more definite than what they are. It is not possible.

Mr. RANDALL. Well, OK.

The CHAIRMAN. Here is a cost breakdown. At this point in the record we will put the cost factors which the Navy has submitted to give us some kind of a guideline. You have to just trust these men. That is all I know what to do.

(The cost factor referred to is as follows:)

ITEM: AREA COST FACTORS

DISCUSSION

Construction costs in South Vietnam are directly affected by major factors which are not normally encountered in CONUS construction. These factors are:

- (1) Expediency of construction.
- (2) Lack of local skilled labor.
- (3) Lack of local materials for semipermanent construction.
- (4) Lack of local construction capability.
- (5) No overland transportation.
- (6) Inadequate port facilities.

The manner in which each of these factors affect construction costs may be broken down as follows:

(1) Expediency of construction: The rate at which work must be put in place has direct bearing on the amount of construction equipment and material inventory required in addition to labor costs:

(a) Construction equipment is required to construct projects at all major sites concurrently. In addition, required operational dates require maximum production at the expense of optimum efficiency. The reduced construction period will result in an ending inventory of usable equipment having considerable value. This residual value must be amortized within the construction projects. The compressed time frame requires approximately four times normal equipment inventory.

(b) Construction material is procured in bulk quantities prior to determination of detail definition of scope in order that the effect of procurement leadtime on work in place will be lessened. This results in overbuying of many items and underbuying of others. We are establishing a reserve for demobilization including ending inventory. This reserve must be financed by the construction projects. The amount of this reserve is the subject of continuing review.

(c) Labor costs are also escalated due to the compressed time frame. Approximately 40 percent of labor costs are paid at overtime premium rates. The average workweek for Vietnamese laborers is 60 hours, with premium pay for work in excess of 48 hours. Premium pay for imported labor is earned after 40 hours of work.

(2) Lack of local skilled labor necessitates the importation of large numbers of skilled craftsmen and supervisors from outside South Vietnam. It is necessary to pay these imported personnel premium rates as incentive to work in South Vietnam. In addition, camp facilities must be provided for these imported personnel.

(3) Lack of local materials for semipermanent construction: The influx of U.S. forces into the Republic of Vietnam has completely outstripped the local resources of construction materials. Virtually all materials for semipermanent construction must be imported, with the overriding majority coming from the United States. Some bulk materials, such as cement and POL, are purchased in Asia to reduce shipping time but most of the material dollar is spent in the United States. The construction projects must bear the cost of ocean and airfreight for imported material and equipment.

(4) Lack of local construction capability: The local construction capability is negligible compared to the overall requirement for construction. Normal subcontracting capability is unavailable to a large extent. In addition the local construction capability is inadequate to do the minor alteration, rehabilitation, and repair type projects. These projects must then be accomplished by the Navy's contractor which competes with his efforts on new construction. The quality of work by local contractors is usually good; the inadequacy is in quantity.

(5) No overland transportation: The inability to use ground transportation to move personnel, equipment, and material to jobsites is the greatest single in-country hindrance to the construction program. The contractor is establishing three major depot sites at each of the present deepwater ports of Da Nang, Cam Ranh, and Saigon. From these depots, materials and equipment will be distributed to other sites.

(6) Inadequate port facilities: The three deepwater ports are so grossly overloaded that imported material must wait before it is unloaded in RVN. This adds to the procurement leadtime, and directly affects construction scheduling. Construction was delayed at Cam Ranh Bay literally for want of nails which had to be airlifted in. Additional port facilities have been programed and are under construction, but until they are usable we must continue to pay for this problem.

In summary, we estimate that \$30 million of material in the United States will cost us \$53 million delivered to the jobsites. We are seeking every available means to reduce this cost, but the outlook is not very bright.

An average cost index for our construction in South Vietnam compared to Washington, D.C., costs (1.0) is shown on the following table:

Vietnam area cost indexes for use in estimating fiscal year 1966 supplemental and subsequent programs—Area cost indexes (base Washington, D.C. (1.0))—Type of construction and percent of total program

Area	Horizontal construction, ¹ 22.8 percent	Vertical ² construction, 58.5 percent	Utility and waterfront construction (including dredging), ³ 18.7 percent
	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
Saigon area (including TSN and Bien Hoa).....	3.3	2.0	2.2
Da Nang, Cam Ranh, Nha Trang.....	3.4	2.1	2.4
Qui Nhon, Phan Rang, Can Tho, Base X.....	3.6	2.2	2.4
Inland sites.....	3.6	2.2	
All other.....	3.4	2.1	2.3

¹ Horizontal construction—Airfields, railways, trailways, aprons, roads.

² Vertical construction—Buildings, cantonments, ops facs, maintenance facs, administrative structures, warehouses, PCL, ammo storage.

³ Waterfront construction and utilities—Piers, wharves, dredging, power, water, sewers.

NOTE.—Weighted average, 2.45.

General SHULER. These are the same factors the Navy used. I heard them testify.

Mr. RANDALL. This is very disturbing. You start in Washington, D.C., which we thought was as high as any construction cost. Are you figuring to get up to this four, is that the cost of material, or is that the labor ratio?

General SHULER. You take a contractor, he has to go into an area of combat. He has to pay his people higher to do that, he has to pay overtime.

Mr. RANDALL. It is labor, then?

General SHULER. That is a big part of it. Maybe to get the construction materials costs him through the nose because it is scarce. It runs that up.

The CHAIRMAN. You had trouble getting that combine out there, Knudson, Brown, and J. A. Jones & Morrison.

General SHULER. [Deleted.]

The CHAIRMAN. You know some of those contractors' personnel have been kidnaped?

General SHULER. Three of them; yes, sir.

Mr. HARDY. We are talking about what has been done [deleted] particularly. We are not alking about the kind of construction you would build here in the United States to start with.

The CHAIRMAN. That is a good point. This really is not any comparable thing.

Mr. HARDY. I don't know whether on a per-man basis, I don't know what your costs run, actually as I understood many of the troop housing quarters had been built by your engineer troops themselves.

General SHULER. That is right.

Mr. HARDY. I don't know what your costs would run, but I would suppose practically all of the lumber used in them has to be brought in from somewhere else because I don't believe there was any available there. There was very little masonry construction involved. This is on open type of thing. Unless you had seen it you wouldn't recognize the difference. I don't know how you would compare that with construction here in the United States, because I don't know any where you would build it.

General SHULER. I can give you what our rule of thumb is. This is a rough rule of thumb checking the total sum against the total number of men it is [deleted] per man, and that is for everything. You take the total thing—ports, the works—it runs about [deleted] a man.

The CHAIRMAN. How did you arrive at that figure?

General SHULER. Sir, we took the total strength that this bill supports, plus the strength that previous bills that have been passed supports, and that totals up to [deleted] as I stated, and divided that into the total money and that is [deleted] a man.

The CHAIRMAN. Mr. Hardy, does that sound reasonable?

General SHULER. It is much cheaper in the United States.

Mr. HARDY. That would be costs in utilities, then, you couldn't spend anything like that amount in the kind of housing that you provided for your troops.

General SHULER. No.

The CHAIRMAN. Without objection, the items in this book are approved.

Tomorrow we are going to report out the bill and I want everybody here so we can have a rollcall vote. Then we are going to ask the staff to work as hard as you can over the weekend and get the report so we can go to the Rules Committee at the earliest possible date.

Mr. BLANDFORD. Mr. Chairman, tomorrow we will get permission to file a report sometime Friday. I think we can have the report ready Friday if the committee approves it early tomorrow. We can have it filed as late as midnight Friday.

The CHAIRMAN. We don't want to be in the position of not giving the most expeditious action to these items.

Mr. BLANDFORD. A lot of this depends on the departments supplying the transcripts and the inserts. They will have to work the weekend also.

The CHAIRMAN. You will give them the transcript today.

Mr. BLANDFORD. Yes, sir; we arranged for that.

The CHAIRMAN. How many of the membership here today are going to the prayer breakfast tomorrow?

We better call the briefing off, we won't be here.

Mr. BATES. Which do you need more?

The CHAIRMAN. Anytime I can go to prayer breakfast it is good for me. General Johnson will be there, the Secretary will be there.

Mr. BLANDFORD. Why don't we go ahead with the program, Mr. Chairman?

May I ask the Secretary whether you have been asked to supply to the committee the number of contracts that you have entered into, this particular period for construction, and all the contracts. Those contracts awarded between now and the first of July. Each of the Secretaries have indicated they would supply this information to the committee. The purpose obviously is to determine those that are so essential that they had to be awarded between now and the first of July. By reporting to us those you award between now and the first of July, we will be able to determine whether these were essential in 1966.

Secretary RESOR. All right. That is MCA, or what is it?

Mr. BLANDFORD. This is everything.

(Interim information regarding MCA follows:)

Assuming availability of military construction funds by April 1, 1966, we estimate that 75 percent of these funds will be obligated by June 30, 1966. The remainder will be substantially obligated shortly thereafter.

The CHAIRMAN. Mr. Blandford, I don't think we better have the briefing tomorrow, there will be nobody here. Let's have it Friday morning.

Mr. BLANDFORD. Friday morning, very well.

The CHAIRMAN. Who would like the briefing on Friday morning, raise your hands, because these are quite vital. This will do you good, you ought to be here, Mr. Lennon.

Mr. BLANDFORD. Nine o'clock Friday morning then for the briefing.

The CHAIRMAN. Nine o'clock Friday morning.

Wait a minute, Mr. Lennon has one question.

Mr. LENNON. General Johnson, early in December last year Mr. Frank Slatinshek of the committee staff contacted you with respect to the criticism that had developed in the method of the notification of the next of kin of casualties in Vietnam and the Dominican Republic.

And the Secretary assured us that the matter would be considered and be studied, and I wonder if you could at your convenience put in this record, and inasmuch as it is related to the total situation, what your final judgment was with respect to how we could avoid a recurrence of what happened in the Federal area where a taxicab driver stuck under the door the casualty notice of death, and things like that were happening, and it happens in my area more so than anywhere in the United States.

General JOHNSON. I can respond, I think, right now, Mr. Lennon, and I share your concern about this.

We can't really control what the taxicab driver does, because he is hired by Western Union. Our contract is with Western Union. They tell us that they cannot afford to maintain a messenger at every one of their Western Union offices. However, on the first of February I instituted a 60-day test in the 5th Army area, which encompasses the North-Central Plains States, of military notification to the first survivor, not a secondary next of kin. We will do this over a 60-day period to determine whether or not this is a practical method of notification. We, of course, feel that we must notify the next of kin prior to the time they receive notification through the news media.

Mr. LENNON. General, you know the distinction. If the serviceman is based at Fort Bragg, say, for instance, and his family lives there, then his next of kin is notified by Army personnel, but, if his family lives there, where a great many of them do, and his APO is in Saigon, then he is notified by Western Union, and it was this distinction which I hoped that you had read from the newspaper account that I sent to you, transmitted to you, that gave me some concern, and I am not disturbed, but I wish your new program could have been instituted in the 3d Army Command, where we have so many deaths in the Fort Bragg central North Carolina area.

General JOHNSON. If this is practical it will be instituted country-wide.

Mr. LENNON. You see the point the distinction is made. All the family lives there but he is an APO in Saigon. His widow gets the notice through a telegram sometime in the manner I spoke of, but if he is so-called attached to a unit at Fort Bragg, and he is somewhere else and gets killed, then the notification is brought by an army personnel, which appropriately it should be. They distinguish between that in the article I sent you, because these people were interviewed, and it so happens that I am bearing the burden of it in my area. I am very sympathetic to that problem there.

General JOHNSON. Then we have taken one additional step. We no longer notify between the hours of 10 o'clock at night and 6 o'clock in the morning.

Mr. LENNON. I am delighted to hear at least that change. Thank you very much. I hope your pilot program will work out.

The CHAIRMAN. You do not want us to help you with the Buffalo or the Cobra. You are getting along fine. You don't want any help at all.

General JOHNSON. I am not saying I am getting along fine—

The CHAIRMAN. We don't want any equivocation, that is not characteristic of you. You definitely don't want any help at this point?

General JOHNSON. No, sir; not at this point.

The CHAIRMAN. Don't blame us if you don't get it. We would put it in so fast it would make your head swim, if you batted an eye; you know that, don't you, sir?

General JOHNSON. Yes, sir.

The CHAIRMAN. The committee will be in recess until tomorrow morning at 10 o'clock, at which time they will report out the bill.

(Whereupon, at 3:50 p.m., the committee adjourned until Thursday, February 17, 1966, at 10 a.m.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Thursday, February 17, 1966.

The committee met at 10 a.m., in room 2118, Rayburn House Office Building, the Honorable L. Mendel Rivers (chairman) presiding.

Present: Messrs. Rivers, Bates, Arends, Hébert, Price, Bob Wilson, Hardy, Bennett, Chamberlain, Stratton, Pike, Clancy, Ichord, Stafford, Nedzi, Schweiker, Randall, Hagan, Charles Wilson, Leggett, Irwin, Johnson, Evans, Love, Hicks, Machen, Long, Walker, and Polanco-Abreu, committee members.

Also present: Messrs. Blandford, Kelleher, Slatinshek, Cook, Morgan and Marshall, professional staff.

The CHAIRMAN. Let the committee come to order.

I apologize for being late, I couldn't get away from the Shoreham Hotel; I couldn't get my coat.

Mr. Bates and I were right in line together. I guess he will be here.

A quorum is present, Mr. Blandford advises me, so we want to consider this bill today and see if we can't strengthen it, and report it out, and bring it up next week.

As I said earlier, we want to combine these bills, then we will get one rule and have one fight on the floor and that will be it. This is what I want to do. Do you want me to read it or do you want to read it?

Mr. KELLEHER. I will read it.

The CHAIRMAN. You read it. I want to conserve what is left of my voice.

Mr. KELLEHER. Right.

Members of the committee, it is my suggestions that we have a clean bill which will be a combination of H.R. 12334 and H.R. 12335 as they may be amended today.

AMENDMENTS

(1) To combine the two bills, I offer the following amendment:

On page 2, following line 23 of H.R. 12334, insert all of the language of H.R. 12335 following the enacting clause, and at the end of the language of H.R. 12335, insert the language which appears under title III of H.R. 12334.

Explanation:

This amendment will combine the two bills and will also move title III of H.R. 12334 to the end of the whole new bill.

That is the first amendment.

The CHAIRMAN. Without objection.

Don't stop us now.

Mr. HARDY. I won't stop you except for this one question.

The CHAIRMAN. You don't have an amendment here, though.

Mr. HARDY. No, I have an amendment to the substance of the bill. I think this is a fine approach but I want to be sure I get my amendment in.

The CHAIRMAN. You will get your amendment.

Mr. KELLEHER. (2) I will now offer an amendment to title III in its new position at the end of the whole bill, but I will refer to it in its present position in H.R. 12334.

On page 3, line 4, following the word "for" strike the word "the" and insert "their stated purposes in connection with".

Explanation:

As proposed by the Department of Defense the language in this section was susceptible of an interpretation that it constituted an unlimited transfer authority to the extent that Department of Defense appropriations for personnel functions could have been used for procurement or that procurement appropriations were authorized to be transferred to operations and maintenance-type expenditures in behalf of South Vietnam.

The amendment adding the words "their stated purposes in connection with" is intended to avoid any such result and to require that personnel-type expenditures be made from personnel appropriations, that procurement-type expenditures be made from procurement appropriations and so forth.

That language, Mr. Chairman, is in the Senate bill.

The CHAIRMAN. We just make it consonant with the Senate bill, and it makes it impossible of equivocal interpretation.

Mr. KELLEHER. Yes, to make sure transfer of funds from one appropriation account to another cannot be done.

The CHAIRMAN. Without objection.

Get to the next one.

Mr. KELLEHER. This next amendment is one which Mr. Hardy has a counteramendment for.

(3) In order that the committee can be kept informed of the use of authority and funds that may be made available under this, I offer the following amendment:

The CHAIRMAN. This is Mr. Hardy's?

Mr. KELLEHER. This is an amendment in the nature of Mr. Hardy's. This is in the Senate bill also.

The CHAIRMAN. Let's hear it.

Mr. HARDY. OK.

Mr. KELLEHER. On page 3 of H.R. 12334 following line 8, add a new subsection as follows:

(b) Within 30 days after the end of each quarter, the Secretary of Defense shall render to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives a report with respect to the estimated value by country of support furnished from appropriations authorized to be made under this section.

Mr. HARDY. Mr. Chairman, I have a substitute for that one.

The CHAIRMAN. Go ahead.

Mr. HARDY. If Mr. Kelleher will read it.

The CHAIRMAN. Read Mr. Hardy's substitute amendment to this amendment.

Mr. HICKS. Where in the bill are we now, Mr. Kelleher?

Mr. KELLEHER. That would be on the last page of 12334, under "General provisions, title III."

What I read is the language that is in the Senate bill.

Mr. HARDY. S. 12335.

Mr. KELLEHER. 12334.

The CHAIRMAN. 12334. Go ahead and read it.

Mr. KELLEHER. Right.

SECTION 5

(a) The Secretary of Defense will furnish to the Armed Services Committees of the Senate and House of Representatives a description of each project, together with full and complete justification therefor, including a cost analysis thereof, prior to the execution of any contract for the establishment or development of a military installation or facility, whenever it pertains to the acquisition, construction, conversion, rehabilitation, or installation of permanent or temporary public works, including land acquisition, appurtenances, utilities, and equipment, the moneys for which are authorized to be appropriated by this Act.

(b) The Secretary of Defense will also furnish to the Armed Services Committees of the Senate and House of Representatives complete information regarding the alternative methods of adequately auditing contracts which he and the Comptroller General have agreed upon prior to the execution of any contract which would waive the provisions of section 2313(b) or title 10, United States Code.

Mr. HARDY. As I read the thing, that belongs in 12335, not 12334.

The CHAIRMAN. We are going to combine the bills.

Mr. HARDY. I understand that—you mean as combined. But it applies to what is now in 12334—I mean it applies to what is now in 12335.

Mr. KELLEHER. It would be at the end of both of them.

Mr. HARDY. All right, I think that is satisfactory.

The CHAIRMAN. I think Mr. Hardy's amendment has nailed it down more precisely than the Senate one.

Mr. HARDY. I think it does, Mr. Chairman. In addition, it is exactly what Mr. McNamara said he would do.

The CHAIRMAN. That is right, I think it is. He said he would be glad to do that. I don't know why we can't put it in the bill. I think the amendment is an improvement on the Senate amendment, Mr. Kelleher.

Mr. KELLEHER. All right, sir.

The CHAIRMAN. As many as favor the amendment of Mr. Hardy to the proposed amendment by me will say aye; opposed, no.

Mr. Hardy's amendment is agreed to. [Unanimously carried.]

The CHAIRMAN. That is exactly along the line of what Mr. McNamara said he was willing to do. I don't know why he shouldn't be. We can't give him these blank checks forever.

Mr. Hardy, that takes care of you, doesn't it?

Mr. HARDY. It does.

The CHAIRMAN. Now, Mr. Kelleher, you make it applicable to wherever it will go in each of the bills.

Mr. KELLEHER. Yes, sir; I will.

The CHAIRMAN. The combined bill will be what number?

Mr. KELLEHER. It will be a clean bill. We don't know the number.

The CHAIRMAN. So you will rewrite the whole bill.

Mr. KELLEHER. Right, and reintroduce it.

The CHAIRMAN. And reintroduce it.

Mr. HARDY. Mr. Chairman, I think we may need, if we are not going to have another meeting of the committee, to have a unanimous consent for the chairman to report.

The CHAIRMAN. We will get that.

Mr. BLANDFORD. We always get unanimous consent for the chairman to introduce a clean bill.

The CHAIRMAN. I have to get that.

Go ahead, Mr. Kelleher.

Mr. KELLEHER. One more amendment, Mr. Chairman.

Certain money figures would be changed to add \$49.7 million to the Navy construction authority for the first increment of a jet-capable Marine airfield in Okinawa, and for the second and third increments of a ship repair facility at Subic Bay.

These amendment are as follows:

(4) On page 2, line 1, strike "\$254,600,000" and insert in lieu thereof "\$304,300,000"; and

On page 3, line 18, strike "\$254,600,000" and insert in lieu thereof "\$304,300,000"; and

On page 3, line 20, strike "\$1,038,400,000" and insert in lieu thereof "\$1,088,100,000".

The CHAIRMAN. Explain that to the committee.

Mr. KELLEHER. The committee added \$49.7 million to the bill for the two items, the Marine airfield in Okinawa, and the second and third increments of a ship repair facility in Subic Bay. Therefore the money figures—

The CHAIRMAN. That is in the Philippines.

Mr. KELLEHER. Therefore the money figures applicable to the Navy military construction must be adjusted upward by that same amount, \$49.7 million.

The CHAIRMAN. Are there any questions on that? This is what they said they needed. It is agreeable, I think—

Mr. HARDY. Mr. Chairman, I don't remember the airfield thing. What was that? I remember the other one.

The CHAIRMAN. General Greene addressed himself to that.

Mr. BLANDFORD. This is an airfield northeast of Naha approximately 15 miles. It has been cleared with the Air Force insofar as air traffic is concerned. There is a strip there now, I understand the Government already owns the surrounding land, and that this will be approximately—

Mr. HARDY. It is an improvement?

Mr. BLANDFORD. There is a strip. It is to be a new airfield. I don't want to give you the idea this is an improvement.

Mr. HARDY. This is not something they can use in existing facilities?

Mr. BLANDFORD. No.

Mr. HARDY. I didn't remember.

Mr. PRICE. This doesn't call for the further acquisition of land?

Mr. BLANDFORD. I asked the Marine Corps about that and they said this is land they already have, and no farmland is involved.

The CHAIRMAN. Let's be sure and check that out. I don't want the committee to be misled on this.

Mr. BLANDFORD. I checked that myself. I asked that question, Mr. Chairman, because I recognize the problem.

The CHAIRMAN. Mr. Price held hearings on that Okinawa thing many years ago.

Mr. BATES. I remember that, too.

The CHAIRMAN. Mr. Hardy was there. I was supposed to conduct those hearings and Mr. Price did it and did it better than I could have done it. I still remember it. Without objection that amendment is agreed to.

What is the next thing?

Mr. KELLEHER. That is all, except for the minor changes within the bill that are made necessary by combining the two bills.

The CHAIRMAN. I want to ask unanimous consent—I want everybody to listen now—the title be appropriately changed, Mr. Kelleher, to include military construction; 2, that the staff be granted permission to make appropriate changes in section numbers and other details of this kind; and 3, that the vote on this bill be considered as a vote on the clean bill thereby obviating the need for another meeting, as Mr. Hardy observed, and as others have observed.

So without objection this will be agreed to.

Now, Mr. Blandford, we come to the point of voting on this bill which will be considered as a vote on the clean bill which I have already gotten permission to introduce by unanimous consent.

Mr. Blandford, you call the roll.

Mr. BLANDFORD. All right, sir.

Mr. MACHEN. Mr. Chairman, could I make one remark before we vote on it?

The CHAIRMAN. Yes, sir.

Mr. MACHEN. This deals with the air capability, and after the testimony the first part of last week, particularly with our colleague Congressman Pike, I had occasion to be concerned and did check out with some people, including one civilian, that had been sent over to be on the air carriers, due to the A-6's needing special technicians.

I am, however, deeply concerned with the air capability that we do have with the testimony that was developed, and I am hoping or suggesting that perhaps the committee will look into this aspect of the program further as this year goes on.

The CHAIRMAN. I think in response to you—I want Mr. Pike to hear this—I think when we get into the new authorizations we will go into this thing even more fully.

Mr. MACHEN. I wanted to put this in the record because I am deeply concerned with the air capability. I am not speaking of the Air Force, I am speaking of air capability, period.

Mr. PIKE. Mr. Chairman, the difficulty with that is according to the testimony of the Navy there aren't any of these planes in the 1967 procurement.

The CHAIRMAN. That is all right, we can write anything we want in that bill.

Mr. MACHEN. I think this subject ought to be explored, either by a committee that you might set up or by one of the existing subcommittees.

The CHAIRMAN. We will work something out along that. I have a lot of ideas on that. I will reveal them whenever we get to the permanent procurement.

Mr. Pike has already done a very good job on that subcommittee I put him on, the report of which I have authorized to be published. And I don't generally do this, because when we appoint special subcommittees, we appoint special subcommittees to advise the full committee.

But when such an outstanding job is done as was done by Mr. Pike and Mr. Price on both of their hearings, I have authorized them to be printed. Each of them did an outstanding job in their subcommittees.

Mr. MACHEN. I have none of these manufacturers in my district at all, I might add. It is a part of the capability involved.

The CHAIRMAN. We should be concerned.

Mr. Pike.

Mr. PIKE. Mr. Chairman, what I am concerned about with this bill is the problem of how much of it has been just lifted out of the regular 1967 procurement and put into the 1966 supplement for the purpose of making the regular 1967 procurement look good, and the 1967 budget look good. The one thing that I essentially asked for was that Mr. McNamara provide us with data as to what exactly was being accelerated in this budget, and what was not being accelerated. First he said that everything was being accelerated. Then we demonstrated fairly conclusively, I think, that a great many things were not being accelerated.

What I would like to know—and Mr. McNamara agreed he would provide us with this data—I would like to know whether we have been provided with this data. This is supposed to be for the acceleration and speedup of the war in Vietnam, and to a very large extent I don't think it is for that at all. I think it has just been a bookkeeping job to move expenses out of 1967 and put them into 1966. I would like to know whether we have gotten from Mr. McNamara information which tells us definitively what actually has been accelerated and what has not been accelerated.

The CHAIRMAN. Did you hear what Mr. Pike said?

Mr. BLANDFORD. Yes. We have not received the information, to my knowledge, Mr. Pike, from the Secretary, as to what items would actually be accelerated. I think it is perfectly obvious the Navy testimony left some doubt in the committee's mind as to what items were being accelerated.

I think it was also obvious when the Army and Air Force testified they were much more sure of their ground on accelerated production.

The CHAIRMAN. I think there has been some of each, Mr. Pike. There will be some acceleration, but some of it has been bodily lifted and put into this bill. I think what you have said is in a great measure true, but the country would not understand it if we didn't report this bill out, and fast.

Any time that we save on long lead time items will be helpful in the war effort, irrespective of the motive behind bodily lifting them out of 1967 and putting them into this supplemental 1966.

We are just in the position where we can't afford to hold it up.

Mr. PIKE. Mr. Chairman, I don't want to vote against this, and I don't think I am going to, but may we get some assurance that the report on this bill will raise this question, and will discuss this question?

The CHAIRMAN. I will not only do that, but I will ask you to assist in putting that language in the report.

Mr. HARDY. Mr. Chairman, I would like to express a feeling that ought to be done, too.

The CHAIRMAN. Let me say this now. Every member of this committee knows that the occupant of this chair is willing to uphold the dignity and the strength of this committee against all persons whomsoever. I will not tolerate any rubberstamping, or blank checking of any of our authority. I am willing to do anything to continue to keep our control in the areas where we must retain them. I am willing to do exactly what you have said. I think we should do it. That is why I want the sympathy and the participation of every one of you.

Mr. Bates wants to be heard.

Mr. BATES. I think Mr. Pike makes a good point. I think we ought to have as a part of the report the information which he just indicated. We ought to know exactly what we are doing here, and how much we are accelerating, and the facts pertaining thereto.

The CHAIRMAN. Mr. Blandford, you get busy on that.

Mr. BLANDFORD. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Ichord.

Mr. ICHORD. Mr. Chairman, I just wanted to state that I had some concern along the same line I think Mr. Hardy's amendment in part takes care of. But what I was concerned about was if we don't watch it, this is a peculiar situation, an emergency situation—we are going to get into the same position as the Foreign Affairs Committee, and to me it is just a laughing matter for the Congress to go through the yearly process of authorizing foreign aid, because there is really no control of Congress. They can obligate it, deobligate it, and reobligate it all in the same day. If we don't watch it we are going to be getting ourselves in the same position with regard to military matters.

Mr. HARDY. That is exactly right.

The CHAIRMAN. We are going to try to obviate that.

Mr. BLANDFORD. May I make a suggestion?

The CHAIRMAN. Yes.

Mr. BLANDFORD. I would suggest that the committee take a position that when Mr. McNamara appears here on the 7th of March for the beginning of the posture hearing, a letter over the chairman's signature go to Mr. McNamara and tell him the first order of business on the 7th of March will be for him to present to this committee an item by item statement on the accelerated production contained in the supplemental authorization.

Mr. PIKE. The trouble is this will have been on the floor and debated by the time that comes along.

Mr. BLANDFORD. Well, I am not going to get all of this by Monday, the information you want, on an item-by-item breakdown, because you are going to get so much explanation that even after I got it I would not know how to interpret it. I won't make a commitment I can get that. We will write a letter and ask the Secretary to come over here on the 7th day of March and explain it to the committee item by item.

Mr. ARENDS. Why can't you get this information by the time we write the report?

Mr. BLANDFORD. I can get you answers, but whether you will be able to understand them or not is questionable. They will give you lead-

time, they will give you this versus what they had proposed to do, and this will accelerate this kind of construction as opposed to what they had originally planned to do. By the time you get all through with this language you won't know any more than when you started.

The CHAIRMAN. You are talking about production and not construction, aren't you, Mr. Pike?

Mr. PIKE. I am talking essentially about production. They have all admitted, Mr. Chairman, that every item of construction for south-east Asia has been taken out of the 1967 budget. That doesn't make any sense. The construction items are all in this one. They are not going to construct them that much faster. They are not going to have them that much more available, and certainly these construction items don't fit within their own ground rules of having a war which ends on the 31st of July, 1967.

Mr. BLANDFORD. You are going to know the basis of it by the first of July anyway, because you are then going to find out the number of contracts actually awarded and entered into prior to the first of July.

Mr. HARDY. You will know exactly.

Mr. BLANDFORD. We will know what they didn't do.

The CHAIRMAN. Mr. Price.

Mr. PRICE. I am in favor of the expediting and accelerating of these projects if it is the need to do so.

This bill should be passed by the end of March. The appropriation should be passed by the end of March. Normally, we don't get the appropriation for these type of items until the very last thing in the session of Congress. It is possible—I don't know what they are going to do—none of us can tell definitely—but evidently they need this.

It is possible to at least accelerate as much as 1 year if we go through with this action.

The CHAIRMAN. Sure there will be some acceleration, there is bound to be acceleration. You will give the Secretary permission to obligate certain items. But it won't hurt us. We can watch this thing very closely, and we will.

But I do think there will be a lot of acceleration. I don't think we should impugn the motives of the Secretary in this area, because there is bound to be. The Army yesterday testified to this. So we have got to give him a chance. We can't hold it up. We can't hold it up.

Now, Mr. Arends, have you finished.

Mr. ARENDS. No. The only thing I was going to say, Mr. Chairman, is that I agree with Mr. Pike entirely. I think the committee is going to find itself in the position where once again we have acquiesced and gone along without getting the information to be furnished to this committee.

The CHAIRMAN. You will get it. We will get it.

Mr. ARENDS. You will get it, but it will be late.

The CHAIRMAN. Let's try it this way.

Mr. ARENDS. I am not excited about 1 or 2 days on the floor of the House in passing this bill, when the Senate gets done with it, and we change the language, there will be some delay involved. I would like to see a fairly accurate report come from the Secretary on this which could be incorporated in the report. Otherwise we are just right back to where we were again, here, boys, here it is, thank you for passing it.

Mr. BLANDFORD. How much of this could you put in the report?

Mr. KELLEHER. Well, you couldn't put numbers of aircraft, certainly.

Mr. BLANDFORD. Everything we have here is classified.

Mr. BATES. You can put dollars.

Mr. BLANDFORD. I don't know.

Mr. BATES. You can put totals.

Mr. BLANDFORD. We can put totals.

The CHAIRMAN. Why don't you look at it and see what you can do? We will do the best we can.

Now, the question is on the reporting out of this bill, as amended, a new bill, giving me authority to introduce a new bill, and this vote being considered as a vote on the new bill.

Mr. Blandford, call the roll, and also list the proxies.

Mr. BLANDFORD. I have them here.

Mr. Rivers.

The CHAIRMAN. Yes.

Mr. BLANDFORD. Mr. Bates.

Mr. BATES. Yes.

Mr. BLANDFORD. Mr. Philbin. Absent.

Mr. Arends.

Mr. ARENDS. Yes.

Mr. BLANDFORD. Mr. Hébert.

Mr. HÉBERT. Yes.

Mr. BLANDFORD. Mr. OKonski. Absent.

Mr. Price.

Mr. PRICE. Yes.

Mr. BLANDFORD. Mr. Bray. "Aye," by proxy.

Mr. Fisher. "Yes," by proxy.

Mr. Bob Wilson.

Mr. BOB WILSON. Yes.

Mr. BLANDFORD. Mr. Gubser. "Yes," by proxy.

Mr. HARDY. Yes.

Mr. BLANDFORD. Mr. Gubser. "Yes," by proxy.

Mr. Bennett.

Mr. BENNETT. Yes.

Mr. BLANDFORD. Mr. Chamberlain.

Mr. CHAMBERLAIN. Yes.

Mr. BLANDFORD. Mr. Byrne. "Yes," by proxy.

Mr. PIRNIE. "Yes," by proxy.

Mr. Stratton.

Mr. STRATTON. Yes.

Mr. BLANDFORD. Mr. Hall. "Yes," by proxy.

Mr. Pike.

Mr. PIKE. Yes.

Mr. BLANDFORD. Mr. Clancy.

Mr. CLANCY. Yes.

Mr. BLANDFORD. Mr. Ichord.

Mr. ICHORD. Yes.

Mr. BLANDFORD. Mr. Stafford.

Mr. STAFFORD. Yes.

Mr. BLANDFORD. Mr. Nedzi.

Mr. NEDZI. Yes.

Mr. BLANDFORD. Mr. Schweiker.

Mr. SCHWEIKER. Yes.

Mr. BLANDFORD. Mr. Lennon. "Yes," by proxy.

Mr. Randall.

Mr. RANDALL. Yes.

Mr. BLANDFORD. Mr. Hagan.

Mr. HAGAN. Yes.

Mr. BLANDFORD. Mr. Charles Wilson.

Mr. CHARLES WILSON. Yes.

Mr. BLANDFORD. Mr. Leggett.

Mr. LEGGETT. Yes.

Mr. BLANDFORD. Mr. Irwin.

Mr. IRWIN. Yes.

Mr. BLANDFORD. Mr. Johnson.

Mr. JOHNSON. Yes.

Mr. BLANDFORD. Mr. Evans.

Mr. EVANS. Yes.

Mr. BLANDFORD. Mr. Love.

Mr. LOVE. Yes.

Mr. BLANDFORD. Mr. Hicks.

Mr. HICKS. Yes.

Mr. BLANDFORD. Mr. Machen.

Mr. MACHEN. Yes.

Mr. BLANDFORD. Mr. Long.

Mr. LONG. Yes.

Mr. BLANDFORD. Mr. Walker.

Mr. WALKER. Yes.

Mr. BLANDFORD. Mr. Polanco-Abreu.

Mr. POLANCO-ABREU. Yes.

Mr. BLANDFORD. On this vote 35 ayes and no nays, Mr. Chairman.

The CHAIRMAN. Mr. Blandford, you can release that action of the committee to whoever asks about it from the press. Also explain those two amendments we incorporated.

Mr. BLANDFORD. All right, sir.

The CHAIRMAN. Off the record.

(Discussion off the record.)

The CHAIRMAN. Back on the record.

We will be in recess. I want the subcommittees to move as fast as you can.

I want to thank every one of you for the work you have done on this bill.

(Whereupon, at 10:52 a.m., the committee adjourned.)

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APPENDIX

[H.R. 12334, 89th Cong., 2d sess.]

A BILL To authorize appropriations during the fiscal year 1966 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles and research, development, test, and evaluation for the Armed Forces and for other purposes

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

TITLE I—PROCUREMENT

SEC. 101. In addition to the funds authorized to be appropriated under Public Law 89-37 there is hereby authorized to be appropriated during the fiscal year 1966 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$825,600,000; for the Navy and the Marine Corps, \$738,300,000; for the Air Force, \$1,585,700,000.

MISSILES

For missiles: for the Army, \$64,000,000; for the Navy, \$26,200,000; for the Marine Corps, \$27,500,000; for the Air Force, \$63,700,000.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$75,800,000; for the Marine Corps, \$10,900,000.

TITLE II

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. In addition to the funds authorized to be appropriated under Public Law 89-37 there is hereby authorized to be appropriated during fiscal year 1966 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, \$27,995,000;

For the Navy (including the Marine Corps), \$52,570,000;

For the Air Force, \$71,085,000.

TITLE III—GENERAL PROVISION

SEC. 301. Funds authorized for appropriation for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for the support of Vietnamese and other free world forces in Vietnam, and related costs, during the fiscal years 1966 and 1967, on such terms and conditions as the Secretary of Defense may determine.

[H.R. 12335, 89th Cong., 2d Sess.]

A BILL To authorize certain construction in support of military activities in southeast Asia, and for other purposes

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

SECTION 1. The Secretary of each military department may establish or develop military installations and facilities by acquiring, constructing, converting, reha-

bilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, which are necessary in connection with military activities in southeast Asia, or in support of such activities, in the total amount as follows:

Department of the Army, \$509,700,000;

Department of the Navy, \$254,600,000; and

Department of the Air Force, \$274,100,000.

SEC. 2. The Secretary of Defense may establish or develop installations and facilities which he determines to be vital to the security of the United States, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of \$200,000,000.

SEC. 3. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 4. Whenever—

(1) the President determines that compliance with section 2313(b) of title 10, United States Code, for contracts made under this Act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this Act; and

(2) the Secretary of Defense and the Comptroller General have agreed upon alternative methods of adequately auditing those contracts; the President may exempt those contracts from the requirements of that section.

SEC. 5. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but the appropriations for public works authorized by sections 1 and 2 shall not exceed—

(1) for section 1: Department of the Army, \$509,700,000; Department of the Navy, \$254,600,000; Department of the Air Force, \$274,100,000, or a total of \$1,088,400,000.

(2) for section 2: a total of \$200,000,000.

SEC. 6. This Act may be cited as the "Supplemental Military Construction Authorization Act, 1966".

CHRONOLOGICAL LIST OF HEARINGS

	Page
Thursday, February 3, 1966.....	4875
Friday, February 4, 1966.....	4941
Monday, February 7, 1966.....	5011
Tuesday, February 8, 1966.....	5043
Wednesday, February 9, 1966.....	5094
Tuesday, February 15, 1966.....	5120
Wednesday, February 16, 1966.....	5177
Thursday, February 17, 1966.....	5240

WITNESSES

Air Force, Department of the	5121
Brown, Hon. Harold, statement of.....	5121
Crow, Gen. Duward L.....	5129, 5130, 5139, 5140
McConnell, Gen. John P.....	5122, 5126, 5136-5143, 5146-5151, 5155-5175
Army, Department of the	5178
Chesarek, Maj. Gen. F. J.....	5197, 5198, 5202, 5208, 5209-5215
Johnson, Gen. Harold K.....	5180-5233, 5239
Resor, Hon. Stanley R., statement of.....	5178
Shuler, Maj. Gen. W. R.....	5226-5237
Defense, Department of	4876
McNamara, Hon. Robert S., Secretary of Defense, statement of.....	4876
Extracts of statements made on South Vietnam from January 1, 1963, through January 1, 1966.....	4979
Wheeler, Gen. Earle G.....	4894-4899, 4905-4909, 4929-4935, 4944-4953, 4967, 4968, 4975, 5010, 5011
Navy, Department of the	5012
Greene, Gen. Wallace M., Jr., U.S. Marine Corps.....	5024-5030, 5057-5094
Hull, Adm. Harry.....	5095-5104, 5110-5120
Husband, Adam A. C.....	5095, 5099-5102, 5111, 5116
McDonald, Adm. David L.....	5016-5042, 5048-5055, 5061-5064
Morse, Hon. Robert W.....	5070-5075, 5080-5090
Nitze, Hon. Paul H., Secretary of the Navy, statement of.....	5012
Riggs, Adm. Cecil D.....	5104-5110
Van Ryzan, Gen. W. J., U.S. Marine Corps.....	5119

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[No. 46]

UNIVERSAL MILITARY TRAINING AND SERVICE ACT, AS AMENDED, WITH ANALYSIS

INCLUDES A BRIEF DESCRIPTION
OF THE
SELECTIVE SERVICE SYSTEM

MARCH 1, 1966

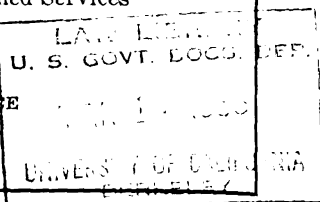


[Pages of all documents printed in behalf of the activities of the House Committee on Armed Services are numbered cumulatively to permit a comprehensive index at the end of the Congress. Page numbers lower than those in this document refer to other subjects.]

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50-066



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EIGHTY-NINTH CONGRESS. SECOND SESSION

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FOREWORD

This compilation of materials relating to the Universal Military Training and Service Act has been prepared for the use of the members of the House Committee on Armed Services and its professional staff.

The compilation reflects all statutory changes enacted prior to January 10, 1966.

The materials in this print are arranged in the following order:

I. The Universal Military Training and Service Act as amended to August 30, 1965 (Effective statutory language of the "Draft Law" (p. 5253).

II. An analysis and explanation of the Universal Military Training and Service Act, as amended (p. 5293).

III. A brief description of the Selective Service System and its administration (p. 5305).

(iii)

Provisions of the

**UNIVERSAL MILITARY TRAINING AND SERVICE
ACT**

(With amendments to August 30, 1965)

Some of the former provisions of this act have been codified in title 10 of the United States Code and are not shown.

Sec. 1. Policy and intent of Congress.—(a) This Act may be cited as the “Universal Military Training and Service Act.”

(b) The Congress hereby declares that an adequate armed strength must be achieved and maintained to insure the security of this Nation.

(c) The Congress further declares that in a free society the obligations and privileges of serving in the armed forces and the reserve components thereof should be shared generally, in accordance with a system of selection which is fair and just, and which is consistent with the maintenance of an effective national economy.

(d) The Congress further declares, in accordance with our traditional military policy as expressed in the National Defense Act of 1916, as amended, that it is essential that the strength and organization of the National Guard, both Ground and Air, as an integral part of the first line defenses of this Nation, be at all times maintained and assured.

To this end, it is the intent of the Congress that whenever Congress shall determine that units and organizations are needed for the national security in excess of those of the Regular components of the Ground Forces and the Air Forces, and those in active service under this title, the National Guard of the United States, both Ground and Air, or such part thereof as may be necessary, together with such units of the Reserve components as are necessary for a balanced force, shall be ordered to active Federal service and continued therein so long as such necessity exists.

(e) The Congress further declares that adequate provision for national security requires maximum effort in the fields of scientific research and development, and the fullest possible utilization of the Nation’s technological, scientific, and other critical manpower resources.

AUTHORIZED PERSONNEL STRENGTHS

Sec. 2. (Repealed)

REGISTRATION

Sec. 3. Registration.—Except as otherwise provided in this title, it shall be the duty of every male citizen of the United States, and every other male person now or hereafter in the United States, who,

on the day or days fixed for the first or any subsequent registration, is between the ages of eighteen and twenty-six, to present himself for and submit to registration at such time or times and place or places, and in such manner, as shall be determined by proclamation of the President and by rules and regulations prescribed hereunder.

TRAINING AND SERVICE

Sec. 4. (a) Training and service in general.—Except as otherwise provided in this title, every male citizen of the United States and every male alien admitted for permanent residence, who is between the ages of 18 years and 6 months and 26 years, at the time fixed for his registration, or who attains the age of 18 years and 6 months after having been required to register pursuant to section 3 of this title, or who is otherwise liable as provided in section 6(h) of this title, shall be liable for training and service in the Armed Forces of the United States: *Provided*, That each registrant shall be immediately liable for classification and examination, and shall, as soon as practicable following his registration, be so classified and examined, both physically and mentally, in order to determine his availability for induction for training and service in the Armed Forces: *Provided further*, That any male alien who is between the ages of 18 years and 6 months and 26 years, at the time fixed for registration, or who attains the age of 18 years and 6 months after having been required to register pursuant to section 3 of this title, or who is otherwise liable as provided in section 6(h) of this title, who has remained in the United States in a status other than that of a permanent resident for a period exceeding one year (other than an alien exempted from registration under this title and regulations prescribed thereunder) shall be liable for training and service in the Armed Forces of the United States, except that any such alien shall be relieved from liability for training and service under this title if, prior to his induction into the Armed Forces he has made application to be relieved from such liability in the manner prescribed by and in accordance with rules and regulations prescribed by the President; but any alien who makes such application shall thereafter be debarred from becoming a citizen of the United States. The President is authorized, from time to time, whether or not a state of war exists, to select and induct into the Armed Forces of the United States for training and service in the manner provided in this title (including but not limited to selection and induction by age group or age groups) such number of persons as may be required to provide and maintain the strength of the Armed Forces.

At such time as the period of active service in the Armed Forces required under this title of persons who have not attained the nineteenth anniversary of the day of their birth has been reduced or eliminated pursuant to the provisions of section 4(k) of this title, and except as otherwise provided in this title, every male citizen of the United States who is required to register under this title and who has not attained the nineteenth anniversary of the day of his birth on the date such period of active service is reduced or eliminated, or who is otherwise liable as provided in section 6(h) of this title, and every male alien admitted for permanent residence who is required to register under this title and who has not attained the nineteenth anniversary

of the day of his birth on the date such period of active service is reduced or eliminated, or who is otherwise liable as provided in section 6(h) of this title, shall be liable for training in the National Security Training Corps: *Provided*, That any male alien who is required to register under the provisions of this title and who has not reached the nineteenth anniversary of the date of his birth on the date such period of active service is reduced or eliminated, or who is otherwise liable as provided in section 6(h) of this title, who has remained in the United States in a status other than that of a permanent resident for a period exceeding one year shall be liable for training in the National Security Training Corps except that any such alien shall be relieved from such training under this title if, prior to his induction into the National Security Training Corps he has made application to be relieved from such liability in the manner prescribed by and in accordance with rules and regulations prescribed by the President, but any alien who makes such application shall thereafter be debarred from becoming a citizen of the United States: *Provided further*, That persons deferred under the provisions of section 6 of this title shall not be relieved from liability for induction into the National Security Training Corps solely by reason of having exceeded the age of 19 years during the period of such deferment. The President is authorized, from time to time, whether or not a state of war exists, to select and induct for training in the National Security Training Corps as hereinafter provided such number of persons as may be required to further the purposes of this title.

No person shall be inducted into the Armed Forces for training and service or shall be inducted for training in the National Security Training Corps under this title until his acceptability in all respects, including his physical and mental fitness, has been satisfactorily determined under standards prescribed by the Secretary of Defense: *Provided*, That the minimum standards for physical acceptability established pursuant to this subsection shall not be higher than those applied to persons inducted between the ages of 18 and 26 in January 1945: *Provided further*, That the passing requirement for the Armed Forces Qualification Test shall be fixed at a percentile score of 10 points: *And provided further*, That except in time of war or national emergency declared by the Congress the standards and requirements fixed by the preceding two provisos may be modified by the President under such rules and regulations as he may prescribe.

No persons shall be inducted for such training and service until adequate provision shall have been made for such shelter, sanitary facilities, water supplies, heating and lighting arrangements, medical care, and hospital accommodations for such persons as may be determined by the Secretary of Defense or the Secretary of the Treasury to be essential to the public and personal health.

The persons inducted into the Armed Forces for training and service under this title shall be assigned to stations or units of such forces. Persons inducted into the land forces of the United States pursuant to this title shall be deemed to be members of the Army of the United States; persons inducted into the naval forces of the United States pursuant to this title shall be deemed to be members of the United States Navy or the United States Marine Corps or the United States Coast Guard, as appropriate; and persons inducted into the air forces

of the United States pursuant to this title shall be deemed to be members of the Air Force of the United States.

Every person inducted into the Armed Forces pursuant to the authority of this subsection after the date of enactment of the 1951 Amendments to the Universal Military Training and Service Act shall, following his induction, be given full and adequate military training for service in the armed force into which he is inducted for a period of not less than four months, and no such person shall, during this four months period, be assigned for duty at any installation located on land outside the United States, its Territories and possessions (including the Canal Zone): *Provided*, That no funds appropriated by the Congress shall be used for the purpose of transporting or maintaining in violation of the provisions of this paragraph any person inducted into, or enlisted, appointed, or ordered to active duty in, the Armed Forces under the provisions of this title.

No person in the medical, dental, and allied specialist categories shall be inducted under the provisions of this subsection if he applies or has applied for an appointment as a Reserve officer in one of the Armed Forces in any of such categories and is or has been rejected for such appointment on the sole ground of a physical disqualification.

No person, without his consent, shall be inducted for training and service in the Armed Forces or for training in the National Security Training Corps under this title, except as otherwise provided herein, after he has attained the twenty-sixth anniversary of the day of his birth.

(b) Length of service.—Each person inducted into the Armed Forces under the provisions of subsection (a) of this section shall serve on active training and service for a period of twenty-four consecutive months, unless sooner released, transferred, or discharged in accordance with procedures prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard) or as otherwise prescribed by subsection (d) of section 4 of this title. The Secretaries of the Army, Navy, and Air Force, with the approval of the Secretary of Defense (and the Secretary of the Treasury with respect to the United States Coast Guard), may provide, by regulations which shall be as nearly uniform as practicable, for the release from training and service in the armed forces prior to serving the periods required by this subsection of individuals who volunteered for and are accepted into organized units of the Army National Guard and Air National Guard and other reserve components.

(c) Enlistment; Reservists' active duty; Volunteers for induction; N.S.T.C.—(1) Under the provisions of applicable laws and regulations any person between the ages of eighteen years and six months and twenty-six years shall be offered an opportunity to enlist in the regular army for a period of service equal to that prescribed in subsection (b) of this section: *Provided*, That, notwithstanding the provisions of this or any other Act, any person so enlisted shall not have his enlistment extended without his consent until after a declaration of war or national emergency by the Congress after the date of enactment of the 1951 amendments to the Universal Military Training and Service Act.

(2) Any enlisted member of any reserve component of the Armed Forces may, during the effective period of this Act, apply for a period of service equal to that prescribed in subsection (b) of this section and his application shall be accepted: *Provided*, That his services can be effectively utilized and that his physical and mental fitness for such service meet the standards prescribed by the head of the department concerned: *Provided further*, That active service performed pursuant to this section shall not prejudice his status as such member of such reserve component: *And provided further*, That any person who was a member of a reserve component on June 25, 1950, and who thereafter continued to serve satisfactorily in such reserve component, shall, if his application for active duty made pursuant to this paragraph is denied, be deferred from induction under this title until such time as he is ordered to active duty or ceases to serve satisfactorily in such reserve component.

(3) Within the limits of the quota determined under section 5 (b) for the subdivision in which he resides, any person, between the ages of eighteen and twenty-six, shall be afforded an opportunity to volunteer for induction into the Armed Forces of the United States for the training and service prescribed in subsection (b), but no person who so volunteers shall be inducted for such training and service so long as he is deferred after classification.

(4) Within the limits of the quota determined under section 5 (b) for the subdivision in which he resides, any person after attaining the age of seventeen shall with the written consent of his parents or guardian be afforded an opportunity to volunteer for induction into the Armed Forces of the United States for the training and service prescribed in subsection (b).

(5) Within the limits of the quota determined under section 5 (b) for the subdivision in which he resides, at such time as induction into the National Security Training Corps is authorized pursuant to the provisions of this title, any person after attaining the age of seventeen shall with the written consent of his parents or guardian be afforded an opportunity to volunteer for induction into the National Security Training Corps for the training prescribed in subsection (k) of section 4 of this title.

(d) Transfer to Reserves; N.S.T.C.—(1) Each person who hereafter and prior to the enactment of the 1951 Amendments to the Universal Military Training and Service Act is inducted, enlisted, or appointed (except a person enlisted under subsection (g) of this section) and serves for a period of less than three years in one of the armed forces and meets the qualifications for enlistment or appointment in a reserve component of the armed force in which he serves, shall be transferred to a reserve component of such armed force, and until the expiration of a period of five years after such transfer, or until he is discharged from such reserve component, whichever occurs first, shall be deemed to be a member of such reserve component and shall be subject to such additional training and service as may now or hereafter be prescribed by law for such reserve component: *Provided*, That any such person who completes at least twenty-one months of service in the armed forces and who thereafter serves satisfactorily (1) on active duty in the armed forces under a voluntary extension for a period of

at least one year, which extension is hereby authorized, or (2) in an organized unit of any reserve component of any of the armed forces for a period of at least thirty-six consecutive months, shall, except in time of war or national emergency declared by the Congress, be relieved from any further liability under this subsection to serve in any reserve component of the armed forces of the United States, but nothing in this subsection shall be construed to prevent any such person, while in a reserve component of such forces, from being ordered or called to active duty in such forces.

(2) Each person who hereafter and prior to the enactment of the 1951 Amendments to the Universal Military Training and Service Act is enlisted under the provisions of subsection (g) of this section and who meets the qualifications for enlistment or appointment in a reserve component of the armed forces shall, upon discharge from such enlistment under honorable conditions, be transferred to a reserve component of the armed forces of the United States and shall serve therein for a period of six years or until sooner discharged. Each such person shall, so long as he is a member of such reserve component, be liable to be ordered to active duty, but except in time of war or national emergency declared by the Congress no such person shall be ordered to active duty, without his consent and except as hereinafter provided, for more than one month in any year. In case the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force determines that enlistment, enrollment, or appointment in, or assignment to, an organized unit of a reserve component or an officers' training program of the armed force in which he served is available to, and can without undue hardship be filled by, any such person, it shall be the duty of such person to enlist, enroll, or accept appointment in, or accept assignment to, such organized unit or officers' training program and to serve satisfactorily therein for a period of four years. Any such person who fails or refuses to perform such duty may be ordered to active duty, without his consent, for an additional period of not more than twelve consecutive months. Any such person who enlists or accepts appointment in any such organized unit and serves satisfactorily therein for a period of four years shall, except in time of war or national emergency declared by the Congress, be relieved from any further liability under this subsection to serve in any reserve component of the armed forces of the United States, but nothing in this subsection shall be construed to prevent any such person, while in a reserve component of such forces, from being ordered or called to active duty in such forces. The Secretary of Defense is authorized to prescribe regulations governing the transfer of such persons within and between reserve components of the armed forces and determining, for the purpose of the requirements of the foregoing provisions of this paragraph, the credit to be allowed any person so transferring for his previous service in one or more reserve components.

(3) Each person who, subsequent to June 9, 1951, and on or before August 9, 1955, is inducted, enlisted, or appointed, under any provision of law, in the Armed Forces, including the reserve components thereof, or in the National Security Training Corps prior to attaining the twenty-sixth anniversary of his birth, shall be required to serve on active training and service in the Armed Forces or in training in the National Security Training Corps, and in a reserve

component, for a total period of eight years, unless sooner discharged on the grounds of personal hardship, in accordance with regulations and standards prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard). Each such person, on release from active training and service in the Armed Forces or from training in the National Security Training Corps, if physically and mentally qualified, shall be transferred to a reserve component of the Armed Forces, and shall serve therein for the remainder of the period which he is required to serve under this paragraph and shall be deemed to be a member of the reserve component during that period. If the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or the Secretary of the Treasury with respect to the United States Coast Guard, determines that enlistment, enrollment, or appointment in, or assignment to, an organized unit of a reserve component or an officers' training program of the armed force in which he served is available to, and can, without undue personal hardship, be filled by such a person, that person shall enlist, enroll, or accept appointment in, or accept assignment to, the organized unit or officers' training program, and serve satisfactorily therein.

(e) Pay and allowances.—With respect to the persons inducted for training and service under this title there shall be paid, allowed, and extended the same pay, allowances, pensions, disability and death compensation, and other benefits as are provided by law in the case of other enlisted men of like grades and length of service of that component of the armed forces to which they are assigned. Section 3 of the Act of July 25, 1947 (Public Law 239, Eightieth Congress), is hereby amended by deleting therefrom the following: "Act of March 7, 1942 (56 Stat. 143–148, ch. 166), as amended". The Act of March 7, 1942 (56 Stat. 143–148), as amended, is hereby made applicable to persons inducted into the armed forces pursuant to this title.

(f) Civilian compensation.—Notwithstanding any other provision of law, any person who is inducted into the armed forces under this Act and who before being inducted, was receiving compensation from any person may, while serving under that induction, receive compensation from that person.

(g) (Repealed)

(h) (Repealed)

(i) (Terminated)

(j) National Advisory Committee.—The President shall establish a National Advisory Committee which shall advise the Selective Service System and shall coordinate the work of such State and local volunteer advisory committees as may be established to cooperate with the National Advisory Committee, with respect to the selection of needed medical and dental and allied specialist categories of persons. The members of the National Advisory Committee shall be selected from among individuals who are outstanding in medicine, dentistry, and the sciences allied thereto, but except for the professions of medicine and dentistry, it shall not be mandatory that all such fields of endeavor be represented on the committee.

In the performance of their functions, the National Advisory Committee and the State and local volunteer advisory committees shall

give appropriate consideration to the respective needs of the Armed Forces and of the civilian population for the services of medical, dental, and allied specialist personnel; and, in determining the medical, dental, and allied specialist personnel available to serve the needs of any community, such committees shall give appropriate consideration to the availability in such community of medical, dental, and allied specialist personnel who have attained the thirty-fifth anniversary of their birth.

It shall be the duty of the National Advisory Committee in conjunction with the State and local volunteer advisory committees to make determinations with respect to persons in residency training programs who shall be recommended for deferment for the purpose of completing such residency programs, and in making such determinations shall give appropriate consideration to the respective needs of the Armed Forces and the civilian population. The National Advisory Committee in conjunction with the State and local volunteer advisory committees are further authorized to make appropriate recommendations with respect to members of the facilities of medical, dental, veterinary, and allied specialists schools, schools of public health, and with respect to physicians, dentists and veterinarians engaged in essential laboratory and clinical research, having due regard to the respective needs of the Armed Forces and the civilian population.

(k) Decrease in period of service; Operation of National Security Training Commission and Corps.—(1) Upon a finding by him that such action is justified by the strength of the Armed Forces in the light of international conditions, the President, upon recommendation of the Secretary of Defense, is authorized, by Executive order, which shall be uniform in its application to all persons inducted under this title but which may vary as to age groups, to provide for (A) decreasing periods of service under this title but in no case to a lesser period of time than can be economically utilized, or (B) eliminating periods of service required under this title.

(2) Whenever the Congress shall by concurrent resolution declare—

(A) that the period of active service required of any age group or groups of persons inducted under this title should be decreased to any period less than twenty-four months which may be designated in such resolution; or

(B) that the period of active service required of any age group or groups of persons inducted under this title should be eliminated,

the period of active service in the Armed Forces of the age group or groups designated in any such resolution shall be so decreased or eliminated, as the case may be. Whenever the period of active service required under this title of persons who have not attained the nineteenth anniversary of the day of their birth has been reduced or eliminated by the President or as a result of the adoption of a concurrent resolution of the Congress in accordance with the foregoing provisions of this section, all individuals then or thereafter liable for registration under this title who on that date have not attained the nineteenth anniversary of the day of their birth and have not been inducted into the Armed Forces shall be liable, effective on such date, for induction into the National Security Training Corps

as hereinafter established for initial military training for a period of six months.

(3) There is hereby established a National Security Training Commission (herein called the Commission), which shall be composed of five members, three of whom shall be civilians and two of whom shall be active or retired members of the Regular components of any of the Armed Forces. Of the three civilian members, not more than two shall be of the same political party. Members of the Commission shall be appointed by the President by and with the advice and consent of the Senate, from among persons of outstanding national reputation. The President shall select the Chairman of the Commission from among its civilian members. No person who has been on active duty as a commissioned officer in a regular component of the Armed Forces shall be eligible for appointment as a civilian member of the Commission. The Commission shall have a seal which shall be judicially noted. At such time as the Commission shall be appointed, in accordance with this paragraph, there shall be established a National Security Training Corps.

(4) The term of office of each member of the Commission shall be five years, except that (A) the terms of office of the members first taking office shall expire, as designated by the President at the time of appointment, two at the end of two years, one at the end of three years, one at the end of four years, and one at the end of five years, after the date of enactment of this paragraph; and (B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. Members of the Commission, other than active members of the Regular components of the Armed Forces, while actually serving with the Commission, shall receive a per diem of not to exceed \$50 for each day engaged in the business of the Commission and shall be allowed transportation and a per diem in lieu of subsistence of \$9 while away from their homes or places of business pursuant to such business.

(5) The Commission shall, subject to the direction of the President, exercise general supervision over the training of the National Security Training Corps, which training shall be basic military training. The Commission shall establish such policies and standards with respect to the conduct of the training of members of the National Security Training Corps as are necessary to carry out the purposes of this Act. The Commission shall make adequate provisions for the moral and spiritual welfare of members of the National Security Training Corps. The Secretary of Defense shall designate the military departments to carry out such training. Each military department so designated shall carry out such military training in accordance with the policies and standards of the Commission. The military department or departments so designated to carry out such military training shall, subject to the approval of the Secretary of Defense, and subject to the policies and standards established by the Commission, determine the type or types of basic military training to be given to members of the National Security Training Corps.

(6) The Commission is authorized, subject to the civil-service laws and the Classification Act of 1949, to employ and fix the compensation

of such officers and employees as it deems necessary to enable it to perform its functions.

(7) Not later than four months following confirmation of the members of the Commission, the Commission shall submit to the Congress legislative recommendations which shall include, but not be limited to—

(A) a broad outline for a program deemed by the Commission and approved by the Secretary of Defense to be appropriate to assure that the training carried out under the provisions of this Act shall be of a military nature, but nothing contained in this paragraph shall be construed to grant to the Commission the authority to prescribe the basic type or types of military training to be given members of the National Security Training Corps;

(B) measures for the personal safety, health, welfare and morals of members of the National Security Training Corps;

(C) a code of conduct, together with penalties for violation thereof;

(D) measures deemed necessary to implement the policies and standards established under the provisions of paragraph (5) of this subsection; and

(E) disability and death benefits and other benefits, and the obligations, duties, liabilities, and responsibilities, to be granted to or imposed upon members of the National Security Training Corps.

All legislative recommendations submitted under this paragraph shall be referred to the Committees on Armed Services of the two Houses, and each of such committees shall, not later than the expiration of the first period of 45 calendar days of continuous sessions of the Congress, following the date on which the recommendations provided for in this paragraph are transmitted to the Congress, report thereon to its House: *Provided*, That any bill or resolution reported with respect to such recommendations shall be privileged and may be called up by any member of either House but shall be subject to amendment as if it were not so privileged.

(8) No person shall be inducted into the National Security Training Corps until after—

(A) a code of conduct, together with penalties for violation thereof, and measures providing for disability and death benefits have been enacted into law; and

(B) such other legislative recommendations as are provided for in paragraph (7) shall have been considered and such recommendations or any portion thereof shall have been enacted with or without amendments into law; and

(C) the period of service required under this title of persons who have not attained the nineteenth anniversary of the day of their birth has been reduced or eliminated by the President or as a result of the adoption of a concurrent resolution of the Congress in accordance with paragraph (2) of this subsection.

(9) Six months following the commencement of induction of persons into the National Security Training Corps, and semiannually thereafter, the Commission shall submit to the Congress a comprehensive report describing in detail the operation of the National Security Training Corps, including the number of persons inducted therein, a

list of camps and stations at which training is being conducted, a report on the number of deaths and injuries occurring during such training and the causes thereof, an estimate of the performance of the persons inducted therein, including an analysis of the disciplinary problems encountered during the preceding six months, the number of civilian employees of the Commission and the administrative costs of the Commission. Simultaneously, there shall be submitted to the Congress by the Secretary of Defense a report setting forth an estimate of the value of the training conducted during the preceding six months, the cost of the training program chargeable to the appropriations made to the Department of Defense, and the number of personnel of the Armed Forces directly engaged in the conduct of such training.

(10) Each person inducted into the National Security Training Corps shall be compensated at the monthly rate of \$30: *Provided, however,* That each such person, having a dependent or dependents as such terms are defined in the Career Compensation Act of 1949, shall be entitled to receive a dependency allowance equal to the sum of the basic allowance for quarters provided for persons in pay grade E-1 by section 302 (f) of the Career Compensation Act of 1949 as amended by section 3 of the Dependents' Assistance Act of 1950 as may be extended or amended plus \$40 so long as such person has in effect an allotment equal to the amount of such dependency allowance for the support of the dependent or dependents on whose account the allowance is claimed.

(11) No person inducted into the National Security Training Corps shall be assigned for training at an installation located on land outside the continental United States, except that residents of Territories and possessions of the United States may be trained in the Territory or possession from which they were inducted.

(I) Active duty and commission of medical, dental, and allied specialists.—(1) The President may order to active duty (other than for training), as defined in section 101 (22) of title 10, United States Code, for a period of not more than twenty-four consecutive months, with or without his consent, any member of a reserve component of the Armed Forces of the United States who is in a medical, dental, or allied specialist category, who has not attained the thirty-fifth anniversary of the date of his birth, and has not performed at least one year of active duty (other than for training). This subsection does not affect or limit the authority to order members of the reserve components to active duty contained in section 672 of title 10, United States Code.

(2) For the purposes of computation of the periods of active duty (other than for training) referred to in subsection (1), credit shall be given for all periods of one day or more performed under competent orders, except that no credit shall be allowed for periods spent in student programs prior to receipt of the appropriate professional degree or in intern training.

(3) Any person who is called or ordered to active duty (other than for training) from a reserve component of the Armed Forces of the United States after September 5, 1950, and thereafter serves on active duty (other than for training) as a medical, dental, or allied specialist for a period of twelve months or more shall, upon release from active

duty or within six months thereafter, be afforded an opportunity to resign his commission from the reserve component of which he is a member unless he is otherwise obligated to serve on active military training and service in the Armed Forces or in training in a reserve component by law or contract.

(4) Any physician or dentist who meets the qualifications for a Reserve commission in the respective military department shall, so long as there is a need for the services of such a physician or dentist, be afforded an opportunity to volunteer for a period of active duty (other than for training) of not less than twenty-four months. Any physician or dentist who so volunteers his service, and meets the qualifications for a Reserve commission shall be ordered to active duty (other than for training) for not less than twenty-four months, notwithstanding the grade or rank to which such physician or dentist is entitled.

SELECTION

Sec. 5(a). Selection.—The selection of persons for training and service under section 4 shall be made in an impartial manner, under such rules and regulations as the President may prescribe, from the persons who are liable for such training and service and who at the time of selection are registered and classified, but not deferred or exempted: *Provided*, That in the selection of persons for training and service under this title, and in the interpretation and execution of the provisions of this title, there shall be no discrimination against any person on account of race or color: *Provided further*, That in the classification of registrants within the jurisdiction of any local board, the registrants of any particular registration may be classified, in the manner prescribed by and in accordance with rules and regulations prescribed by the President, before, together with, or after the registrants of any prior registration or registrations; and in the selection for induction of persons within the jurisdiction of any local board and within any particular classification, persons who were registered at any particular registration may be selected, in the manner prescribed by and in accordance with rules and regulations prescribed by the President, before, together with, or after persons who were registered at any prior registration or registrations: *Provided further*, That nothing herein shall be construed to prohibit the President, under such rules and regulations as he may prescribe, from providing for the selection or induction of persons by age group or groups or from providing for the selection or induction of persons qualified in needed medical, dental, or allied specialist categories pursuant to requisitions submitted by the Secretary of Defense: *And provided further*, That, notwithstanding any other provision of law, except section 314 of the Immigration and Nationality Act (8 U.S.C. 1425), no person who is qualified in a needed medical, dental, or allied specialist category, and who is liable for induction under section 4 of this title, shall be held to be ineligible for appointment as a commissioned officer of an Armed Force of the United States on the sole ground that he is not a citizen of the United States or has not made a declaration of intent to become a citizen thereof, and any such person who is not a citizen of the United States and who is appointed as a commissioned officer may, in lieu of the oath prescribed by section 1757 of the Revised Statutes,

as amended (5 U.S.C. 16), take such oath of service and obedience as the Secretary of Defense may prescribe: *And provided further*, That—

(1) no local board shall order for induction for training and service in the Armed Forces of the United States any person who has not attained the age of nineteen unless there is not within the jurisdiction of such local board a sufficient number of persons who are deemed by such local board to be available for induction and who have attained the age of nineteen to enable such local board to meet a call for men which it has been ordered to furnish for induction; and

(2) no local board shall order for induction for training and service in the Armed Forces of the United States any person who has not attained the age of nineteen, if there is any person within the jurisdiction of such local board who (i) is as much as ninety days older, (ii) has not attained the age of nineteen, and (iii) is deemed by the local board to be available for induction.

(b) Quotas.—Quotas of men to be inducted for training and service under this title shall be determined for each State, Territory, possession, and the District of Columbia, and for subdivisions thereof, on the basis of the actual number of men in the several States, Territories, possessions, and the District of Columbia, and the subdivisions thereof, who are liable for such training and service but who are not deferred after classification, except that credits shall be given in fixing such quotas for residents of such subdivisions who are in the armed forces of the United States on the date fixed for determining such quotas. After such quotas are fixed, credits shall be given in filling such quotas for residents of such subdivisions who subsequently become members of such forces. Until the actual numbers necessary for determining the quotas are known, the quotas may be based on estimates, and subsequent adjustments therein shall be made when such actual numbers are known. All computations under this subsection shall be made in accordance with such rules and regulations as the President may prescribe.

(c) Grade or rank in Armed Forces of medical, dental, and allied specialists.—Notwithstanding any other provision of law, any qualified person who—

(1) is liable for induction; or

(2) as a member of a Reserve component is ordered to active duty,

as a physician, or dentist, or in an allied specialist category in the Armed Forces of the United States, shall, under regulations prescribed by the President, be appointed, reappointed, or promoted to such grade or rank as may be commensurate with his professional education, experience, or ability: *Provided*, That any person in a needed medical, dental, or allied specialist category who fails to qualify for or who does not accept, a commission, or whose commission has been terminated, may be used in his professional capacity in an enlisted grade.

DEFERMENT AND EXEMPTIONS

Sec. 6. (a) Exemptions from registration and service.—Commissioned officers, warrant officers, pay clerks, enlisted men, and aviation cadets of the Regular Army, the Navy, the Air Force, the Marine

Corps, the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service; cadets, United States Military Academy; midshipmen, United States Navy; cadets, United States Coast Guard Academy; midshipmen, Merchant Marine Reserve, United States Naval Reserves; students enrolled in an officer procurement program at military colleges the curriculum of which is approved by the Secretary of Defense; members of the reserve components of the Armed Forces, the Coast Guard, and the Public Health Service, while on active duty; and foreign diplomatic representatives, technical attachés of foreign embassies and legations, consuls general, consuls, vice consuls and other consular agents of foreign countries who are not citizens of the United States, and members of their families, and persons in other categories to be specified by the President who are not citizens of the United States, shall not be required to be registered under section 3 and shall be relieved from liability for training and service under section 4, except that aliens admitted for permanent residence in the United States shall not be so exempted. Any person who subsequent to June 24, 1948, serves on active duty for a period of not less than eighteen months in the armed forces of a nation with which the United States is associated in mutual defense activities as defined by the President, may be exempted from training and service, but not from registration, in accordance with regulations prescribed by the President, except that no such exemption shall be granted to any person who is a national of a country which does not grant reciprocal privileges to citizens of the United States: *Provided*, That any active duty performed prior to June 24, 1948, by a person in the armed forces of a country allied with the United States during World War II and with which the United States is associated in such mutual defense activities, shall be credited in the computation of such eighteen-month period.

(b) **Veterans' exemptions.**—(1) No person who served honorably on active duty between September 16, 1940, and the date of enactment of this title for a period of twelve months or more, or between December 7, 1941, and September 2, 1945, for a period in excess of ninety days, in the Army, the Air Force, the Navy, the Marine Corps, the Coast Guard, the Public Health Service, or the armed forces of any country allied with the United States in World War II prior to September 2, 1945, shall be liable for induction for training and service under this title, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title.

(2) No person who served honorably on active duty between September 16, 1940, and the date of enactment of this title for a period of ninety days or more but less than twelve months in the Army, the Air Force, the Navy, the Marine Corps, the Coast Guard, the Public Health Service, or the armed forces of any country allied with the United States in World War II prior to September 2, 1945, shall be liable for induction for training and service under this title, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title, if—

(A) the local board determines that he is regularly enlisted or commissioned in any organized unit of a reserve component of the armed force in which he served, provided such unit is reason-

ably accessible to such person without unduly interrupting his normal pursuits and activities (including attendance at a college or university in which he is regularly enrolled), or in a reserve component (other than in an organized unit) of such armed force in any case in which enlistment or commission in an organized unit of a reserve component of such armed force is not available to him; or

(B) the local board determines that enlistment or commission in a reserve component of such armed force is not available to him or that he has voluntarily enlisted or accepted appointment in an organized unit of a reserve component of an armed force other than the armed force in which he served.

Nothing in this paragraph shall be deemed to be applicable to any person to whom paragraph (1) of this subsection is applicable.

(3) Except as provided in section 4 (i) of this Act, and notwithstanding any other provision of this Act, no person who (A) has served honorably on active duty after September 16, 1940, for a period of not less than one year in the Army, the Air Force, the Navy, the Marine Corps, or the Coast Guard, or (B) subsequent to September 16, 1940, was discharged for the convenience of the Government after having served honorably on active duty for a period of not less than six months in the Army, the Air Force, the Navy, the Marine Corps, or the Coast Guard, or (C) has served for a period of not less than twenty-four months (i) as a commissioned officer in the Public Health Service or (ii) as a commissioned officer in the Coast and Geodetic Survey, shall be liable for induction for training and service under this Act, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title.

(4) No person who is honorably discharged upon the completion of an enlistment pursuant to section 4 (c) or section 4 (g) shall be liable for induction for training and service under this title, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title.

(5) For the purposes of computation of the periods of active duty referred to in paragraphs (1), (2), or (3) of this subsection, no credit shall be allowed for—

(A) periods of active duty training performed as a member of a reserve component pursuant to an order or call to active duty solely for training purposes;

(B) periods of active duty in which the service consisted solely of training under the Army specialized training program, the Army Air Force college training program, or any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard;

(C) periods of active duty as a cadet at the United States Military Academy or United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of such academies;

(D) periods of active duty in any of the armed forces while being processed for entry into or separation from any educational program or institution referred to in paragraphs (B) or (C); or

(E) periods of active duty performed by medical, dental, or allied specialists in student programs prior to receipt of the appropriate professional degree or in intern training.

(c) Reserve components exemptions.—(1) Persons who, on February 1, 1951, were members of organized units of the federally recognized National Guard, the federally recognized Air National Guard, the Officers' Reserve Corps, the Regular Army Reserve, the Air Force Reserve, the Enlisted Reserve Corps, the Naval Reserve, the Marine Corps Reserve, the Coast Guard Reserve, or the Public Health Service Reserve, shall, so long as they continue to be such members and satisfactorily participate in scheduled drills and training periods as prescribed by the Secretary of Defense, be exempt from training and service by induction under the provisions of this title, but shall not be exempt from registration unless on active duty.

(2) (A) Any person, other than a person referred to in subsection (d) hereof, who, prior to attaining the age of twenty-six years and prior to the issuance of orders for him to report for induction, enlists or accepts appointment in the Ready Reserve of any reserve component of the Armed Forces, the Army National Guard, or the Air National Guard, shall be deferred from training and service under this Act so long as he serves satisfactorily as a member of an organized unit of such Ready Reserve or National Guard in accordance with section 270 of title 10 or section 502 of title 32, United States Code, as the case may be, or satisfactorily performs such other Ready Reserve service as may be prescribed by the Secretary of Defense. Notwithstanding the provisions of subsection (h) hereof, no person deferred under this clause who has completed six years of such satisfactory service as a member of the Ready Reserve or National Guard, and who during such service has performed active duty for training with an armed force for not less than four consecutive months, shall be liable for induction for training and service under this Act, except after a declaration of war or national emergency made by the Congress after August 9, 1955.

(B) A person who, under any provision of law, is exempt or deferred from training and service under this Act by reason of membership in a reserve component, the Army National Guard, or the Air National Guard, as the case may be, shall, if he becomes a member of another reserve component, the Army National Guard, or the Air National Guard, as the case may be, continue to be exempt or deferred to the same extent as if he had not become a member of another reserve component, the Army National Guard, or the Air National Guard, as the case may be, so long as he continues to serve satisfactorily.

(C) Except as provided in subsection (b) and the provisions of this subsection, no person who becomes a member of a reserve component after February 1, 1951, shall thereby be exempt from registration or training and service by induction under the provisions of this Act.

(D) Notwithstanding any other provision of this Act, the President, under such rules and regulations as he may prescribe, may provide that any person enlisted or appointed after October 4, 1961, in the Ready Reserve of any reserve component of the Armed Forces (other than under section 511(b) of title 10, United States Code), the Army National Guard, or the Air National Guard, prior to attaining age of twenty-six years, or any person enlisted or appointed in the Army Na-

tional Guard or the Air National Guard or enlisted in the Ready Reserve of any reserve component prior to attaining the age of eighteen years and six months and deferred under the prior provisions of this paragraph as amended by the Act of October 4, 1961, Public Law 87-378 (75 Stat. 807), or under section 262 of the Armed Forces Reserve Act of 1952, as amended, who fails to serve satisfactorily during his obligated period of service as a member of such Ready Reserve or National Guard or the Ready Reserve of another reserve component or the National Guard of which he becomes a member, may be selected for training and service and inducted into the armed force of which such reserve component is a part, prior to the selection and induction of other persons liable therefor.

(d) Officers' training; Deferment of students authorized.—

(1) Within such numbers as may be prescribed by the Secretary of Defense, any person who (A) has been or may hereafter be selected for enrollment or continuance in the senior division, Reserve Officers' Training Corps, or the Air Reserve Officers' Training Corps, or the Naval Reserve Officers' Training Corps, or the naval and Marine Corps officer candidate training program established by the Act of August 13, 1946 (60 Stat. 1057), as amended, or the Reserve officers' candidate program of the Navy, or the platoon leaders' class of the Marine Corps, or the officer procurement programs of the Coast Guard and the Coast Guard Reserve, or appointed an ensign, United States Naval Reserve, while undergoing professional training; (B) agrees, in writing, to accept a commission, if tendered, and to serve, subject to order of the Secretary of the military department having jurisdiction over him (or the Secretary of the Treasury with respect to the United States Coast Guard), not less than two years on active duty after receipt of a commission; and (C) agrees to remain a member of a regular or reserve component until the eighth anniversary of the receipt of a commission in accordance with his obligation under the first sentence of section 4 (d) (3) of this Act, or until the sixth anniversary of the receipt of a commission in accordance with his obligation under the second sentence of section 4 (d) (3) of this Act, shall be deferred from induction under this title until after completion or termination of the course of instruction and so long as he continues in a regular or reserve status upon being commissioned, but shall not be exempt from registration. Such persons, except those persons who have previously completed an initial period of military training or an equivalent period of active military training and service, shall be required while enrolled in such programs to complete a period of training equal (as determined under regulations approved by the Secretary of Defense or the Secretary of the Treasury with respect to the United States Coast Guard) in duration and type of training to an initial period of military training. There shall be added to the obligated active commissioned service of any person who has agreed to perform such obligatory service in return for financial assistance while attending a civilian college under any such training program a period of not to exceed one year. Upon the successful completion by any person of the required course of instruction under any program listed in clause (A) of the first sentence of this paragraph, such person shall be tendered a commission in the appropriate reserve component of the Armed Forces if he is otherwise qualified for such appointment.

If, at the time of such appointment, the armed force in which such person is commissioned does not require his service on active duty in fulfillment of the obligation undertaken by him in compliance with clause (B) of the first sentence of this paragraph, such person shall be ordered to active duty for training with such armed force in the grade in which he was commissioned for a period of six months. Upon completion of such period of active duty for training, such person shall be returned to inactive duty and shall be assigned to an appropriate reserve unit until the eighth anniversary of the receipt of a commission pursuant to the provisions of this section. So long as such person performs satisfactory service in such unit, as determined under regulations prescribed by the Secretary of Defense, he shall be deferred from training and service under the provisions of this Act. If such person fails to perform satisfactory service in such unit, and such failure is not excused under regulations prescribed by the Secretary of Defense, his commission may be revoked by the Secretary of the military department concerned.

(2) In addition to the training programs enumerated in paragraph (1) of this subsection, and under such regulations as the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard) may approve, the Secretaries of the military departments and the Secretary of the Treasury are authorized to establish officer candidate programs leading to the commissioning of persons on active duty. Any person heretofore or hereafter enlisted in the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air Force Reserve, or the Coast Guard Reserve who thereafter has been or may be commissioned therein upon graduation from an Officers' Candidate School of such Armed Force shall, if not ordered to active duty as a commissioned officer, be deferred from training and service under the provisions of this Act so long as he performs satisfactory service as a commissioned officer in an appropriate unit of the Ready Reserve, as determined under regulations prescribed by the Secretary of the department concerned. If such person fails to perform satisfactory service in such unit, and such failure is not excused under such regulations, his commission may be revoked by such Secretary.

(3) Nothing in this subsection shall be deemed to preclude the President from providing, by regulations prescribed under subsection (h) of this section, for the deferment from training and service of any category or categories of students for such periods of time as he may deem appropriate.

(4) It is the sense of the Congress that the President shall provide for the annual deferment from training and service under this title of the numbers of optometry students and premedical, preosteopathic, preveterinary, preoptometry, and predental students at least equal to the numbers of male optometry, premedical, preosteopathic, preveterinary, preoptometry, and predental students at colleges and universities in the United States at the present levels as determined by the Director herein.

(5) Notwithstanding paragraph (1), upon the successful completion by any person of the required course of instruction under any Reserve Officers' Training Corps program listed in clause (A)

of the first sentence of paragraph (1) and subject to the approval of the Secretary of the military department having jurisdiction over him, such person may, without being relieved of his obligation under that sentence, be tendered, and accept, a commission in the Coast and Geodetic Survey instead of a commission in the appropriate reserve component of the Armed Forces. If he does not serve on active duty as a commissioned officer of the Coast and Geodetic Survey for at least six years, he shall, upon discharge therefrom, be tendered a commission in the appropriate reserve component of the Armed Forces, if he is otherwise qualified for such appointment, and, in fulfillment of his obligation under the first sentence of paragraph (1), remain a member of a reserve component until the sixth anniversary of the receipt of his commission in the Coast and Geodetic Survey. While a member of a reserve component he may, in addition to as otherwise provided by law, be ordered to active duty for such period that, when added to the period he served on active duty as a commissioned officer of the Coast and Geodetic Survey, equals two years.

(e) Aviation cadet applicants.—Fully qualified and accepted aviation cadet applicants of the Army, Navy, or Air Force who have signed an agreement of service shall, in such numbers as may be designated by the Secretary of Defense, be deferred, during the period covered by the agreement but not to exceed four months, from induction for training and service under this title but shall not be exempt from registration.

(f) Officials.—The Vice President of the United States; the governors of the several States, Territories, and possessions, and all other officials chosen by the voters of the entire State, Territory, or possession; members of the legislative bodies of the United States and of the several States, Territories, and possessions; judges of the courts of record of the United States and of the several States, Territories, possessions, and the District of Columbia shall, while holding such offices, be deferred from training and service under this title in the armed forces of the United States.

(g) Ministers of religion.—Regular or duly ordained ministers of religion, as defined in this title, and students preparing for the ministry under the direction of recognized churches or religious organizations, who are satisfactorily pursuing full-time courses of instruction in recognized theological or divinity schools, or who are satisfactorily pursuing full-time courses of instruction leading to their entrance into recognized theological or divinity schools in which they have been pre-enrolled, shall be exempt from training and service (but not from registration) under this title.

(h) Occupations; Dependency; Fitness; Extension of age of liability; N.S.T.C.; Authority of Selective Service Boards.—The President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces or from training in the National Security Training Corps of any or all categories of persons whose employment in industry, agriculture, or other occupations or employment, or whose continued service in an Office (other than an office described in subsection (f)) under the United States or any State, Territory, or possession, or the District of Columbia, or whose activity in study, research, or medi-

cal, dental, veterinary, optometric, osteopathic, scientific, pharmaceutical, chiropractic, chiropodial, or other endeavors is found to be necessary to the maintenance of the national health, safety, or interest: *Provided*, That no person within any such category shall be deferred except upon the basis of his individual status: *Provided further*, That the existence of a shortage or a surplus of any agricultural commodity shall not be considered in determining the deferment of any individual on the grounds that his employment in agriculture is necessary to the maintenance of the national health, safety, or interest: *And provided further*, That persons who are or may be deferred under the provisions of this section shall remain liable for training and service in the Armed Forces or for training in the National Security Training Corps under the provisions of section 4 (a) of this Act until the thirty-fifth anniversary of the date of their birth. This proviso shall not be construed to prevent the continued deferment of such persons if otherwise deferable under any other provisions of this Act. The President is also authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces or from training in the National Security Training Corps (1) of any or all categories of persons in a status with respect to persons (other than wives alone, except in cases of extreme hardship) dependent upon them for support which renders their deferment advisable, and (2) of any or all categories of those persons found to be physically, mentally, or morally deficient or defective. For the purpose of determining whether or not the deferment of any person is advisable, because of his status with respect to persons dependent upon him for support, any payments of allowances which are payable by the United States to the dependent of persons serving in the Armed Forces of the United States or undergoing training in the National Security Training Corps shall be taken into consideration, but the fact that such payments of allowances are payable shall not be deemed conclusively to remove the grounds for deferment when the dependency is based upon financial considerations and shall not be deemed to remove the ground for deferment when the dependency is based upon other than financial considerations and cannot be eliminated by financial assistance to the dependents. The President is also authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces or training in the National Security Training Corps of any or all categories of persons who have children, or wives and children, with whom they maintain a bona fide family relationship in their homes. No deferment from such training and service in the Armed Forces or training in the National Security Training Corps shall be made in the case of any individual except upon the basis of the status of such individual. There shall be posted in a conspicuous place at the office of each local board a list setting forth the names and classifications of those persons who have been classified by such local board. Notwithstanding any provisions of this Act, no local board, appeal board, or other agency of appeal of the Selective Service System shall be required to postpone or defer any person by reason of his activity in study, research, or medical, dental, veterinary, optometric, osteopathic, scientific, pharmaceutical, chiropractic, chiropodial, or other endeavors found to be necessary to the maintenance of the national health, safety, or interest

solely on the basis of any test, examination, selection system, class standing, or any other means conducted, sponsored, administered, or prepared by any agency or department of the Federal Government or any private institution, corporation, association, partnership, or individual employed by an agency or department of the Federal Government.

(i) Deferral of students.—(1) Any person who is satisfactorily pursuing a full-time course of instruction at a high school or similar institution of learning shall, upon the facts being presented to the local board, be deferred (A) until the time of his graduation therefrom, or (B) until he attains the twentieth anniversary of his birth, or (C) until he ceases satisfactorily to pursue such course of instruction, whichever is the earliest.

(2) Any person who while satisfactorily pursuing a full-time course of instruction at a college, university, or similar institution is ordered to report for induction under this title, shall, upon the facts being presented to the local board, be deferred (A) until the end of such academic year, or (B) until he ceases satisfactorily to pursue such course of instruction, whichever is the earlier: *Provided*, That any person who has heretofore had his induction postponed under the provisions of section 6 (i) (2) of the Selective Service Act of 1948; or any person who has heretofore been deferred as a student under section 6 (h) of such Act; or any person who hereafter is deferred under the provision of this subsection, shall not be further deferred by reason of pursuit of a course of instruction at a college, university, or similar institution of learning except as may be provided by regulations prescribed by the President pursuant to the provisions of subsection (h) of this section. Nothing in this paragraph shall be deemed to preclude the President from providing, by regulations prescribed under subsection (h) of this section, for the deferment from training and service in the Armed Forces or training in the National Security Training Corps of any category or categories of students for such periods of time as he may deem appropriate.

(j) Conscientious objectors.—Nothing contained in this title shall be construed to require any person to be subject to combatant training and service in the armed forces of the United States who, by reason of religious training and belief, is conscientiously opposed to participation in war in any form. Religious training and belief in this connection means an individual's belief in a relation to a Supreme Being involving duties superior to those arising from any human relation, but does not include essentially political, sociological, or philosophical views or a merely personal moral code. Any person claiming exemption from combatant training and service because of such conscientious objections whose claim is sustained by the local board shall, if he is inducted into the armed forces under this title, be assigned to non-combatant service as defined by the President, or shall, if he is found to be conscientiously opposed to participation in such noncombatant service, in lieu of such induction, be ordered by his local board, subject to such regulations as the President may prescribe, to perform for a period equal to the period prescribed in section 4 (b) such civilian work contributing to the maintenance of the national health, safety, or interest as the local board may deem appropriate and any such person who knowingly fails or neglects to obey any such order from

his local board shall be deemed, for the purposes of section 12 of this title, to have knowingly failed or neglected to perform a duty required of him under this title. Any person claiming exemption from combatant training and service because of such conscientious objections shall, if such claim is not sustained by the local board, be entitled to an appeal to the appropriate appeal board. Upon the filing of such appeal, the appeal board shall refer any such claim to the Department of Justice for inquiry and hearing. The Department of Justice, after appropriate inquiry, shall hold a hearing with respect to the character and good faith of the objections of the person concerned, and such person shall be notified of the time and place of such hearing. The Department of Justice shall, after such hearing, if the objections are found to be sustained, recommend to the appeal board that (1) if the objector is inducted into the armed forces under this title, he shall be assigned to noncombatant service as defined by the President, or (2) if the objector is found to be conscientiously opposed to participation in such noncombatant service, he shall in lieu of such induction be ordered by his local board, subject to such regulations as the President may prescribe, to perform for a period equal to the period prescribed in section 4 (b) such civilian work contributing to the maintenance of the national health, safety, or interest as the local board may deem appropriate and any such person who knowingly fails or neglects to obey any such order from his local board shall be deemed, for the purposes of section 12 of this title, to have knowingly failed or neglected to perform a duty required of him under this title. If after such hearing the Department of Justice finds that his objections are not sustained, it shall recommend to the appeal board that such objections be not sustained. The appeal board shall, in making its decision, give consideration to, but shall not be bound to follow, the recommendation of the Department of Justice together with the record on appeal from the local board. Each person whose claim for exemption from combatant training and service because of conscientious objections is sustained shall be listed by the local board on a register of conscientious objectors.

(k) Duration of exemption.—No exception from registration, or exemption or deferment from training and service, under this title, shall continue after the cause therefor ceases to exist.

(l) Minority discharges.—Notwithstanding any other provisions of law, no person between the ages of eighteen and twenty-one shall be discharged from service in the armed forces of the United States while this title is in effect because such person entered such service without the consent of his parent or guardian.

(m) Moral standards.—No person shall be relieved from training and service under this title by reason of conviction of a criminal offense, except where the offense of which he has been convicted may be punished by death, or by imprisonment for a term exceeding one year.

(n) Appeals; Occupational deferments.—In the case of any registrant whose principal place of employment is located outside the appeal board area in which the local board having jurisdiction over the registrant is located, any occupational deferment made under subsection (h) of this section may, within five days after such deferment is made, be submitted for review and decision to the appeal

board having jurisdiction over the area in which is located the principal place of employment of the registrant. Such decision of the appeal board shall be final unless modified or changed by the President, and such decision shall be made public.

(o) **Sole surviving son.**—Except during the period of a war or a national emergency declared by the Congress after the date of the enactment of the 1964 amendment to this subsection, where the father or one or more sons or daughters of a family were killed in action or died in line of duty while serving in the armed forces of the United States, or subsequently died as a result of injuries received or disease incurred during such service, the sole surviving son of such family shall not be inducted for service under the terms of this title unless he volunteers for induction.

ACTIVE DUTY FOR CERTAIN MEMBERS OF RESERVE COMPONENTS

Sec. 7. (Repealed)

BOUNTIES; SUBSTITUTES; PURCHASES OF RELEASE

Sec. 8. Bounties; Substitutes; Purchases of release.—No bounty may be paid to induce any person to be inducted into an armed force. A clothing allowance authorized by law is not a bounty for the purposes of this section. No person liable for training and service under this Act may furnish a substitute for that training or service. No person may be enlisted, inducted, or appointed in an armed force as a substitute for another. No person liable for training and service under section 4 may escape that training and service or be discharged before the end of his period of training and service by paying money or any other valuable thing as consideration for his release from that training and service or liability therefor.

SEPARATION FROM SERVICE; REEMPLOYMENT RIGHTS

Sec. 9. Reemployment.—(a) Any person inducted into the armed forces under this title for training and service, who, in the judgment of those in authority over him, satisfactorily completes his period of training and service under section 4(b) shall be entitled to a certificate to that effect upon the completion of such period of training and service, which shall include a record of any special proficiency or merit attained. In addition, each such person who is inducted into the armed forces under this title for training and service shall be given a physical examination at the beginning of such training and service, and upon the completion of his period of training and service under this title, each such person shall be given another physical examination and, upon his written request, shall be given a statement of physical condition by the Secretary concerned: *Provided*, That such statement shall not contain any reference to mental or other conditions which in the judgment of the Secretary concerned would prove injurious to the physical or mental health of the person to whom it pertains: *Provided further*, That, if upon completion of training and service under this title, such person continues on active duty without an interruption of more than seventy-two hours as a member of the Armed Forces of the

United States, a physical examination upon completion of such training and service shall not be required unless it is requested by such person, or the medical authorities of the Armed Force concerned determine that the physical examination is warranted.

(b) In the case of any such person who, in order to perform such training and service, has left or leaves a position (other than a temporary position) in the employ of any employer and who (1) receives such certificate, and (2) makes application for reemployment within ninety days after he is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

(A) if such position was in the employ of the United States Government, its Territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case:

(B) if such position was in the employ of a private employer, such person shall—

(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so;

(C) if such position was in the employ of any State or political subdivision thereof, it is hereby declared to be the sense of the Congress that such person should—

(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide

him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

(c)(1) Any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) shall be considered as having been on furlough or leave of absence during his period of training and service in the armed forces, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration.

(2) It is hereby declared to be the sense of the Congress that any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) should be so restored in such manner as to give him such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering the armed forces until the time of his restoration to such employment.

(d) In case any private employer fails or refuses to comply with the provisions of subsection (b), subsection (c)(1) or subsection (g) the district court of the United States for the district in which such private employer maintains a place of business shall have power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action: *Provided*, That any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States Attorney or comparable official for the district in which such private employer maintains a place of business, by any person claiming to be entitled to the benefits of such provisions, such United States Attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions: *Provided*, That no fees or court costs shall be taxed against any person who may apply for such benefits: *Provided further*, That only the employer shall be deemed a necessary party respondent to any such action.

(e)(1) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (a) of subsection (b) and who was employed, immediately before entering the armed forces, by any agency in the executive branch of the Government or by any Territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored by such agency or the successor to its functions, or by such Territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of

any person who was employed immediately before entering the armed forces by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

(A) such agency is no longer in existence and its functions have not been transferred to any other agency; or

(B) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be restored under the last sentence of paragraph (2) of this subsection. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules and regulations and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by him through other employment, unemployment compensation, or readjustment allowances: *Provided*, That any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this paragraph, the term "agency in the executive branch of the Government" means any department, independent establishment, agency, or corporation in the executive branch of the United States Government.

(2) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b), and who was employed, immediately before entering the armed forces, in the legislative branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the armed forces. In any case in which it is not possible for any such person to be restored to a position in the legisla-

tive branch of the Government and he is otherwise eligible to acquire a status for transfer to a position in the classified (competitive) civil service in accordance with section 2(b) of the Act of November 26, 1940 (54 Stat. 1212), the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which he is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position such person shall be restored to such position by the agency in which such position exists.

(3) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the armed forces, in the judicial branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the armed forces.

(f) In any case in which two or more persons who are entitled to be restored to a position under the provisions of this section or of any other law relating to similar reemployment benefits left the same position in order to enter the armed forces, the person who left such position first shall have the prior right to be restored thereto, without prejudice to the reemployment rights of the other person or persons to be restored.

(g) (1) Any person who after entering the employment to which he claims restoration, enlists in the Armed Forces of the United States (other than a reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of this title, if the total of his service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise, performed by him after August 1, 1961, does not exceed four years (plus in each case any period of additional service imposed pursuant to law).

(2) Any person who, after entering the employment to which he claims restoration, enters upon active duty (other than for the purpose of determining his physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon his relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided by this section in the case of persons inducted under the provisions of this title, if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which he was unable to obtain orders relieving him from active duty).

(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty

for training, or one year after his scheduled release from that training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a position in accordance with the provisions of this paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 and the following).

(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall upon request be granted a leave of absence by his employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his discharge from hospitalization incident to that training, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following his release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If that employee is hospitalized incident to active duty for training or inactive duty training, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after his release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

(5) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering or determining by a pre-induction or other examination his physical fitness to enter the Armed Forces of the United States. Upon his rejection, upon completion of

his preinduction or other examination, or upon his discharge from hospitalization incident to that rejection or examination, such employee shall be permitted to return to his position in accordance with the provisions of paragraph (4) of this subsection.

(6) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or section 301 of title 37, United States Code, is considered inactive duty training.

(h) The Secretary of Labor, through the Bureau of Veterans' Re-employment Rights, shall render aid in the replacement in their former positions of persons who have satisfactorily completed any period of active duty in the armed forces of the United States or the Public Health Service. In rendering such aid, the Secretary shall use the then existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

(i) **Right to vote; Poll tax.**—Any person inducted into the armed forces for training and service under this title shall, during the period of such service, be permitted to vote in person or by absentee ballot in any general, special, or primary election occurring in the State of which he is a resident, whether he is within or outside such State at the time of such election, if under the laws of such State he is otherwise entitled so to vote in such election; but nothing in this subsection shall be construed to require granting to any such person a leave of absence or furlough for longer than one day in order to permit him to vote in person in any such election. No person inducted into, or enlisted in, the armed forces for training and service under this title shall, during the period of such service, as a condition of voting in any election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, be required to pay any poll tax or other tax or make any other payment to any State or political subdivision thereof.

(j) **Reports of separation.**—The Secretaries of Army, Navy, Air Force, or Treasury shall furnish to the Selective Service System hereafter established a report of separation for each person separated from active duty.

THE SELECTIVE SERVICE SYSTEM: CONSTRUCTION: CIVILIAN EMPLOYEES

Sec. 10 (a) Selective Service System; O.S.S.R.—(1) There is hereby established in the executive branch of the Government an agency to be known as the Selective Service System, and a Director of Selective Service who shall be the head thereof.

(2) The Selective Service System shall include a national headquarters, at least one State headquarters in each State, Territory, and possession of the United States, and in the District of Columbia, and the local boards, appeal boards, and other agencies provided for in subsection (b) (3) of this section.

(3) The Director shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of \$12,500 per year.

(4) The functions of the Office of Selective Service Records (established by the Act of March 31, 1947) and of the Director of the Office of Selective Service Records are hereby transferred to the Selective Service System and the Director of Selective Service, respectively. The personnel, property, records, and unexpended balances (available or to be made available) of appropriations, allocations, and other funds of the Office of Selective Service Records are hereby transferred to the Selective Service System. The Office of Selective Service Records shall cease to exist upon the taking of effect of the provisions of this title: *Provided*, That, effective upon the termination of this title and notwithstanding such termination in other respects, (A) the said Office of Selective Service Records is hereby reestablished on the same basis and with the same functions as obtained prior to the effective date of this title, (B) said reestablished Office shall be responsible for liquidating any other outstanding affairs of the Selective Service System, and (C) the personnel, property, records, and unexpended balances (available or to be made available) of appropriations, allocations, and other funds of the Selective Service System shall be transferred to such reestablished Office of Selective Service Records.

(b) Officials, employees, and boards; Printing; Paroles; Leases.—The President is authorized—

(1) to prescribe the necessary rules and regulations to carry out the provisions of this title;

(2) to appoint, upon recommendation of the respective governor or comparable executive official, a State director of the Selective Service System for each headquarters in each State, Territory, and possession of the United States and for the District of Columbia, who shall represent the governor and be in immediate charge of the State headquarters of the Selective Service System; to employ such number of civilians, and to order to active duty with their consent and to assign to the Selective Service System such officers of the selective-service section of the State headquarters and headquarters detachments and such other officers of the federally recognized National Guard of the United States or other armed forces personnel (including personnel of the reserve components thereof), as may be necessary for the administration of the national and of the several State headquarters of the Selective Service System;

(3) to create and establish within the Selective Service System civilian local boards, civilian appeal boards, and such other civilian agencies, including agencies of appeal, as may be necessary to carry out its functions with respect to the registration, examination, classification, selection, assignment, delivery for induction, and maintenance of records of persons registered under this title, together with such other duties as may be assigned under this title. He shall create and establish one or more local boards in each county or political subdivision corresponding thereto of each State, Territory, and possession of the United States, and in the District of Columbia. Each local board shall consist of three or more members to be appointed by the President from recommendations made by the respective governors or comparable executive officials: *Provided*, That an inter-county local board consisting of at least one member from each component county or corresponding subdivision may be established for

an area not exceeding five counties or political subdivisions corresponding thereto within a State or comparable jurisdiction when the President determines, after considering the public interest involved and the recommendation of the governor or comparable executive official or officials, that the establishment of such local board area will result in a more efficient and economical operation. Any such intercounty local board shall have within its area the same power and jurisdiction as a local board has in its area. No member of any local board shall be a member of the armed forces of the United States, but each member of any local board shall be a civilian who is a citizen of the United States residing in the county or political subdivision corresponding thereto in which such local board has jurisdiction, and each intercounty local board shall have at least one member from each county or political subdivision corresponding thereto included within the intercounty local board area. Such local boards, or separate panels thereof each consisting of three or more members, shall, under rules and regulations prescribed by the President, have the power within the respective jurisdictions of such local boards to hear and determine, subject to the right of appeal to the appeal boards herein authorized, all questions or claims with respect to inclusion for, or exemption or deferment from, training and service under this title, of all individuals within the jurisdiction of such local boards. The decisions of such local board shall be final, except where an appeal is authorized and is taken in accordance with such rules and regulations as the President may prescribe. There shall be not less than one appeal board located within the area of each Federal judicial district in the United States and within each territory and possession of the United States, and such additional separate panels thereof, as may be prescribed by the President. Appeal boards within the Selective Service System shall be composed of civilians who are citizens of the United States and who are not members of the armed forces. The decision of such appeal boards shall be final in cases before them on appeal unless modified or changed by the President. The President, upon appeal or upon his own motion, shall have power to determine all claims or questions with respect to inclusion for, or exemption or deferment from training and service under this title, and the determination of the President shall be final. No person who is a civilian officer, member, agent, or employee of the Office of Selective Service Records, or the Selective Service System, or of any local board or appeal board or other agency of such Office or System, shall be excepted from registration or deferred or exempted from training and service, as provided for in this title, by reason of his status as such civilian officer, member, agent, or employee;

(4) to appoint, and to fix, in accordance with the Classification Act of 1949, the compensation of such officers, agents, and employees as he may deem necessary to carry out the provisions of this title: *Provided*, That the compensation of employees of local boards and appeal boards may be fixed without regard to the Classification Act of 1949: *Provided further*, That any officer on the active or retired list of the armed forces, or any reserve component thereof with his consent, or any officer or employee of any department or agency of the United States who may be assigned or detailed to any office or position to

carry out the provisions of this title (except to offices or positions on local boards or appeal boards established or created pursuant to section 10(b)(3)) may serve in and perform the functions of such office or position without loss of or prejudice to his status as such officer in the armed forces or reserve component thereof, or as such officer or employee in any department or agency of the United States;

(5) to utilize the services of any or all departments and any and all officers or agents of the United States, and to accept the services of all officers and agents of the several States, Territories, and possessions, and subdivisions thereof, and the District of Columbia, and of private welfare organizations, in the execution of this title;

(6) to purchase such printing, binding, and blank-book work from public, commercial, or private printing establishments or binderies upon orders placed by the Public Printer or upon waivers issued in accordance with section 12 of the Printing Act approved January 12, 1895, as amended, and to obtain by purchase, loan, or gift such equipment and supplies for the Selective Service System, as he may deem necessary to carry out the provisions of this title, with or without advertising or formal contract;

(7) to prescribe eligibility, rules, and regulations governing the parole for service in the armed forces, or for any other special service established pursuant to this title, of any person convicted of a violation of any of the provisions of this title;

(8) subject to the availability of funds appropriated for such purpose, to procure such space as he may deem necessary to carry out the provisions of this title and Public Law 26, Eightieth Congress, approved March 31, 1947, by lease pursuant to existing statutes, except that the provisions of the Act of June 30, 1932 (47 Stat. 412), as amended by section 15 of the Act of March 3, 1933 (47 Stat. 1517; 40 U.S.C. 278a), shall not apply to any lease entered into under the authority of this title:

(9) subject to the availability of funds appropriated for such purposes, to determine the location of such additional temporary installations as he may deem essential; to utilize and enlarge such existing installations; to construct, install, and equip, and to complete the construction, installation, and equipment of such buildings, structures, utilities, and appurtenances (including the necessary grading and removal, repair or remodeling of existing structures and installations), as may be necessary to carry out the provisions of this title; and, in order to accomplish the purpose of this title, to acquire lands, and rights pertaining thereto, or other interests therein, for temporary use thereof, by donation or lease, and to prosecute construction thereon prior to the approval of the title by the Attorney General as required by section 355, Revised Statutes, as amended:

(10) subject to the availability of funds appropriated for such purposes, to utilize, in order to provide and furnish such services as may be deemed necessary or expedient to accomplish the purposes of this title, such personnel of the armed forces and of Reserve components thereof with the consent, and such civilian personnel, as may be necessary. For the purposes of this title, the provisions of section 14 of the Federal Employees' Pay Act of 1946 (Public Law 390, Seventy-ninth Congress) with respect to the maximum limitations

as to the number of civilian employees shall not be applicable to the Department of the Army, the Department of the Navy, or the Department of the Air Force.

(c) **Delegation of authority.**—The President is authorized to delegate any authority vested in him under this title, and to provide for the subdelegation of any such authority.

(d) **Gifts.**—In the administration of this title, gifts of supplies, equipment, and voluntary services may be accepted.

(e) **Fiscal agent.**—The Chief of Finance, United States Army, is authorized to act as the fiscal, disbursing, and accounting agent of the Director in carrying out the provisions of this title.

(f) **Settlement of claims.**—The Director is authorized to make final settlement of individual claims, for amounts not exceeding \$50 for travel and other expenses of uncompensated personnel of the Office of Selective Service Records, or the Selective Service System, incurred while in the performance of official duties, without regard to other provisions of law governing the travel of civilian employees of the Federal Government.

(g) **Director's report to Congress.**—The Director of Selective Service shall submit to the Congress, on or before the 3d day of January of each year, a written report covering the operation of the Selective Service System and such report shall include, by States, information as to the number of persons registered under this Act; the number of persons inducted into the military service under this Act; and the number of deferments granted under this Act and the basis for such deferments.

EMERGENCY MEDICAL CARE

Sec. 11. Emergency medical care.—Under such rules and regulations as may be prescribed by the President, funds available to carry out the provisions of this title shall also be available for the payment of actual and reasonable expenses of emergency medical care, including hospitalization, of registrants who suffer illness or injury, and the transportation, and burial, of the remains of registrants who suffer death, while acting under orders issued under the provisions of this title, but such burial expenses shall not exceed \$150 in any one case.

PENALTIES

Sec. 12. Penalties.—(a) Any member of the Selective Service System or any other person charged as herein provided with the duty of carrying out any of the provisions of this title, or the rules or regulations made or directions given thereunder, who shall knowingly fail or neglect to perform such duty, and any person charged with such duty, or having and exercising any authority under said title, rules, regulations, or directions who shall knowingly make, or be a party to the making, of any false, improper, or incorrect registration, classification, physical or mental examination, deferment, induction, enrollment, or muster, and any person who shall knowingly, make, or be a party to the making of, any false statement or certificate regarding or bearing upon a classification or in support of any request for a particular classification, for service under the provisions of this title,

or rules, regulations, or directions made pursuant thereto, or who otherwise evades or refuses registration or service in the armed forces or any of the requirements of this title, or who knowingly counsels, aids, or abets another to refuse or evade registration or service in the armed forces or any of the requirements of this title, or of said rules, regulations, or directions, or who in any manner shall knowingly fail or neglect or refuse to perform any duty required of him under or in the execution of this title, or rules, regulations, or directions made pursuant to this title, or any person or persons who shall knowingly hinder or interfere or attempt to do so in any way, by force or violence or otherwise, with the administration of this title or the rules or regulations made pursuant thereto, or who conspires to commit any one or more of such offenses, shall, upon conviction in any district court of the United States of competent jurisdiction, be punished by imprisonment for not more than five years or a fine of not more than \$10,000, or by both such fine and imprisonment, or if subject to military or naval law may be tried by court martial, and, on conviction, shall suffer such punishment as a court martial may direct. No person shall be tried by court martial in any case arising under this title unless such person has been actually inducted for the training and service prescribed under this title or unless he is subject to trial by court martial under laws in force prior to the enactment of this title. Precedence shall be given by courts to the trial of cases arising under this title, and such cases shall, upon request of the Attorney General, be advanced on the docket for immediate hearing.

(b) Any person (1) who knowingly transfers or delivers to another for the purpose of aiding or abetting the making of any false identification or representation, any registration certificate, alien's certificate of nonresidence, or any other certificate issued pursuant to or prescribed by the provisions of this title, or rules or regulations promulgated hereunder; or (2) who, with intent that it be used for any purpose of false identification or representation, has in his possession any such certificate not duly issued to him; or (3) who forges, alters, knowingly destroys, knowingly mutilates, or in any manner changes any such certificate or any notation duly and validly inscribed thereon; or (4) who, with intent that it be used for any purpose of false identification or representation, photographs, prints, or in any manner makes or executes any engraving, photograph, print, or impression in the likeness of any such certificate, or any colorable imitation thereof; or (5) who has in his possession any certificate purporting to be a certificate issued pursuant to this title, or rules and regulations promulgated hereunder, which he knows to be falsely made, reproduced, forged, counterfeited, or altered; or (6) who knowingly violates or evades any of the provisions of this title or rules and regulations promulgated pursuant thereto relating to the issuance, transfer, or possession of such certificate, shall, upon conviction, be fined not to exceed \$10,000 or be imprisoned for not more than five years, or both. Whenever on trial for a violation of this subsection the defendant is shown to have or to have had possession of any certificate not duly issued to him, such possession shall be deemed sufficient evidence to establish an intent to use such certificate for purposes of false identification or representation unless the defendant explains such possession to the satisfaction of the jury.

NONAPPLICABILITY OF CERTAIN LAWS

Sec. 13. Nonapplicability of certain laws.—(a) Nothing in sections 203, 205, or 207 of title 18 of the United States Code, or in the second sentence of subsection (a) of section 9 of the Act of August 2, 1939 (53 Stat. 1148), entitled “An Act to prevent pernicious political activities”, as amended, shall be deemed to apply to any person because of his appointment under authority of this title or the regulations made pursuant thereto as an uncompensated official of the Selective Service System, or as an individual to conduct hearings on appeals of persons claiming exemption from combatant or noncombatant training because of conscientious objections, or as a member of the National Selective Service Appeal Board.

(b) All functions performed under this title shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of section 3 of such Act.

(c) In computing the lump-sum payments made to Air Force reserve officers under the provisions of section 2 of the Act of June 16, 1936, as amended (U.S.C., title 10, sec. 300a), and to reserve officers of the Navy or to their beneficiaries under section 12 of the Act of August 4, 1942, as amended (U.S.C., title 34, sec. 850k), no credit shall be allowed for any period of active service performed from the effective date of this title to the date on which this title shall cease to be effective. Each such lump-sum payment shall be prorated for a fractional part of a year of active service in the case of any reserve officer subject to the provisions of either such section, if such reserve officer performs continuous active service for one or more years (inclusive of such service performed during the period in which this title is effective) and such active service includes a fractional part of a year immediately prior to the effective date of this title, or immediately following the date on which this title shall cease to be effective, or both.

CIVIL RELIEF

Sec. 14. Civil relief.—Notwithstanding the provisions of section 604 of the Act of October 17, 1940 (54 Stat. 1191), and the provisions of section 4 of the Act of July 25, 1947 (Public Law 239, Eightieth Congress), all of the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, including specifically article IV thereof, shall be applicable to all persons in the armed forces of the United States, including all persons inducted into the armed forces pursuant to this title or the Public Health Service, until such time as the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, is repealed or otherwise terminated by subsequent Act of Congress: *Provided*, That, with respect to persons inducted into the armed forces while this title is in effect, wherever under any section or provision of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, a proceeding, remedy, privilege, stay, limitation, accounting, or other transaction has been authorized or provided with respect to military service performed while such Act is in force, such section or provision shall be deemed to continue in full force and effect so

long as may be necessary to the exercise or enjoyment of such proceeding, remedy, privilege, stay, limitation, accounting, or other transaction.

NOTICE OF TITLE; VOLUNTARY ENLISTMENTS

Sec. 15. Notice of title; Voluntary enlistments.—(a) Every person shall be deemed to have notice of the requirements of this title upon publication by the President of a proclamation or other public notice fixing a time for any registration under section 3.

(b) It shall be the duty of every registrant to keep his local board informed as to his current address and changes in status as required by such rules and regulations as may be prescribed by the President.

(c) If any provision of this title, or the application thereof to any person or circumstance, is held invalid, the remainder of the title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

(d) Except as provided in section 4(c) or section 4(g), nothing contained in this title shall be construed to repeal, amend, or suspend the laws now in force authorizing voluntary enlistment or reenlistment in the armed forces of the United States, including the reserve components thereof, except that no person shall be accepted for enlistment after he has received orders to report for induction and except that, whenever the Congress or the President has declared that the national interest is imperiled, voluntary enlistment or reenlistment in such forces, and their reserve components, may be suspended by the President to such extent as he may deem necessary in the interest of national defense.

DEFINITIONS

Sec. 16. Definitions.—When used in this title—

(a) The term “between the ages of eighteen and twenty-six” shall refer to men who have attained the eighteenth anniversary of the day of their birth and who have not attained the twenty-sixth anniversary of the day of their birth; and other terms designating different age groups shall be construed in a similar manner.

(b) The term “United States,” when used in a geographical sense, shall be deemed to mean the several States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam.

(c) The term “armed forces” shall be deemed to include the Army, the Navy, the Marine Corps, the Air Force, and the Coast Guard.

(d) The term “district court of the United States” shall be deemed to include the courts of the United States for the Territories and possessions of the United States.

(e) The term “local board” shall be deemed to include an inter-county local board in the case of any registrant who is subject to the jurisdiction of an intercounty local board.

(f) The term “Director” shall be deemed to mean the Director of the Selective Service System.

(g)(1) The term “duly ordained minister of religion” means a person who has been ordained, in accordance with the ceremonial ritual, or discipline of a church, religious sect, or organization established on the basis of a community of faith and belief, doctrines and

practices of a religious character, to preach and to teach the doctrines of such church, sect, or organization and to administer the rites and ceremonies thereof in public worship, and who as his regular and customary vocation preaches and teaches the principles of religion and administers the ordinances of public worship as embodied in the creed or principles of such church, sect, or organization.

(2) The term "regular minister of religion" means one who as his customary vocation preaches and teaches the principles of religion of a church, a religious sect, or organization of which he is a member, without having been formally ordained as a minister of religion, and who is recognized by such church, sect, or organization as a regular minister.

(3) The term "regular or duly-ordained minister of religion" does not include a person who irregularly or incidentally preaches and teaches the principles of religion of a church, religious sect, or organization and does not include any person who may have been duly ordained a minister in accordance with the ceremonial, rite, or discipline of a church, religious sect or organization, but who does not regularly, as a vocation, teach and preach the principles of religion and administer the ordinances of public worship as embodied in the creed or principles of his church, sect, or organization.

(h) The term "organized unit", when used with respect to a reserve component, shall be deemed to mean a unit in which the members thereof are required satisfactorily to participate in scheduled drills and training periods as prescribed by the Secretary of Defense.

(i) The term "reserve component of the armed forces" shall, unless the context otherwise requires, be deemed to include the federally recognized National Guard of the United States, the federally recognized Air National Guard of the United States, the Officers' Reserve Corps, the Regular Army Reserve, the Air Force Reserve, the Enlisted Reserve Corps, the Naval Reserve, the Marine Corps Reserve, and the Coast Guard Reserve, and shall include, in addition to the foregoing, the Public Health Service Reserve when serving with the armed forces.

TERMINATION OF TITLE

Sec. 17. Repeal of conflicting laws; Appropriations; Termination of induction.—(a) Except as provided in this title all laws or any parts of laws in conflict with the provisions of this title are hereby repealed to the extent of such conflict.

(b) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this title. All funds appropriated for the administrative expenses of the National Security Training Commission shall be appropriated directly to the Commission and all funds appropriated to pay the expenses of training carried out by the military departments designated by the Commission shall be appropriated directly to the Department of Defense.

(c) Notwithstanding any other provisions of this title, no person shall be inducted for training and service in the Armed Forces after July 1, 1967, except persons now or hereafter deferred under section 6 of this title after the basis for such deferment ceases to exist.

UTILIZATION OF INDUSTRY

Sec. 18. Utilization of industry.—(a) Whenever the President after consultation with and receiving advice from the National Security Resources Board determines that it is in the interest of the national security for the Government to obtain prompt delivery of any articles or materials the procurement of which has been authorized by the Congress exclusively for the use of the armed forces of the United States, or for the use of the Atomic Energy Commission, he is authorized, through the head of any Government agency, to place with any person operating a plant, mine, or other facility capable of producing such articles or materials an order for such quantity of such articles or materials as the President deems appropriate. Any person with whom an order is placed pursuant to the provisions of this section shall be advised that such order is placed pursuant to the provisions of this section. Under any such program of national procurement, the President shall recognize the valid claim of American small business to participate in such contracts, in such manufactures, and in such distribution of materials, and small business shall be granted a fair share of the orders placed, exclusively for the use of the armed forces or for other Federal agencies now or hereafter designated in this section. For the purposes of this section, a business enterprise shall be determined to be "small business" if (1) its position in the trade or industry of which it is a part is not dominant, (2) the number of its employees does not exceed 500, and (3) it is independently owned and operated.

(b) It shall be the duty of any person with whom an order is placed pursuant to the provisions of subsection (a), (1) to give such order such precedence with respect to all other orders (Government or private) theretofore or thereafter placed with such person as the President may prescribe, and (2) to fill such order within the period of time prescribed by the President or as soon thereafter as possible.

(c) In case any person with whom an order is placed pursuant to the provisions of subsection (a) refuses or fails—

(1) to give such order such precedence with respect to all other orders (Government or private) theretofore or thereafter placed with such person as the President may have prescribed;

(2) to fill such order within the period of time prescribed by the President or as soon thereafter as possible as determined by the President;

(3) to produce the kind of quality of articles or materials ordered; or

(4) to furnish the quantity, kind, and quality of articles or materials ordered at such price as shall be negotiated between such person and the Government agency concerned; or in the event of failure to negotiate a price, to furnish the quantity, kind, and quality of articles or materials ordered at such price as he may subsequently be determined to be entitled to receive under subsection (d);

the President is authorized to take immediate possession of any plant, mine, or other facility of such person and to operate it, through any Government agency, for the production of such articles or materials as may be required by the Government.

(d) Fair and just compensation shall be paid by the United States (1) for any articles or materials furnished pursuant to an order placed under subsection (a), or (2) as rental for any plant, mine, or other facility of which possession is taken under subsection (c).

(e) Nothing contained in this section shall be deemed to render inapplicable to any plant, mine, or facility of which possession is taken pursuant to subsection (c) any State or Federal laws concerning the health, safety, security, or employment standards of employees.

(f) Any person, or any officer of any person as defined in this section, who willfully fails or refuses to carry out any duty imposed upon him by subsection (b) of this section shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment for not more than three years, or by a fine of not more than \$50,000, or by both such imprisonment and fine.

(g) (1) As used in this section—

(A) The term "person" means any individual, firm, company, association, corporation, or other form of business organization.

(B) The term "Government agency" means any department agency, independent establishment, or corporation in the Executive branch of the United States Government.

(2) For the purposes of this section, a plant, mine, or other facility shall be deemed capable of producing any articles or materials if it is then producing or furnishing such articles or materials or if the President after consultation with and receiving advice from the National Security Resources Board determines that it can be readily converted to the production or furnishing of such articles or materials.

(h) (1) The President is empowered, through the Secretary of Defense, to require all producers of steel in the United States to make available, to individuals, firms, associations, companies, corporations, or organized manufacturing industries having orders for steel products or steel materials required by the armed forces, such percentages of the steel production of such producers, in equal proportion deemed necessary for the expeditious execution of orders for such products or materials. Compliance with such requirement shall be obligatory on all such producers of steel and such requirement shall take precedence over all orders and contracts theretofore placed with such producers. If any such producer of steel or the responsible head or heads thereof refuses to comply with such requirement, the President, through the Secretary of Defense, is authorized to take immediate possession of the plant or plants of such producer and, through the appropriate branch, bureau, or department of the armed forces, to insure compliance with such requirement. Any such producer of steel or the responsible head or heads thereof refusing to comply with such requirements shall be deemed guilty of a felony and upon conviction thereof shall be punished by imprisonment for not more than three years and a fine not exceeding \$50,000.

(2) The President shall report to the Congress on the final day of each six-month period following the date of enactment of this Act the percentage figure, or if such information is not available, the approximate percentage figure, of the total steel production in the United States required to be made available during such period for the execution of orders for steel products and steel materials

required by the armed forces, if such percentage figure is in excess of 10 percentum.

SAVING PROVISION

Sec. 19. Saving provision.—Nothing in this title shall be deemed to amend any provision of the National Security Act of 1947 (61 Stat. 495).

EFFECTIVE DATE

Sec. 20. Effective date.—This title shall become effective immediately; except that unless the President, or the Congress by concurrent resolution, declares a national emergency after the date of enactment of this Act, no person shall be inducted or ordered into active service without his consent under this title within ninety days after the date of its enactment.

AUTHORITY TO ORDER RESERVE COMPONENTS TO ACTIVE FEDERAL SERVICE

Sec. 21. Authority to order reserve components to active Federal service.—Until July 1, 1953, and subject to the limitations imposed by section 2 of the Selective Service Act of 1948, as amended, the President shall be authorized to order into the active military or naval service of the United States for a period of not to exceed twenty-four consecutive months, with or without their consent, any or all members and units of any or all Reserve components of the Armed Forces of the United States and retired personnel of the Regular Armed Forces. Unless he is sooner released under regulations prescribed by the Secretary of the military department concerned, any member of the inactive or volunteer reserve who served on active duty for a period of 12 months or more in any branch of the Armed Forces between the period December 7, 1941, and September 2, 1945, inclusive, who is now or may hereafter be ordered to active duty pursuant to this section, shall upon completion of 17 or more months of active duty since June 25, 1950, if he makes application therefor to the Secretary of the branch of service in which he is serving, be released from active duty and shall not thereafter be ordered to active duty for periods in excess of 30 days without his consent except in time of war or national emergency hereafter declared by the Congress: *Provided*, That the foregoing shall not apply to any member of the inactive or volunteer reserve ordered to active duty whose rating or specialty is found by the Secretary of the military department concerned to be critical and whose release to inactive duty prior to the period for which he was ordered to active duty would impair the efficiency of the military department concerned.

The President may retain the unit organizations and the equipment thereof, exclusive of the individual members thereof, in the active Federal service for a total period of five consecutive years, and upon being relieved by the appropriate Secretary from active Federal service, National Guard, or Air National Guard units, shall, insofar as practicable, be returned to their National Guard or Air National Guard status in their respective States, Territories, the District of Columbia, and Puerto Rico, with pertinent records, colors, histories, trophies, and other historical impedimenta.

Analysis of the UNIVERSAL MILITARY TRAINING AND SERVICE ACT, AS AMENDED, CONTAINING THE LAW IN EFFECT ON JANUARY 1, 1966

Certain provisions of law that were originally contained in the Universal Military Training and Service Act have either been terminated, repealed, or repealed and then codified in title 10 of the United States Code.

SECTION 1. POLICY AND INTENT OF CONGRESS

Section 1. Policy and intent of Congress

Section 1 deals with the policy and intent of Congress. Among other things, it states that the obligation and privilege of serving in the Armed Forces and the Reserve components should be shared generally in accordance with a system of selection which is fair and just. The policy statement further provides that it is essential that the strength and organization of the National Guard "as an integral part of the first line defenses of this Nation, be at all times maintained and assured."

SECTION 2. AUTHORIZED PERSONNEL STRENGTHS

Section 2. Authorized personnel strengths

Section 2 contained provisions establishing the authorized active duty personnel strengths of the several Armed Forces. Section 2 was repealed by section 53 of Public Law 1028, 84th Congress, approved August 10, 1956, and section 1 of that act codified certain former provisions of this section in title 10 of the United States Code. The present active duty strength ceilings are: Army, 837,000 (10 U.S.C. 3201); Air Force, 502,000 (10 U.S.C. 8201); Navy, 500,000 enlisted men, plus the authorized number of line and staff corps officers (10 U.S.C. 5401); and the Marine Corps, 400,000 (10 U.S.C. 5402). These strength ceilings are suspended until July 1, 1967, by the act of August 3, 1950 (64 Stat. 408), as amended, which act also provides that during the period of suspension the active duty personnel strength of the Armed Forces shall not exceed a total of 5 million persons.

SECTION 3. REGISTRATION

Section 3. Registration

Section 3 requires that all male persons in the United States register with their local boards at age 18.

SECTION 4. TRAINING AND SERVICE

Section 4(a). Training and service in general

Section 4(a) places liability for training and service on every male citizen of the United States and every male alien admitted for permanent residence who is between the ages of 18½ and 26 years. Male aliens who remain in the United States in a status other than that of a permanent resident for a period exceeding 1 year are also liable for induction, unless they make application to be relieved of such liability. If an alien makes such application, he is thereafter barred from becoming a citizen of the United States.

Section 4(a) also provides physical and mental standards for induction. Under this section the minimum standards for physical acceptability may not be higher than those applied to persons inducted between the ages of 18 and 26 in January of 1945. This was the date the lowest physical standards were in effect during World War II. In addition, the passing requirement for the Armed Forces qualification test is fixed by section 4(a) at a percentile score of 10 points. However, in the 85th Congress a further proviso was added to this section which permits the President to modify these two standards, except in time of war or national emergency declared by the Congress. Under this authority the President has made no modification in physical standards but has modified mental requirements. This was done by requiring qualified registrants with a percentile score of less than 31 to take an Army classification battery which is a multiphased aptitude test. Failure to meet specified standards in this test results in nonacceptance. This modification was relaxed November 1, 1965, to provide that a high school graduate who scored 16 or higher on the Air Force qualification test would be deemed qualified aside from his score on the classification battery test.

Section 4(a) also provides that inductees shall be given full and adequate military training for a period of not less than 4 months and precludes the assignment of individuals for duty outside the United States unless they have had 4 months of training.

Section 4(a) also provides protection for physicians and dentists who applied for appointment as Reserve officers and who were rejected for such appointments on the sole ground of a physical disqualification. Such individuals may not be inducted under the special provisions with respect to physicians and dentists.

Section 4(b). Length of service

Section 4(b) provides that persons inducted into the Armed Forces shall serve on active duty for a period of 24 consecutive months, unless sooner discharged, or transferred to the Reserve.

Section 4(c). Enlistment; Reservists' active duty; volunteers for induction; NSTC

Section 4(c) permits a registrant to enlist in the Regular Army for a period of 2 years in lieu of being inducted if he meets the physical and mental requirements.

Section 4(c) also permits individuals between the ages of 18 and 26 to volunteer for induction within the limits of the quotas established for their local boards. Persons 17 years of age may also volunteer,

with parental consent. This provision permits an individual to complete his military service without waiting until such time as he is reached for induction. Depending on the size of the draft call, volunteers for induction account for varying percentages of each month's induction. Over the past 10 years, 30 to 35 percent of all inductions have been volunteers for induction.

Section 4(d). Transfer to Reserves; NSTC

Section 4(d) established the total period of obligated service, Active and Reserve, for persons who are inducted, enlisted, or appointed, in the Armed Forces. The provisions of this section which provided that persons entering the Armed Forces after August 9, 1955, are required to serve on active duty and in a Reserve component for a total of 6 years were repealed on September 2, 1958, but codified and restated in section 651(a), title 10, of the United States Code.

Section 4(e). Pay and allowances

Section 4(e) grants to inductees pay and allowances equal to those provided for regular members of equivalent rank and service.

Section 4(f). Civilian compensation

Section 4(f) authorizes continuation of civilian pay during the period of military service if an employer should so elect.

Section 4(g). One-year enlistee program

Repealed.

Section 4(h). Limitations on assignment of 1-year enlistees

Repealed.

Section 4(i). Original doctors draft law

Terminated. Provision for the special call and induction of physicians and dentists is now contained in section 5(a).

Section 4(j). National Advisory Committee

Section 4(j) provides for a National Advisory Committee to advise the Selective Service System on the selection of physicians and dentists for induction.

Section 4(k). Decrease in period of service; Operation of National Security Training Commission and Corps

Section 4(k) authorized the creation of the National Security Training Commission and the National Security Training Corps. No authority for induction into the corps was enacted into law.

Section 4(l). Active duty and commissions of medical, dental, and allied specialists

Section 4(l) permits physicians and dentists who are Reserve officers to be ordered, with or without their consent, to active duty for a period of not more than 24 months if they have not attained the 35th anniversary of the date of their birth and have not performed at least 1 year of active duty.

Section 4(l) further affords a physician or dentist who has served on active duty for a period of 12 months since September 5, 1950, to resign his commission from the Reserve component of which he is a member unless he is otherwise obligated to serve.

Section 4(1) further affords any physician who meets the qualifications for a Reserve commission to volunteer for a period of active duty for not less than 24 months, notwithstanding the grade or rank to which such physician or dentist is entitled.

SECTION 5. SELECTION

Section 5(a). Selection

Section 5(a) deals with the selection of individuals for induction under the provisions of the Universal Military Training and Service Act. This section, among other things, specifically authorizes the President to select and induct persons by age group or groups and to select and induct physicians and dentists. Pursuant to Presidential regulations prescribed under this provision, men who are in class I-A, available for service, are selected and inducted by category. There are at present six categories: first, delinquents; second, volunteers; third, men 19 to 26 who are not married, or who were married after August 26, 1965, and who are without children; fourth, men 19 to 26 married on or before August 26, 1965, and who are without children; fifth, men over 26 years of age; sixth, men between 18½ and 19 years of age. In filling calls, local boards select and induct I-A available men by category, beginning with the first category and proceeding through categories sufficient to fill their calls. With the higher calls beginning in the latter half of calendar year 1965, local boards by December 1965, were calling from the first four categories to fill their quotas.

Fathers were made eligible for deferment in class III-A by an amendment to Selective Service Regulations in March 1963.

This section affords the necessary flexibility to the President to change the order of selection to meet rapidly changing national and world conditions.

Section 5(a) also permits the commissioning of alien doctors.

Section 5(a) also provides that no person may be inducted under the age of 19 if there are individuals available for induction within the jurisdiction of the local board who have attained age 19.

Section 5(b). Quotas

Section 5(b) provides for quotas to be established for each State, Territory, possession, and the District of Columbia, based upon the actual number of men in such States, Territories, possessions, and subdivisions thereof who are classified as available for service. This section also establishes the credits to be given in the filling of such quotas for registrants for such subdivisions who are members of the Armed Forces.

Section 5(c). Grade or rank in Armed Forces of medical, dental, and allied specialists

Section 5(c) assures physicians and dentists of a commissioned grade commensurate with their education, experience, and ability, but also permits an individual who is inducted (an individual who refuses to accept a commission) to be utilized in his professional capacity in an enlisted grade. There are no such individuals now serving on active duty.

SECTION 6. DEFERMENT AND EXEMPTIONS

Section 6(a). Exemptions from registration and service

Section 6(a) exempts from registration and service members of the regular Armed Forces, as well as cadets and midshipmen of the service academies, students enrolled in military colleges approved by the Secretary of Defense, commissioned officers of the Coast and Geodetic Survey and Public Health Service, foreign diplomatic and consular representatives, and persons in other categories specified by the President who are not citizens of the United States.

Section 6(a) also provides that a person who serves on active duty for not less than 18 months after June 24, 1948, in the armed forces of a nation with which the United States is associated in mutual defense activities, as defined by the President, may be exempted from training and service but not from registration. This exemption shall not be granted to any person who is a national of a country which does not grant reciprocal privileges to citizens of the United States. Credit for service performed prior to June 24, 1948, is limited to that performed in the armed forces of countries allied with the United States during World War II.

Section 6(b). Veteran's exemptions

Section 6(b) provides that any person who has served honorably on active duty in the Armed Forces for a period of 1 year or longer is not liable for induction except in time of war or national emergency declared by the Congress. Persons who have so served for at least 6 months and have been discharged for convenience of the Government are also exempted. Also persons who have served 2 years as commissioned officers of the Public Health Service or Coast and Geodetic Survey are likewise exempt.

Section 6(b) also defines what constitutes active duty for purposes of the veteran's exemption.

Section 6(c). Reserve components exemptions

Section 6(c) provides exemption from induction (but not registration) for persons who have continued to serve satisfactorily as members of the Organized Reserve since February 1, 1951.

Section 6(c)(2)(A) provides deferment for persons who are enlisted or appointed in the Ready Reserve prior to attaining age 26, so long as they continue to serve satisfactorily. This subsection also provides exemption except in time of war or national emergency declared by the Congress for persons who complete 6 years of such satisfactory service including not less than 4 consecutive months of active duty for training.

Section 6(c) also preserves the deferment of a satisfactory reservist or guardsman who transfers to another unit where he continues to serve satisfactorily.

Section 6(c) also authorizes the priority induction of unsatisfactory reservists.

Section 6(d). Officers' training; deferment of students authorized

Section 6(d) authorizes deferments for students in officer training programs. This is commonly referred to as the "ROTC section," but also deals with similar officer procurement programs.

Under section 6(d) officers who are commissioned in the Armed Forces may be ordered to active duty for 2 years and have a total service obligation of 6 years. They may also be ordered to active duty for training for a period of 3 to 6 months, in which case they may not be inducted but their total service obligation is increased to 8 years.

Section 6(e). Aviation cadet applicants

Section 6(e) permits aviation cadet applicants to be deferred for 4 months while their applications are being considered for acceptance.

Section 6(f). Officials

Section 6(f) defers certain officials of Federal and State Governments.

Section 6(g). Ministers of religion

Section 6(g) exempts ministers of religion and students preparing for the ministry.

Section 6(h). Occupations; dependency; fitness; extension of age of liability; NSTC; authority of Selective Service boards

Section 6(h) confers broad authority upon the President to prescribe rules and regulations to provide deferment from service of persons engaged in essential or critical occupations, or in study or preparation therefor, and also for dependency reasons.

It is under this section that the President provided for the deferment of essential workers in industry, agriculture, or other employment and in research and other activities of critical importance to the Nation.

It is also under this section that provision has been made for the deferment of college students where the local board finds the individual registrant's activity in study necessary to the national interest. Under the broad authority given local boards by law and regulation, student deferment policies may be liberalized or tightened in response to the need for military manpower. Generally, full-time students who make normal progress and do well in their studies may be deferred to complete undergraduate work, and if the quality of this academic work is high, they may be deferred for graduate study. There are numerous Regular and Reserve enlistment programs for those who wish to complete their current military obligation before pursuing their education.

Section 6(h) also insures to local and appeal Selective Service boards independence of determination in student deferment cases, by providing that no criteria based upon a test or class standing shall serve as a sole basis for making such determinations.

Section 6(h) further authorizes the President to provide for the deferment of fathers or of registrants with other dependents, but prohibits such deferment where the only dependent is a wife, unless extreme hardship would result.

Section 6(h) further provides for the extension of liability for induction for training and service to age 35 of persons who are deferred from service prior to reaching age 26. This is a most significant provision upon which is based other portions of the act authorizing the President to make special calls for physicians and dentists. This provision made it possible to terminate the former doctors draft law and provides the means to insure an adequate supply of physicians

and dentists in the armed services from those who have a regular liability under the act.

Section 6(i). Deferment of students

Section 6(i) provides deferment for college students to permit them to complete their academic year when they have been ordered to report for induction during an academic year. It also provides deferment for high school students until graduation, or until age 20, or until such time as they cease to satisfactorily pursue high school courses of instruction, whichever first occurs.

Section 6(j). Conscientious objectors

Section 6(j) provides that persons found by their local boards to be opposed to both combatant and noncombatant military service shall perform 2 years of civilian work contributing to the maintenance of the national health, safety, or interest in lieu of induction into the Armed Forces. Those opposed only to combatant military service are inducted for performance of noncombatant service.

Section 6(k). Duration of exemption

Section 6(k) provides that exemption from registration and training and service shall cease when the cause therefor ceases to exist.

Section 6(l). Minority discharges

Section 6(l) prohibits the discharge from the Armed Forces of individuals between the ages of 18 and 21 who entered service without the consent of parents or guardian.

Section 6(m). Moral standards

Section 6(m) provides that no person shall be relieved from training and service by reason of conviction of a criminal offense except when the offense of which he has been convicted may be punishable by death, or by imprisonment for a term exceeding 1 year.

Section 6(n). Appeals; occupational deferments

Section 6(n) authorizes the transfer of an appeal with respect to an occupational deferment to the appeal board having jurisdiction of the area in which the registrant is employed when his local board is located in another area.

Section 6(o). Sole surviving son

Section 6(o) provides exemption for sole surviving sons.

SECTION 7. ACTIVE DUTY FOR CERTAIN MEMBERS OF RESERVE COMPONENTS

Section 7

Repealed.

Section 7 authorized the President to order members of the Reserve components to active duty without their consent. It was repealed on June 19, 1951.

SECTION 8. BOUNTIES; SUBSTITUTES; PURCHASES OF RELEASE

Section 8 prohibits the payment of bounties, and the use of substitutes, as well as the purchase of the release of persons liable for induction.

SECTION 9. SEPARATION FROM SERVICE; REEMPLOYMENT RIGHTS

Section 9. Reemployment rights

Section 9 establishes reemployment rights for persons inducted into the Armed Forces under this act or who otherwise enter upon active duty, and places upon the Secretary of Labor the responsibility of aiding such persons in securing their rights. Section 9 is comparable to a similar section that was contained in the World War II Selective Training and Service Act.

Section 9(i). Right to vote; poll tax

Section 9(i) provides that any person serving in the Armed Forces shall have the right to vote in person or by absentee ballot in any general, special, or primary election occurring in the State of which he is a resident if, under the laws of such State, he is otherwise entitled to so vote in such election. Section 9(i) further provides that a person in the Armed Forces shall not be required to pay a poll tax in order to vote in an election for national officials.

Section 9(j). Reports of separation

Section 9(j) requires the Secretaries of the armed services to furnish the Selective Service System a report of separation for each person separated from active duty.

SECTION 10. THE SELECTIVE SERVICE SYSTEM; CONSTRUCTION; CIVILIAN EMPLOYEES

Section 10(a). Selective Service System; Office of Selective Service Records

Section 10(a) establishes the Selective Service System headed by the Director of Selective Service appointed by the President by and with the advice and consent of the Senate. As so established, the Selective Service System includes a national headquarters, at least one State headquarters in each State, Territory, and possession, and in the District of Columbia, together with local boards, appeal boards, and other necessary agencies established by the President.

Section 10(a) also transferred the Office of Selective Service Records to the Selective Service System.

Section 10(b). Officials, employees, and boards; printing; paroles; leases

Section 10(b) authorizes the President to prescribe regulations necessary to carry out the provisions of the act, to appoint the officers and employees of the Selective Service System, and to procure supplies, printing, and space for the System. A State director of selective service is appointed for each State headquarters by the President upon the recommendation of the Governor. The State director is responsible for the administration of the Selective Service System within his State and represents the Governor who is the nominal head of the System in the State.

Section 10(c) also authorizes the President to create and establish within the System local boards and appeal boards. There must be one or more local boards in each county or comparable subdivision, except that an intercounty local board may be established for not more than five counties to provide a more economical operation in

areas of sparse population. Four thousand local boards have been established throughout the Nation, operated by members who are citizens of the communities and serve without compensation. There must be at least one appeal board in each Federal judicial district.

Section 10(b) empowers local boards to determine all questions and claims respecting the exemption, deferment, or inclusion for induction of registrants in their areas. The determinations of local boards are final unless an appeal is taken to the appeal board. The decisions of appeal boards are final unless modified or changed by the President who is empowered to finally determine all questions or claims with respect to inclusion for, or exemption or deferment from, service under the act.

Section 10(b) also authorizes the President to provide for the parole for service in the Armed Forces or for other special service of persons convicted of violating the provision of the act.

Section 10(c). Delegation of authority

Section 10(c) authorizes the President to delegate the authority vested in him under the act and to provide for the subdelegation of any such authority.

Section 10(d). Gifts

Section 10(d) authorizes the acceptance of gifts of supplies and equipment, as well as voluntary services (the work performed by the uncompensated citizens on a voluntary basis represents more than 90 percent of all of the services performed by the System).

Section 10(e). Fiscal agent

Section 10(e) authorizes the Chief of Finance, U.S. Army, to act as the fiscal disbursing and accounting agent of the Director in carrying out the provisions of the act.

Section 10(f). Settlement of claims

Section 10(f) authorizes the Director of Selective Service to make final settlement of individual claims for amounts not to exceed \$50 for travel and other expenses of uncompensated persons of the System without regard to other provisions of law governing the travel of civilian employees of the Federal Government.

Section 10(g). Director's report to Congress

Section 10(g) requires the Director of Selective Service to submit an annual written report to the Congress covering the operation of the System.

SECTION 11. EMERGENCY MEDICAL CARE

Section 11. Emergency medical care

Section 11 authorizes emergency medical care, hospitalization, and burial benefits for a registrant who suffers illness, injury, or death while acting under orders issued under the provisions of the act.

SECTION 12. PENALTIES

Section 12. Penalties

Section 12 is the penal section and establishes penalties for persons who violate the provisions of the act.

SECTION 13. NONAPPLICABILITY OF CERTAIN LAWS

Section 13. Nonapplicability of certain laws

Section 13(a) relieves the uncompensated citizens who serve on or with local boards and appeal boards from the provisions of the Hatch Act and the conflict-of-interest statutes.

Section 13(b) removes the functions of the System from certain requirements of the Administrative Procedure Act.

Section 13(c) relates to the lump-sum payment to certain Air Force and Navy Reserve officers.

SECTION 14. CIVIL RELIEF

Section 14. Civil relief

Section 14 extends to all persons in the Armed Forces, including those inducted under the act, all of the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended.

SECTION 15. NOTICE OF TITLE; VOLUNTARY ENLISTMENTS

Section 15. Notice of title; voluntary enlistments

Section 15 provides that all persons shall be deemed to have notice of the requirements of the act upon publication of a registration proclamation. Section 15 further requires each registrant to keep his local board informed as to his current address and changes of status as may be required by the President. Section 15 also contains a separability clause.

Section 15 also provides that none of the provisions of the act shall be construed to repeal, amend, or suspend the laws in force authorizing voluntary enlistment or reenlistment in the active or reserve Armed Forces and provides that no person shall be accepted for enlistment after he has received his order to report for induction. Section 15 further provides that the President may suspend enlistments whenever the Congress or the President has declared that the national interest is imperiled.

SECTION 16. DEFINITIONS

Section 16. Definitions

Section 16 defines the terms used in the act. Among others, it includes definitions of the terms "duly ordained minister of religion" and "regular minister of religion."

SECTION 17. TERMINATION OF TITLE

Section 17. Repeal of conflicting laws; appropriations; termination of induction

Section 17 provides for the repeal of conflicting laws; authorizes appropriations to carry out the purposes of the act; and in subsection (c) contains the following termination clause:

(c) Notwithstanding any other provisions of this title, no person shall be inducted for training and service in the Armed Forces after July 1, 1967, except persons now or here-

after deferred under section 6 of this title after the basis for such deferment ceases to exist.

SECTION 18. UTILIZATION OF INDUSTRY

Section 18. Utilization of industry

Section 18 prescribes a procedure whereby the President can require the utilization of industry when it has been determined that such is required in the interest of the national security.

SECTION 19. SAVING PROVISION

Section 19. Saving provision

Section 19 provides that nothing in the act shall be deemed to amend any provision of the National Security Act of 1947.

SECTION 20. EFFECTIVE DATE

Section 20. Effective date

Section 20 established the effective date of the act.

SECTION 21. AUTHORITY TO ORDER RESERVE COMPONENTS TO ACTIVE FEDERAL SERVICE

Section 21. Authority to order Reserve components to active Federal service

No longer in effect. (Expired July 1, 1953.)

SELECTIVE SERVICE SYSTEM

[For regulations codified under this heading, see Code of Federal Regulations,
Title 32, Chapter XVI]

CREATION AND AUTHORITY

The Selective Service System was established by the Universal Military Training and Service Act (62 Stat. 604; 50 U.S.C. App. 451-471), as amended, which also transferred to the Selective Service System the functions of the Office of Selective Service Records, which was established by the act of March 31, 1947 (61 Stat. 31; 50 U.S.C. App. 321-329).

The Universal Military Training and Service Act, as amended, requires the registration of male citizens of the United States and all other male persons who are in the United States who are between the ages of 18 and 26 years. Aliens who enter the United States and who were born after September 15, 1925, must register within 6 months after entry or within 5 days after their eighteenth birthday. The act imposes liability for training and service in the Armed Forces upon such of these persons who are between the ages of 18 years and 6 months and 26 years except that aliens not admitted to the United States for permanent residence are not liable for training and service until they have remained in the United States for more than 1 year. Some persons who have been deferred remain liable for training and service until age 28 and others remain liable until age 35. Conscientious objectors who are found to be opposed to any service in the Armed Forces are required to perform civilian work in lieu of induction into the Armed Forces.

The President is authorized to select and induct into the Armed Forces such numbers of persons as may be required to maintain the strengths of the forces and also to provide for the selection and induction into the Armed Forces of persons qualified in needed medical, dental, or allied specialist categories pursuant to special requisitions submitted by the Secretary of Defense.

The act exempts members of the active Armed Forces and foreign diplomatic and consular personnel from registration and liability for training and service. Likewise exempted are categories of aliens, as specified by the President, who are not admitted to the United States for permanent residence. Other exemptions or deferments from training and service are provided by the act, and the President is authorized to provide, by rules and regulations, for deferments involving occupations, dependency, and fitness.

Pursuant to the provisions of section 672(a) of title 10 of the United States Code (72 Stat. 1440), the Selective Service System determines the availability of members of the Standby Reserve of the Armed Forces for order to active duty in time of war or national emergency declared by Congress.

PURPOSE

The purpose of the Selective Service System is to assure the Armed Forces a supply of manpower adequate to insure the security of the United States, with concomitant regard for the maintenance of an effective national economy.

ORGANIZATION AND ACTIVITIES

Director of Selective Service

The Selective Service System is headed by the Director of Selective Service, who is appointed by the President with the consent of the Senate. The Director is responsible directly to the President for carrying out the functions of the System. The Director decides appeals from the determinations of appeal boards as to the availability of members of the Standby Reserve for order to active duty.

National headquarters

As the operations of the Selective Service System are largely decentralized, the national headquarters functions under the supervision of the Director primarily as a coordinating agency for the State headquarters for selective service in the several States, Puerto Rico, the Virgin Islands, Guam, the Canal Zone, and the District of Columbia.

Within national headquarters are the following divisions: Office of the Director, Administrative Division, Communications and Records Division, Field Division, Fiscal and Procurement Division, Manpower Division, and the Research and Statistics Division. Within the Office of the Director are the Deputy Director, the Assistant Director, the Assistants to the Director, the Office of the General Counsel, the Office of Legislation, Liaison, and Public Information, the Office of the Chief Medical Officer, the Office of Emergency Planning and Interagency Relations, and the Office of the Adjutant General.

State headquarters

Each State headquarters is in the immediate charge of a State director of selective service, who is appointed by the President upon recommendation of the Governor. The State director represents the Governor in all selective service matters, and is responsible for carrying out the functions of the Selective Service System within his area of jurisdiction. The State headquarters is responsible for the coordination and general supervision of the activities of the local boards, appeal boards, and other selective service agencies under its jurisdiction. Members of local boards and appeal boards, medical advisers to the State directors, medical advisers to the local boards, Government appeal agents, and advisers to registrants serve without compensation.

Local boards

At least one local board has been established in each county or political subdivision corresponding thereto except where, upon recommendation of the respective Governors, intercounty local boards have been established for areas not exceeding five counties. A local board consists of three or more civilian members, residents of a county in the local board area. A special local board, with jurisdiction over all

persons registered who do not have a place of residence within the United States, has been established in the District of Columbia.

Each local board has the power to determine all questions or claims with respect to inclusion for, or exemption or deferment from, training and service of all men registered in, or subject to registration in, the local board area. The decisions of a local board are final, except where an appeal to the appeal board is authorized and is taken. Each local board is responsible for the registration, examination, classification, selection, delivery to the Armed Forces for induction, ordering to perform civilian work in lieu of induction, and maintenance of the records of men who are required to register and who are within its area of jurisdiction.

Appeal boards

Appeal boards have been established for each Federal judicial district in each of the States and in Puerto Rico, the Virgin Islands, Guam, the Canal Zone, and the District of Columbia. Members of appeal boards are civilians resident in the appeal board area and are appointed by the President upon recommendation of the Governor. The functions of an appeal board are to review the cases of registrants and members of the Standby Reserve appealed to it and to affirm or change any decision of the local board.

National Advisory Committee on the Selection of Physicians, Dentists, and Allied Specialists

The National Advisory Committee on the Selection of Physicians, Dentists, and Allied Specialists is located at national headquarters. The members of this Committee are appointed by the President. The functions of the National Committee are to advise the Selective Service System and to coordinate the work of State and local volunteer advisory committees established to cooperate with the National Committee, with respect to the selection of needed medical, dental, and allied specialist categories of persons for service in the Armed Forces. The National Committee is independent of the Selective Service System.

National Selective Service Scientific Advisory Group

The National Selective Service Scientific Advisory Group has been established by the Director of Selective Service. The members of this group, both individually and collectively, advise the Director regarding problems which arise concerning manpower in the scientific fields. Approved.

LEWIS B. HERSHEY,
Director of Selective Service.

SUMMARY OF ORGANIZATION AND OPERATION OF THE SELECTIVE SERVICE SYSTEM

An Independent Agency Directly Under the President

ORGANIZATION

National headquarters.—National supervision and policy guidance.

State headquarters.—State supervision and policy guidance. Governor is ex officio head and recommends individual to be State direc-

tor and members of local and appeal boards and other uncompensated positions.

Local boards.—Volunteer civilians in each community. Under the law, the local board makes all classification determinations which are final subject to appeal where authorized and taken as provided by law and regulations.

Appeal boards.—Volunteer civilian members; one in each Federal judicial district. One national selective service appeal board of three members appointed by the President to carry out his statutory function of finally determining classifications in cases duly appealed to the President.

OPERATIONS

Registration.—Within 5 days after 18th birthday.

Age of liability.—18½ to 26, except the men deferred before age 26 acquire extended liability to age 28 or 35.

Induction.—Men not deferred or exempt, and found qualified after an Armed Forces examination, are reached for induction in the order of their dates of birth in a sequence of priority groups.

Sequence of selection.—Men not deferred or exempt are reached for induction in the following sequence:

1. Delinquents over 19, oldest first.
2. Volunteers 17 to 26 in order of volunteering.
3. Single and married since August 26, 1965, 19 to 26, oldest first.
4. Married on or before August 26, 1965, 19 to 26, oldest first.
5. Over 26, youngest first.
6. 18½ to 19, oldest first.

(In early 1966, local boards were filling calls from the first four categories.)

MAJOR AREAS OF DEFERMENT

1. For satisfactory Reserve participation.
2. For occupation, including study and apprenticeship.
3. For fatherhood and hardship to dependents.
4. For mental, moral, and physical disqualification by the Armed Forces.

Military obligation.—Every person who enters the Armed Forces by any means acquires an obligation for a total of 6 years of service. Active and Reserve.

Inductees: 24 months of active duty, balance in Reserve.

Enlistees (Regular): 3 to 6 years active duty, balance in Reserve. (The law provides for a 2-year Regular Army enlistment.)

Enlistees (Reserve): 6 years including either a minimum of 4 months of active duty for training, or 2 years or more of active duty.

Veterans' exemption.—Discharge after 6 months of honorable active duty for the convenience of the Government, or after 12 months for any reason; and after 6 years of satisfactory Reserve service are the bases for classification by the local board in class IV-A, exempt from induction except in time of war or emergency declared by the Congress.



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• **Prevalence** = the proportion of a population that has a disease at a particular point in time

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[No. 47]

SUBCOMMITTEE NO. 3 CONSIDERATION OF H.R. 11509, TO AMEND AND CLARIFY THE REEMPLOYMENT PROVISIONS OF THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT, AND FOR OTHER PURPOSES

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE No. 3 OF THE
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Wednesday, February 23, 1966.

The subcommittee met at 10:15 a.m., in room 2216, Rayburn House Office Building, Washington, D.C., Hon. Melvin Price (chairman of the subcommittee) presiding.

Mr. PRICE. The committee will come to order.

First, I want to apologize for being late, but I had another committee meeting at 9:30, Joint Committee on Atomic Energy, and since they had the klieg lights on I thought it would be well for me to attend.

This morning we will begin hearings with respect to H.R. 11509, a bill designed to clarify the reemployment provisions of the Universal Military Training and Service Act.

(H.R. 11509 reads as follows:)

[H.R. 11509, 89th Cong., 1st sess.]

A BILL To amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9 of the Universal Military Training and Service Act, as amended (50 U.S.C. App. 459), is amended as follows:

(1) Amend section 9(c) by adding the following paragraph immediately after paragraph (2):

"(3) Any person who holds a position described in paragraph (A) or (B) of subsection (b) shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a reserve component of the Armed Forces of the United States."

(2) Amend section 9(d) by deleting the numeral "(1)" immediately following "subsection (c)."

(3) Amend section 9(g) (1) to read as follows: "Any person who, after entering the employment to which he claims restoration, enlists in the Armed Forces of the United States (other than in a reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of this title, if the total of his service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise, performed by him after August 1, 1961, does not exceed five years, provided that the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law)."

(4) Amend section 9(g) (2) to read as follows: "Any person who, after entering the employment to which he claims restoration enters upon active duty (other than for the purpose of determining his physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon his relief from active duty under honorable conditions, be entitled to

all of the reemployment rights and benefits provided by this section in the case of persons inducted under the provisions of this title, if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed five years, provided that the active duty performed in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any additional period in which he was unable to obtain orders relieving him from active duty)."

As the members of the subcommittee are aware, the Congress has included in the Universal Military Training and Service Act, as amended, provisions which are designed to guarantee to active and inactive duty service personnel alike, reemployment rights and job protection.

The underlying purpose of these statutory enactments is to preclude penalizing these young men for having entered upon and discharged their military obligation to their country.

Generally speaking, individuals who enter on active duty either voluntary or involuntarily and serve for a period not to exceed 4 years will, upon their return to civilian life, be entitled to return to their previous position of employment without having been penalized in the interim because of their military absence.

The bill before us today proposes to continue that reemployment and job protection by making three changes in existing law.

The first change, as provided by paragraph 1 of the bill, is to clearly establish the intent of Congress that employees with Reserve obligations who are members of a Reserve component of the Armed Forces of the United States shall not, by virtue of such Reserve status, be denied retention in employment or other incident or advantage of employment because of such Reserve status.

The second purpose of the bill is to clarify those provisions of the Universal Military Training and Service Act which provide for court enforcement of reemployment rights and representation by the U.S. attorney in enforcement proceedings.

The final purpose of the bill is to provide that a serviceman may serve up to 5 years on active duty without losing his reemployment rights providing that the service in excess of 4 years is at the request and for the convenience of the Government.

This latter change is particularly pertinent at this time because of the action taken by the Department of the Navy and Marine Corps in urging personnel to voluntarily extend their enlistments during the present Vietnamese crisis.

The law, as amended, now does provide a continuation of reemployment rights for those personnel who are involuntarily extended past the 4-year service point. (Public Law 86-632 and Public Law 87-391). However, no similar provision applies to those young men who have voluntarily responded to the Secretary of the Navy's request that they help meet the Navy's critical manpower requirements by voluntarily extending their period of service beyond their 4-year enlistment. As a consequence, many naval personnel today have unwittingly lost their reemployment rights by voluntarily extending their enlistment beyond the 4-year point of service. This legislation will correct this situation.

For the information of the members, I have attached to this statement a table outlining in summary form the provisions of existing law in respect to reemployment rights and job protection together with those changes proposed by this bill.

(The table referred to is as follows:)

Reemployment rights and job protection

Duty period provided in orders	Category of personnel	Section granting protection under UNT&SA	Present law		Proposed law	
			Maximum periods of military service	Job protection	Additional military service	Job protection
Extended active duty for training and service	Inductee..... Enlistee..... Reservist..... National Guard.....	9(b)..... 9(g)(1)..... 9(g)(2)..... 9(g)(3).....	4 years between June 24, 1948, and Aug. 1, 1961, and 4 years after Aug. 1, 1961. Not applicable..... do..... do.....	1 year..... do..... do..... do..... 6 months..... do..... None..... do.....	1 year if at the request of and for the convenience of Federal Government. No change..... do..... do..... Not applicable..... do.....	No change. Do. Do. Do. Do. Do. Discharge from or discrimination in employment because of membership in Reserve or National Guard prohibited.
Initial active duty for training of not less than 3 consecutive months.	Reservist..... National Guard.....	9(g)(2)..... 9(g)(3).....				
Other types of active duty for training or inactive duty training (drills).	Reservist..... National Guard.....	9(g)(4)..... 9(g)(4).....				

NOTE.—In addition to the above, any person who leaves a position to report for induction into, entering or determining his fitness to enter the Armed Forces, or who is rejected, is entitled to reemployment under sec. 9(g)(5) of the Universal Military Training and Service Act.

This legislation is strongly supported by the executive branch as will be reflected in the testimony we are now to receive from departmental witnesses. The first witness to appear before the subcommittee is Mr. Hugh W. Bradley, Chief of the Bureau of Reemployment Rights, Department of Labor. At the conclusion of Mr. Bradley's testimony we will also receive a statement from Rear Adm. Burton H. Shupper, U.S. Navy, who will appear on behalf of the Department of Defense.

If there is no objection, we will hear testimony from Mr. Bradley.

Mr. Bradley, will you come around, please?

Each member has a copy of Mr. Bradley's statement, of course.

Mr. BRADLEY. Thank you, Mr. Chairman.

Perhaps I should read my prepared statement into the record.

Mr. PRICE. Yes. You may proceed.

Mr. BRADLEY. Thank you, sir.

(The statement of Mr. Bradley is as follows:)

STATEMENT OF HUGH W. BRADLEY, CHIEF OF THE BUREAU OF REEMPLOYMENT RIGHTS, DEPARTMENT OF LABOR

Mr. BRADLEY. Mr. Chairman and members of the committee, it has been my privilege to appear before you on other occasions to present the views of the Department of Labor on proposed amendments to the reemployment rights provisions of the Universal Military Training and Service Act. I appreciate this opportunity to appear before you again for the same purpose.

As you know, a bill identified as H.R. 11509 has been submitted to the Congress by the Department of Labor. It has been cleared by the Department of Defense, the Department of Commerce, the Civil Service Commission, the Selective Service System and the Office of Emergency Planning, and the Bureau of the Budget has advised that, from the standpoint of the administration's program, there was no objection to the submission of the bill to the Congress. The four major veterans organizations have endorsed similar proposals in the past and the American Legion, in its 1965 national convention, adopted resolutions urging the amendments proposed in this bill.

The first provision of the bill deals with a problem that has been increasingly difficult in the past few years. It is designed to enable reservists and guardsmen, who leave their jobs to perform training in the Armed Forces, to retain their employment and to enjoy all of the employment opportunities and benefits accorded their coworkers who do not have military training obligations. The law does not now protect them against discharge without cause as it does with inductees and enlistees, who have 1-year protection, and initial active duty for training reservists, who have 6 months' protection.

To give the reservist a specific period of protection after each tour of training duty would be to perpetuate him in his position indefinitely. The new section 9(c)(3), which the proposed amendments would add to the act, would not follow this approach but instead provides that an employee shall not be denied retention in his employment or any promotion or other incident or advantage of employment solely because of any obligation as a member of a Reserve component of the Armed Forces.

If these young men are essential to our national defense, then certainly our Government and employers have a moral obligation to see that their economic well-being is disrupted to the minimum extent possible. Approval of this amendment is one way of showing our appreciation to those on whom all of us must depend for our military strength in the uncertain years ahead.

The second provision of the bill amending section 9(d) of the act is technical. Deletion of the numeral "(1)" after the words "subsection (c)" makes it clear that the employer is subject to all of the provisions of this subsection.

The third and fourth provisions of the bill amending subsections 9(g)(1) and 9(g)(2) of the act are largely precautionary. The Navy has found it necessary to extend the tours of duty of certain officers and enlisted men to meet its manpower requirements. Conceivably, other branches of the service may find it necessary to encourage voluntary extension of service or voluntary return to active duty for limited periods.

While the Navy and Marine Corps have legal authority to involuntarily extend the service of certain personnel and those who extend under this authority for an aggregate of more than 4 years will have reemployment rights protection, no other branch of the service has this authority. Any extension would be voluntary and those extending for more than 4 years would forfeit their reemployment rights unless section 9(g)(1) of the law is amended. Also, reservists encouraged to voluntarily reenter on active duty in any branch of the service will forfeit their reemployment rights if the aggregate of their service after August 1, 1961, exceeds 4 years, unless section 9(g)(2) of the law is amended.

It is our recommendation that the reemployment rights provisions of the act should be amended to provide permanent flexibility in times of urgency. It should not be necessary to seek new legislation each time a branch of the armed services finds it to be in the national interest to request voluntary extension of service for a reasonable period or to encourage voluntary reentry on active duty for a reasonable period. The bill before you provides this flexibility.

Under the proposed bill, subsections 9(g)(1) and 9(g)(2) would retain the 4-year limitation but on the request and for the convenience of the Government, additional service or active duty not to exceed 12 months could be performed without forfeiting reemployment rights. A serviceman could not serve for more than 4 years solely for his own convenience nor could a reservist return to active duty solely for his own convenience and retain his reemployment rights if his active duty exceeds 4 years.

I thank you, Mr. Chairman and members of the committee, for the attention you have accorded me. I urge that H.R. 11509 be adopted to meet present and future manpower needs of the military without impairing the reemployment rights of servicemen and to provide more flexibility in administering the law.

Mr. PRICE. Thank you very much, Mr. Bradley.

I would suggest that Admiral Shupper come up and sit at the witness table. The members may then direct questions to both gentlemen.

Admiral Shupper might briefly give the position of the Department of Defense and the full statement will be included in the record.

Admiral SHUPPER. Yes, sir.

Mr. PRICE. Then we can direct questions to both of you at the same time if the members so desire.

Admiral SHUPPER. Yes, Mr. Chairman.

Shall I read my prepared statement?

Mr. PRICE. Yes. Is it a lengthy one?

Admiral SHUPPER. No, sir.

Mr. PRICE. Then I suggest that you read your statement. Go ahead, Admiral.

Admiral SHUPPER. Yes, sir.

STATEMENT OF REAR ADM. BURTON H. SHUPPER, U.S. NAVY

Admiral SHUPPER. Mr. Chairman and members of the committee, I am Rear Adm. Burton H. Shupper, Assistant Chief of Naval Personnel for Plans and Programs. I am representing the Department of Defense on this legislation and it is a pleasure for me to appear in support of H.R. 11509.

In the field of reemployment rights the Department of Defense recognizes the two major interests involved: That of the employer on the one hand, and that of the employee on the other. Injected into these two interests is that of the military. Since 1961 the world situation on three occasions has dictated a rapid buildup of our military forces to cope with an urgent military problem beyond our shores. In 1961 it was Berlin. In 1962 Cuba. Now it is Vietnam.

As I am sure you know, Navy manpower requirements directly related to the southeast Asia situation have necessitated an increase in current Navy strength. Our requirements had to be met in both quantity and quality. The Navy Recruiting Service, even with support from Selective Service, could meet these requirements only in quantity and at best by the end of this fiscal year.

To gain necessary petty officer quality in addition to quantity in a timely manner it became necessary for the Navy to institute involuntary extensions of Regular Navy enlistments for 4 months as a minimum measure.

This action was to enable the Navy to meet its manpower requirements during the interim period necessary for building up our manpower base in petty officers as well as our total manpower numbers. The 4 months involuntary extension for Regular Navy personnel was instituted only after a determination that other available resources were not able to meet our new requirements in numbers and experienced quality within the time frame available. We have no plans to impose additional obligations beyond the 4 months presently added to enlistments, and we plan to terminate the extensions at the earliest practicable date consistent with our ability to meet operational commitments. All that I have said here is equally applicable to the Marine Corps.

In our action to involuntarily extend enlistments we are continuing to accept extensions of enlistments. Naturally, we prefer to permit our people to go on record as serving voluntarily. We, of course, continue to hope for voluntary extensions in excess of 4 months to reduce the need for involuntary extensions and to see us through this period.

As we understand present law, periods of additional service imposed pursuant to law are excluded from aggregate service in determining eligibility for reemployment. Thus the man who is subjected to an

involuntary extension suffers no loss of reemployment rights as a result of service under that extension. The volunteer serving alongside the man who did not volunteer, however, may lose his reemployment rights as a result of his voluntary additional service.

Our position, simply stated, then, is that in these times of urgency short of full mobilization we prefer, insofar as possible, to encourage and rely on the volunteer, keeping our need for the nonvolunteer as low as possible. We do not like to see the volunteer penalized in any respect. Under present law on reemployment rights, however, the nonvolunteer receives a reemployment protection that is not afforded the volunteer. It is our understanding that this proposal will afford the protection needed by those who have chosen to extend their active duty obligations voluntarily to meet our pressing and urgent needs.

I might add that although the Navy and Marine Corps are the only services which have resorted to involuntary extensions of enlistments, all services are desperately trying to keep skilled manpower on active duty and to persuade certain skills in our reserve community to volunteer for active duty. It is entirely possible that the possibility of loss of reemployment benefits might discourage some personnel on active duty from extending their active duty or discourage the Reserve on inactive duty from volunteering for additional active duty. Inasmuch as this bill, with its extension of reemployment benefits for an additional year of service, would encourage such personnel to serve additional periods of active service, all services would be benefited.

The other aspect of H.R. 11509 is the provision that employees shall not be denied retention in employment or advantages of employment because of any obligation as a member of a Reserve component of the Armed Forces. After the Berlin and Cuba callups we received information from our Reserve community that a significant number of reservists were receiving indications that opportunities for advancement and retention in civilian employment would favor those who appear to offer their employers more continuity of services, namely those in the Standby Reserve or those with no Reserve status. In fairness, we must emphasize that this reaction on the part of employers appears to be the exception not the rule and, we believe, is generally not based upon unpatriotic motives but rather on the competitive spirit of business.

In the light of present-day world conditions this attitude, however understandable, is contrary to the public interest and is inconsistent with the ideals of patriotic service and traditional participation in national defense of which our reservists can be justly proud. We feel that the enactment of H.R. 11509 will be of great assistance in our efforts to educate and indoctrinate public opinion in the vital importance of a trained Reserve to the safety of our Nation.

That concludes my prepared statement, Mr. Chairman. I shall be happy to try to answer any questions you may have.

Mr. PRICE. Thank you very much, Admiral.

Mr. O'Konski, do you have any questions?

Mr. O'KONSKI. No.

Mr. PRICE. Mr. Ichord, any questions?

Mr. ICHORD. Mr. Chairman, it sounds like a very good bill to me. I am for it.

Mr. PRICE. Dr. Hall?

Mr. HALL. Mr. Chairman, I have been cognizant of this problem for a long time, both from the point of view of the committee and as a former personnel officer and specifically as a result of complaints of some of the reservists in my district. I think I could document many letters referring to what the admiral mentioned after the Berlin callup; corporations of national stature who happen to be located in the district that I represent were found easing out or dropping people in Ready Reserve status. This of course has flared into the open again as a result (a) of the Navy and Marine Corps involuntary or voluntary extensions and (b) because of the possibility of a general callup.

Now, I have two questions and I would just as soon both of you would comment on them, both Mr. Bradley and Admiral Shupper.

I think this committee is acutely aware of the fact that there have been people called up and Selective Training and Service Act used for individual filler-trainees and replacements in the line, not necessarily in just the Navy or the Marine Corps, but as you say, this backs up voluntary enlistments in the Navy and the Air Force; rather than calling up Ready Reserve units as indeed was done during the Berlin beefup.

Is this bill, if passed, H.R. 11509, in anywise an additional ruse—and I use the word advisedly—on the part of the Secretary of Defense to keep on active duty people other than petty officers for key, essential positions in the military, rather than resort to calling up the Ready Reserve, the trained Reserve or those that we have spent millions of dollars on in training, simply because the Reserve is being eliminated or dissolved or reassigned by the Secretary of Defense?

Admiral SHUPPER. No, sir, I don't think it is a ruse at all. I think that, naturally, the Department of Defense would like to have key personnel who are in the Reserve on active duty remain to tide us over this period. We do not—

Mr. HALL. If they need them that bad, Admiral, why don't they call up the other reservists and guardsmen that are trained and rotate those that have served 4 years or over in these key spots?

Admiral SHUPPER. Well, sir, it is a matter of having the bird in the hand and it is less disruptive to a man's life to have him voluntarily extend than to call somebody involuntarily who is in civil life and would have to disrupt his entire life to come on active duty.

Mr. HALL. It is also a matter—we didn't consider that in the Berlin beefup. It is also a matter, is it not, Admiral, of having made an unfortunate guesstimate 2 to 3 months before the escalation as a result of the Bay of Tonkin, that we would dissolve the Reserve and therefore embarrassing to have to call them up?

Admiral SHUPPER. Well, sir, I am not in a position to answer that question.

Mr. HALL. You are the personnel officer representing the Department of Defense, aren't you, manpower utilization officer?

Admiral SHUPPER. Yes, sir, but there was no decision made to dissolve the Naval Reserve and no decision made to dissolve the Marine Corps Reserve or the Air Force Reserve as far as I know.

Mr. HALL. Well, let me reframe the question, Admiral. And I want to reassure you again that I am not picking at you personally.

Admiral SHUPPER. Yes, sir, I understand.

Mr. HALL. I do think this point needs to be made in consideration of this legislation. And I want to go one step further and say that I will probably support this legislation because I do know the need for retaining beyond a stipulated time of active duty certain skilled people, electronics, even a good skilled boatswain's mate now and then, or particularly I should say a good skilled boatswain's mate and so forth. And I think I understand the purpose of this bill. But I think in all fairness you can see also that in the congressional responsibility and protecting of the individual and the public that this could get pretty hairy if such legislation is used to continue a policy that is based on internecine or interdepartmental politics or strongman's misstatement rather than equity and justice in callup and/or rotation of personnel. Isn't that a simple, fair statement?

Admiral SHUPPER. Yes, sir; but I don't think that there is any internecine conflict on this. I think all the services desire to try to meet the situation with volunteers if possible. If the situation develops to the point where we cannot, we will naturally have to call the Organized Reserve.

Mr. HALL. Exactly, and I would like very much for you to be able to do that.

I again want to make it clear that I have no sympathy with the employer who doesn't protect the reservist. I was protected for over 8 years when I was on active duty as a reservist by the organization that I left and returned to, despite other opportunities after World War II. And I don't have much respect for big national corporations that are weeding out reservists who participate in a Ready Reserve. This bill would help to correct that, that is why I am for it. But in another context, let me ask you this rather blunt question: Would a declared emergency, either presidential or congressional, solve this problem and preclude the necessity of such legislation as H.R. 11509, Admiral?

Admiral SHUPPER. No, sir, because a declared emergency would aim at something else. We would still desire to retain voluntarily anyone that we could in preference to having to involuntarily call reservists either in organized units or as augmentation.

Mr. BRADLEY. Maybe I should add to that.

Mr. HALL. Yes, I hoped you would comment on this.

Mr. BRADLEY. On the first part of your question, I should say these amendments originated in the Department of Labor, not in the Department of Defense. We requested the Department of Defense—

Mr. HALL. I understand it is your bill.

Mr. BRADLEY. It is our bill, submitted by us.

Mr. HALL. Submitted by the chairman.

Mr. BRADLEY. And not originating with the Department of Defense with the idea of attempting to keep people in that maybe did not need to be kept in.

With respect to the second question, even if you have a joint resolution and a callup of Reserves, a Reserve who has already served for as much as 4 years, if recalled, would not have reemployments rights under section 9(g)2 unless this bill is amended. So it is very important that this amendment go through, whether you call up or whether you do not.

If a reservist is called up who has not completed 4 years of service, he would be protected. But if he has already completed his 4 years of service for an absence from a single employer during that period of time, a callup, this legislation would be necessary to protect him.

Mr. HALL. I think that is a very excellent point and I thank you. Mr. Chairman, I think I have no other questions.

Mr. PRICE. Thank you.

Any other questions, any member of the committee?

Mr. HICKS. Mr. Chairman.

Mr. PRICE. Mr. Hicks.

Mr. HICKS. This chart that you included here, does this all boil down to the fact that you are adding 1 year and that is all?

Mr. BRADLEY. Not to exceed 1 year.

Mr. HICKS. Over the present law.

Mr. BRADLEY. Not to exceed 1 year, but it cannot be at the convenience of the individual, it must be at the convenience of the Government.

Mr. HICKS. Thank you.

Mr. LOVE. In that connection, what is the total time of protection?

Mr. BRADLEY. Four years in the law. This would give an additional 12 months where it was at the convenience of the Government.

Mr. LOVE. That is a total of 5 years.

Mr. BRADLEY. A total of not to exceed 5 years.

Mr. LOVE. Not to exceed five.

Mr. PRICE. They are already protected up to four.

Mr. BRADLEY. We are dealing here with anything that took place after 1961. In 1961 we added an additional 4 years, which terminated in 1965, now you go back to 1961 with this.

Mr. LOVE. It would be a total of 9 years.

Mr. BRADLEY. With the 1961 amendment actually a person could serve 8 years and still be protected under that type of amendment. This is different. This adds only 1 additional year.

Mr. PRICE. Governor Stafford.

Mr. STAFFORD. I have no questions, Mr. Chairman.

Mr. PRICE. I think counsel has one or two questions.

Mr. SLATINSHEK. In connection with the latter subject, the protection of reservists who are perhaps involuntarily called or voluntarily enlist, can you define for purposes of the record what "convenience of the Government" means?

In other words, let's assume I am a reservist in the Army, I volunteer for a period of 1 year because of the Vietnamese crisis, would I be covered?

Mr. BRADLEY. Repeat that, please.

Mr. SLATINSHEK. I am a reservist on inactive duty in the Army Reserve and I feel that my services are necessary and apparently there is a critical skill shortage in my MOS and I decide to volunteer for 1 year's service. Would I be protected?

Mr. BRADLEY. You would be protected.

Mr. SLATINSHEK. And for the legislative record here, what determinant would be "at the convenience of the Government"? Does this require some sort of statement on the part of the Department of Defense? At what point will extensions of enlistments for up to 12

months be covered by this provision of law, if you understand what I am trying to say?

Mr. BRADLEY. It would have to be at the request of the military that the additional service be performed and somewhere on the DD-214 or the individual's records it would show that he was requested by the military to voluntarily extend. That is all we would need.

Mr. PRICE. In connection with that, then the mere orders of the military to extend his service for 4 months, for instance, would be——

Mr. BRADLEY. We would construe that——

Mr. PRICE (continuing). For convenience of the Government?

Mr. BRADLEY. We would construe it as for the convenience of the Government.

Mr. SLATINSHEK. Would this apply retroactively to those in the Army or Air Force who voluntarily extended for 12 months if this is enacted?

Mr. BRADLEY. If this is enacted I think it could be construed as retroactive to cover those who have already extended their service 4 months.

Mr. SLATINSHEK. I have reference to those who passed the 4-year active duty point but due to the Vietnamese crisis and persuasion of their superiors they decide to extend for a year.

Mr. BRADLEY. This would cover them up to the 1 year.

Mr. SLATINSHEK. That also would apply to the Navy, all those naval personnel who voluntarily extended in response to the request of the Secretary?

Mr. BRADLEY. Yes, sir.

Mr. SLATINSHEK. Do you have any idea of the number of Navy personnel who might be extended, that is, those who voluntarily extended and those who in the absence of this legislation would be adversely affected?

Admiral SHUPPER. Yes, sir, it is a little difficult to pin them down because the involuntary extension was put on in September. But between the 10th of May, which was the date that the Secretary sent his message requesting voluntary extensions and the 15th of September which was the date that the involuntary extensions were put on, we had 1,031 enlisted voluntary extensions in response to the Secretary's request and 251 officers. After the 15th of September to the present date we have had 7,403 voluntary extensions. However, these are not broken down as to whether they were in response to the Secretary's request or for other reasons.

Mr. SLATINSHEK. Thank you, Admiral.

To further clarify the record, the term "extension for convenience of the Government" can in other words be very liberally construed. Any evidence which indicates that the member had voluntarily extended due to a request from the military would constitute satisfaction of this criteria which is contained in the law?

Mr. BRADLEY. That is right. We would need something from the military in writing in his record and that would be sufficient for our purposes in the reemployment rights.

Mr. SLATINSHEK. I have one other question concerning the language in the first change that you propose in the bill, and this relates to the term "obligation" of a member of a Reserve component. This is the change that you propose to provide job retention rights to reservists

who are presumably on inactive duty and who participate in drills and who participate in training operations and this is to preclude the employer from arbitrarily discharging them because of their Reserve affiliation.

Now the expression that you use in the law here, and I will read it for the benefit of the members of the committee:

Any person who holds a position described in paragraph (A) or (B) of subsection (b) shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces of the United States.

Can you tell the committee whether the term "any obligation as a member of a Reserve component" is limited to the statutory Reserve obligation which, as we all know, is the 6-year period, or does this extend beyond that?

MR. BRADLEY. This covers all reservists and guardsmen who are covered in section 9(g) (4) of the act, which means that the ready reservist would be covered just like the active reservist.

MR. SLATINSHEK. In other words, this language here would provide job retention rights, if you will, to a reservist who has satisfied his statutory Reserve obligation but who voluntarily participates in the Reserve program and has made himself available as a member of the Reserve components and has executed presumably a Ready Reserve agreement, so therefore career reservists are given job retention rights under this language if it is enacted into law?

MR. BRADLEY. That is correct, anyone in any Reserve component or the National Guard, irrespective of whether it is active or inactive Reserve duty, or, as you say, Ready Reserve, is covered in 9(G) (4) and would be covered in this amendment.

MR. SLATINSHEK. Let's assume again for the record that I am an employee of a defense industry, an aircraft company, and I have a very responsible position and my employer—and at the same time I am a member of the Reserve. My employer feels that my Reserve participation is affecting his capabilities and requests or directs that I leave the Reserve program and in the absence of my doing so that he, of course, will discharge me from my employment. Under the circumstances that I have related, do you feel that you could properly employ the provisions of this law to restore him to his job in the absence of any showing that the discharge of the employee was due to something other than his Reserve affiliation?

MR. BRADLEY. Well, there would have to be some evidence that the discharge was due to his military obligation. We run into this very frequently right now as a matter of fact.

MR. SLATINSHEK. In that connection, may I interrupt you, I gather from reading the language here that it is a show cause affair? In other words, the burden is on the employer to show that he discharged the man for cause?

MR. BRADLEY. For reasons unrelated to his military obligation.

MR. SLATINSHEK. Precisely, so the burden is not on you or on the service, it is on the employer?

MR. BRADLEY. That is right. He would have to show the evidence. If he can show the evidence and it is acceptable, why then there is no protection. If he cannot, there is protection.

Mr. SLATINSHEK. One further point for the record: This provision of law applies in sections A and B to both private industry and the Federal Government?

Mr. BRADLEY. Federal Government, yes, sir.

Mr. SLATINSHEK. So an employee of the Federal Government would have the same job protection rights and could protect his Reserve interests in the same manner?

Mr. BRADLEY. It would, yes. That, however, would be a determination, with respect to the Federal employee, would be with the Civil Service Commission, not with our Bureau.

Mr. PRICE. Has the Bureau of Veterans Reemployment Rights received any complaints during the present emergency?

Mr. BRADLEY. During the present emergency and for a considerable period before it we received complaints almost every day of one type of thing or another. Of course sometimes the complaint is not justifiable, but we have a file full of complaints of one sort or another on this.

Mr. PRICE. You have seen sufficient justification to ask for the action that you have requested—

Mr. BRADLEY. Yes, sir.

Mr. PRICE. Through this legislation?

Mr. BRADLEY. Yes, sir.

Mr. PRICE. Thank you.

Mr. HALL. Mr. Chairman, at that point could I ask Mr. Bradley if he has received any complaint from Congressmen that are patriotic, willing, and signed-up members of the Reserve about Mr. McNamara's decision to place them in the Standby Reserve, thus violating their individual rights?

Mr. BRADLEY. We have received no complaints from Congressmen on that question.

Mr. HALL. You had better hold on tight.

Mr. PRICE. Thank you very much, Mr. Bradley and Admiral Shupper.

Mr. BRADLEY. Thank you.

Admiral SHUPPER. Thank you.

Mr. PRICE. If there is no objection, since we have the approval of the Department of Labor and the Defense Department on the legislation and by almost every veterans' organization, I think we all recognize the importance of it. Without objection the bill will be referred to the full committee with the approval of the subcommittee. Counsel will be authorized if there are any technical corrections required to make those corrections.

Without objection it is so ordered.

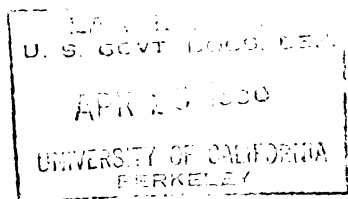
The subcommittee will now go into executive session.

(Whereupon, at 11:55 a.m., the subcommittee went into executive session.)



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[No. 48]

FULL COMMITTEE CONSIDERATION OF H.R. 11509, TO AMEND AND CLARIFY THE REEMPLOYMENT PROVISIONS OF THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT, AND FOR OTHER PURPOSES; AND PROPOSED AMENDMENT TO H.R. 12889, TO AUTHORIZE APPROPRIATIONS DURING THE FISCAL YEAR 1966 FOR PROCUREMENT OF AIRCRAFT, MISSILES, NAVAL VESSELS, TRACKED COMBAT VEHICLES, RESEARCH, DEVELOPMENT, TEST, EVALUATION, AND MILITARY CONSTRUCTION FOR THE ARMED FORCES

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Tuesday, March 1, 1966.

The committee met at 10:17 a.m., Hon. L. Mendel Rivers (chairman) presiding.

The CHAIRMAN. Let the committee come to order.

Gentlemen, this morning we have two things I want to bring to the attention of the committee. The first is a report from Mr. Price's subcommittee on H.R. 11509, and, Mr. Price, I am going to ask you to make a report from your committee on that bill, please, sir.

Mr. PRICE. Are you ready for it now?

The CHAIRMAN. Yes, sir.

Mr. PRICE. Mr. Chairman, in accordance with your direction, Subcommittee No. 3 met on February 23, 1966, for the purpose of considering H.R. 11509

H.R. 11509 is a bill designed to clarify the reemployment provisions of the Universal Military Training and Service Act. As the members of this committee are aware, the Congress has since 1940 included in its selective service legislation appropriate provisions protecting the reemployment rights of veterans. The principle underlying this legislation is that he who is "called to the colors (is) not to be penalized on his return by reason of his absence from his civilian job" (*Fishgold v. Sullivan Drydock and Repair Corporation*, 328 U.S. 275). These provisions of law are, therefore, designed to guarantee to active and inactive duty service personnel alike reemployment rights and job protection.

Generally speaking, individuals who enter on active duty either voluntarily or involuntarily and serve for a period not to exceed 4 years will, upon their return to civilian life, be entitled to return to their previous position of employment without having been penalized in the interim because of their military absence.

The bill before us today proposes to continue that reemployment and job protection by making three changes in existing law.

The first change, as provided by paragraph 1 of the bill, is to clearly establish the intent of Congress that employees with Reserve

(5323)

obligations who are members of a Reserve component of the Armed Forces of the United States shall not, by virtue of such Reserve status, be denied retention in employment or other incident or advantage of employment because of such Reserve status.

The second purpose of the bill is to clarify those provisions of the Universal Military Training and Service Act which provide for court enforcement of reemployment rights and representation by the U.S. attorney in enforcement proceedings.

The courts have made it clear that section 9(d) applies without distinction to the reemployment rights set forth in both sections 9(c) (1) and 9(c) (2), even though section 9(d) now makes reference only to section 9(c) (1). The amendment will remove any possible doubt as to the application of section 9(d) to section 9(c) (2).

The final purpose of the bill is to provide that a serviceman may serve up to 5 years on active duty without losing his reemployment rights providing that the service in excess of 4 years is at the request and for the convenience of the Government.

This latter change is particularly pertinent at this time because of the action taken by the Department of the Navy and Marine Corps in urging personnel to voluntarily extend their enlistments during the present Vietnamese crisis.

The law, as amended, now does provide a continuation of reemployment rights for those personnel who are involuntarily extended past the 4-year service point (Public Law 87-391). However, no similar provision applies to those young men who have voluntarily responded to the Secretary of the Navy's request that they help meet the Navy's critical manpower requirements by voluntarily extending their period of service beyond their 4-year enlistment. As a consequence, many naval personnel today have unwittingly lost their reemployment rights by voluntarily extending their enlistment beyond the 4-year point of service. This legislation will correct this situation.

This bill is a legislative recommendation to the Congress by the U.S. Department of Labor. It has been cleared by the Department of Defense, the Department of Commerce, the Civil Service Commission, the Selective Service System, the Office of Emergency Planning, and the Bureau of the Budget.

In addition, this bill is strongly supported by four major veterans' organizations who have urged Congress to expedite action on this necessary legislative change.

In short, this bill has the unanimous endorsement of all interested parties and the subcommittee is unaware of any opposition to it.

The subcommittee received testimony from representatives of the Department of Labor and the Department of Defense; and after extensive questioning, was satisfied that enactment of the legislation is necessary and desirable. Therefore, the subcommittee unanimously recommended that it be reported favorably to the full committee without amendment.

At this point, it should be noted that there is a slight inconsistency in the law in respect to the job protection rights of Federal employees vis-a-vis the job protection rights of other employees. This inconsistency arises out of a provision of the law contained in title 5, section 30r(b) of the United States Code which grants job restoration rights to reservists and National Guard personnel who are Federal

employees without reference to a specific time limitation, whereas the provisions of section 9(g) (2) of the Universal Military Training and Service Act provides a specific time limitation as previously indicated.

This inconsistency in the law is one of relatively long standing. However, since it is a matter primarily under the jurisdiction of the Post Office and Civil Service Committee, the subcommittee took no action in respect to it. It is recommended, however, that appropriate mention of this inconsistency be made in the committee report so as to alert the Post Office and Civil Service Committee to the desirability of effecting an appropriate legislative change in title 5, United States Code, section 30r(b), so as to make it conform to the time limitations expressly set out in section 9(g) (2) of the Universal Military Training and Service Act.

If there are no questions, I move approval of H.R. 11509 without amendment.

Mr. BATES. Mr. Chairman.

The CHAIRMAN. Mr. Bates.

Mr. BATES. The whole weight of this apparently turns on the language "at the request and for the convenience of the Government."

Mr. SLATINSHEK. That is right.

Mr. BATES. Now, under what circumstances do we find these conditions present? Is there any question?

Now, for instance, this week Frank and I had a case on voluntary extensions on active duty of commissioned reservists who under present arrangements could be retained on active duty for a period of 40 years. There is no way for them to get out. Now, this is at the request and for the convenience of the Government. Now, is this clearly spelled out?

Mr. SLATINSHEK. Yes.

Mr. PRICE. I would say that we developed that fully in the subcommittee, and the counsel took express pains to make certain that we developed this point.

I will let the counsel, Mr. Slatinshek, explain what happened in the subcommittee in connection with this point.

Mr. SLATINSHEK. The essence of the reply from Mr. Bradley, who is the chief in charge of reemployment rights, is that any evidence that the extension is for the convenience of the Government would satisfy. This evidence would be something contained in the man's record. It would indicate that the Government had requested in one form or another that he extend, and in pursuing this further I established the fact that for practical purposes everyone who has voluntarily extended during this present Vietnamese crisis would fall under this criterion. The only possible disability here is that the services will have to make certain that something does appear in the man's record to reflect this fact.

Mr. BATES. How about reenlistment, is that for the convenience of the Government, a regular reenlistment? Is this for the convenience of the Government?

Mr. SLATINSHEK. Well, again, we have the time factor here, Mr. Bates. This would, of course, encompass only a maximum period of 5 years after 1961. In other words, if the reenlistment period went beyond the total 5-year period, of course he would not be covered; he would lose his reemployment rights.

Mr. BATES. This won't cover anything in excess of the 4-year period?

Mr. SLATINSHEK. A total in excess of 5 years after 1961.

Mr. BATES. You feel that it is tied down?

Mr. SLATINSHEK. Yes, sir; it is tied down.

The CHAIRMAN. Now, I would like to ask one question. This *Fish-gold* case would lead to the Supreme Court?

Mr. SLATINSHEK. Yes, sir.

The CHAIRMAN. So that is the law?

Mr. SLATINSHEK. Yes, sir.

The CHAIRMAN. Now, these who have unwittingly lost their re-employment rights, this thing is retroactive?

Mr. SLATINSHEK. It is.

The CHAIRMAN. They can be restored?

Mr. SLATINSHEK. It is.

The CHAIRMAN. If this be done?

Mr. SLATINSHEK. Yes, sir. We interrogated the witness on this particular point also, and he indicated that this would be retroactive to certainly cover the Navy people, and the witness was of the opinion that it would also cover Air Force and Army people who voluntarily enlisted as a patriotic gesture during this period, providing it comes within the time frame in the law.

The CHAIRMAN. This phrase, Mr. Bates has used, "for the convenience of the Government," assures them their reemployment rights?

Mr. SLATINSHEK. That is correct.

The CHAIRMAN. And it comes within that interpretation of the law?

Mr. SLATINSHEK. Criterion; yes, sir.

The CHAIRMAN. Any other questions by any members of the committee?

Mr. EVANS?

Mr. EVANS. Mr. Chairman, I had one question.

In the explanation I notice on the bottom of the first page it speaks of employees with Reserve obligations who are members of a Reserve component of the Armed Forces of the United States. Does this include the National Guard?

Mr. SLATINSHEK. Yes, it does. The term "Reserve components" includes the National Guard.

Mr. EVANS. Does this in any way involve the matter of weekly or monthly—pardon me, annual duty?

Mr. SLATINSHEK. Yes, it does. Existing law does cover this aspect of military service. The witness was interrogated at length in respect to this, and this goes beyond the obligated service. The term "obligation" was explored, and the term "obligation" as used in the law means something beyond the 6-year Ready Reserve obligation.

It also includes and encompasses people who voluntarily execute a Ready Reserve agreement, and thereby acquire an obligation to continue to participate in the Reserve. These, too, would be covered. So, in effect, it covers ready reservists for the total time period they are in the Reserve.

Mr. EVANS. One other question, Frank, and that is, these men in the Navy who voluntarily extended their enlistments, for what period have they extended their enlistments?

Mr. SLATINSHEK. This varied according to the individual.

Mr. EVANS. Can it be for 6 months, 9 months, a year, a year and a half?

Mr. SLATINSHEK. It could be for any of those periods. Now, the total time frame, of course, of 5 years will apply. If he goes beyond the 5-year point he will necessarily lose his reemployment rights, the theory here being that although there is an effort to assure the individual that when he returns to civilian life he will have his employment waiting for him; on the other hand, the employer must be considered in this equation, also.

Mr. EVANS. I understand that.

Mr. SLATINSHEK. If this period is protracted—

Mr. EVANS. I was wondering what periods of time these individuals in the Navy and Marine Corps had signed up for.

Mr. SLATINSHEK. Varying periods. But if the total period of active service since 1961 is not more than 5 years, they are protected.

Mr. EVANS. Thank you.

The CHAIRMAN. Without objection.

Mr. STRATTON. Mr. Chairman, could I ask one question on that last point?

The CHAIRMAN. Mr. Stratton.

Mr. STRATTON. Suppose we get into a lengthy conflict in Vietnam, as we may be doing, suppose someone whose enlistment is coming up extends for a year, and then suppose there is a requirement for increased service in Vietnam, does the automatic termination of this 5-year point mean that he then loses everything if he goes beyond the 5 years?

Mr. SLATINSHEK. He will lose it unless the Government requires that he remain on active duty.

Mr. STRATTON. In other words, if there is a provision that he has to stay in for the duration, then he will continue to maintain his rights?

Mr. SLATINSHEK. Yes. These reemployment rights, of course, continue during any period of extended involuntary service. This was a change made in the law during the Berlin crisis.

Mr. STRATTON. I understand. Thank you.

The CHAIRMAN. Without objection, Mr. Price will report the bill, a quorum is present.

Do we have to go before the Rules Committee on this?

Mr. PRICE. I wouldn't think so.

The CHAIRMAN. There is no money in it.

Mr. PRICE. There is no cost involved. It might very well go on the Consent Calendar.

The CHAIRMAN. You put it on the proper calendar, and you handle it on the floor, Mr. Price.

Now, on the bill before the House today, the committee adopted an amendment proposed by the distinguished gentleman from Virginia, Mr. Hardy, which has caused DOD some problems because of certain unforeseen emergencies and other problems arising in the construction area in Vietnam, and in all southeast Asia, particularly Vietnam.

General Wheeler has been concerned about it, and has talked with us this morning about it, and I understand it. It is Mr. Hardy's amendment. So I think now that Mr. Hardy and General Wheeler and Mr. Blandford have worked out something under which the committee can be kept fully informed on expenditures so that there

be no blank check concept, for all this money appropriated, and for all intents and purposes our committee would otherwise only be informed after the fact. I understand now that Mr. Hardy and General Wheeler, who is here, have worked out something, and, Mr. Blandford, you report it. Is this a fact?

Mr. HARDY. Mr. Chairman, I think in discussing the matter with General Wheeler, I can see some problems in certain words in the original language, and I think we have worked out language which will accomplish the intent of the other language which ought not to present any undue burden on the Department, or cause any delays. The delays is the thing that has apparently disturbed them.

Mr. Blandford has the language that we worked out, and if you will permit I will ask him to read it.

The CHAIRMAN. Because the Secretary of Defense has assured us, before the committee, and again this morning, and so has General Wheeler representing the highest echelon of our military, that we will be kept fully informed. The committee certainly has no intention of delaying anything, and we feel pretty confident, very confident, that the Department of Defense will keep us fully informed about the modus operandi and the progress of these things as they come about.

Mr. Blandford, you read what they worked out.

Mr. BLANDFORD. Yes, sir. The original language is 401(b) and I will read the original language, and this would be offered on the floor this afternoon as a substitute for the original language which was adopted by the committee.

401(b). The Secretary of Defense shall furnish to the Armed Services Committees of the Senate and House of Representatives a description of each project, together with full and complete justification therefor, including a cost analysis thereof, prior to the execution of any contract for the establishment or development of a military installation or facility, whenever it pertains to the acquisition, construction, conversion, rehabilitation, or installation of permanent or temporary public works, including land acquisition, appurtenances, utilities, and equipment, the moneys for which are authorized to be appropriated by this Act.

Now, as the chairman has indicated, this could possibly create some very serious delays in construction. Some of these are words of art, and we have worked out the following language. What the Senate will do with this I cannot tell you at this time, but this is the language that we worked out as a substitute for 401(b), which will provide us with the information which we think the committee wants.

First, let me explain that under the directive that has been established for the first time, I guess, in history, these construction projects in Vietnam will not be cleared with OSD. They will only be cleared in categories. For example, JCS will approve airfields as a category, but in Vietnam, they will determine where the airfield will go, and the priority of construction. And there will be lump-sum categories.

General Wheeler, will you correct me whenever I am wrong in this explanation?

General WHEELER. That is absolutely correct.

The CHAIRMAN. The complex of the war can change so fast you will have to leave this discretionary power to the man in charge, to wit, General Westmoreland.

General WHEELER. That is correct.

Mr. BLANDFORD. Because of this, and because the Department of Defense is not directing this construction but General Westmoreland is, we have written this language change for 401(b) :

The Secretary of Defense shall furnish to the Committees on Armed Services of the Senate and House of Representatives a description of all construction projects, including cost estimates and periodic reports, made available to the Secretary of Defense simultaneously with the receipt of such information from the persons responsible for the construction of such projects in support of Vietnamese and other free world forces in Vietnam.

So far that means that we will get whatever the Department of Defense gets.

Now, this is the add-on :

Whenever such construction projects, involving \$1,000,000 or more, are performed by private contractors, the Secretary of Defense or his representative in Vietnam,

and at this moment that is General Westmoreland,

shall report to the Committees on Armed Services of the Senate and House of Representatives the name or names of such private contractors, the amounts involved in each contract, and a copy of the report in support of each progress payment and a complete report prior to final payment.

The CHAIRMAN. That looks like it accomplishes it.

Mr. HARDY. Mr. Chairman, I think that language is good and actually it will give us as good control as we would have had under the other language without providing for any delays that the Department is concerned with.

The CHAIRMAN. I don't see how that can hurt you, General Wheeler.

General WHEELER. I believe that will take care of it, Mr. Chairman. I don't see any difficulty with that.

The CHAIRMAN. If we do have any difficulty we will take another look at it.

General WHEELER. We will come back and see the committee again if there are any problems.

The CHAIRMAN. Do this as fast as you can.

General WHEELER. I will, indeed. I would like to thank the chairman and the members of the committee for their consideration of this matter which is most important to our effort in Vietnam.

The CHAIRMAN. Thank you.

Mr. BATES. We want to cooperate in every respect, but I wonder if you would review for us exactly how this will happen. General Westmoreland, we will say, wants an airfield.

The CHAIRMAN. You can sit down here, if you want to.

Mr. BATES. Let us run through this, because I didn't quite—

The CHAIRMAN. Just take a project.

Mr. BATES. In association with large projects, because a lot of planning must be done, and someone must be told to do it at some place at some time.

The CHAIRMAN. To begin with it is categories.

General WHEELER. The categories are major items such as an airfield, a port, or something like that.

Mr. BATES. Tell us why this is necessary in the case of an airfield.

General WHEELER. I can give you an example of an operation we have been going through out there in recent weeks. This is the estab-

lishment of a new airfield in South Vietnam. We have had difficulty in finding a location, a proper location, for an airfield, because we have found, or General Westmoreland and his people have found, it is desirable to have an airfield and a port in contiguity to each other in order to facilitate supply and so on.

Actually, in an effort to find this new airfield, Westmoreland has had surveys made of about five different locations. He has now recommended [deleted] as being the best location for this next airfield which we will build.

Now, he has come in through CINCPAC to the JCS making a recommendation that he be authorized to build an airfield at [deleted]. He will get this authorization. I mean this is actually pro forma. We are not in any position to second-guess him on this.

Now, as to why there might have to be changes made and the reasons the Joint Chiefs of Staff recommend a relaxation of DOD control: A recent instance, and a major instance, is the airfield or airbase that we are constructing at Cam Ranh Bay. This airbase was designed to have, first, an assault strip, a temporary strip made of aluminum matting, and then somewhat later they were going to start work on a permanent runway there. It would be a major piece of construction. This was all laid down, the directive had been issued, and then Westmoreland's construction people came to him and stated that they recommended that the priority to be given to the permanent runway be transferred to a priority for the roads in the Cam Ranh Bay area because of the very deep sand there. As I know many members of this committee know, these deep sands are actually hampering his ground operations. His air operations are going fine from the temporary strip. Therefore, General Westmoreland issued instructions to change priority from the permanent runway to the road facilities in order to get the aggregate to provide proper roads.

As soon as the roads are in fair shape he will put the priority back on the permanent runway again.

Now, this is the type of thing that General Westmoreland is faced with out there, and this language here is designed to give him operational flexibility.

Mr. ARENDS. Mr. Chairman, I move the adoption of the amendment to be offered by the chairman as an amendment on the floor to the bill.

The CHAIRMAN. Without objection.

Thank you very much, General Wheeler.

General WHEELER. Thank you, Mr. Chairman, and I thank the committee.

(At this point the committee proceeded to other business.)

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STATEMENT
OF
LASZLO SZABO
IN
HEARINGS
BEFORE THE
CIA SUBCOMMITTEE
OF THE
COMMITTEE ON ARMED SERVICES
OF THE
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS
SECOND SESSION

MARCH 17, 1966



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Mr. ARENDT. Mr. Chairman,
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bill.

The CHAIRMAN. Will
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CONTENTS

	Page
I. Life History.....	5331
II. An Evaluation of the Hungarian Security and Intelligence Service (AVH).....	5335
III. The Missions of the AVH.....	5337
IV. AVH Integration With Soviet and Other Bloc Intelligence Services.....	5339
V. AVH Operations Against the United States and the American Legation in Budapest.....	5343
VI. Disinformation.....	5347
VII. The Case of Bela Lapusnyik.....	5349
VIII. The Hungarian Revolution of 1956.....	5353
IX. Messages to Hungarians at Home and Abroad.....	5355

(iii)

STATEMENT OF LASZLO SZABO BEFORE THE CIA SUB-COMMITTEE OF THE COMMITTEE ON ARMED SERVICES OF THE HOUSE OF REPRESENTATIVES

I. Life History

My name is Laszlo Szabo. When I asked political asylum of the United States Embassy in London on 18 October 1965, I had served twenty years in the Hungarian security and intelligence service—for convenience I will refer to it as the AVH. In July 1946, I was appointed a sub-lieutenant in the Political Section, Rural Department, Internal Police Headquarters in Budapest. When I left the Hungarian political intelligence service on 18 October 1965, I held the rank of major. I left the Hungarian intelligence and security service because I was unwilling to carry out my assigned missions against the west. I had reached this determination after years of silent, anxious, terrible fighting with myself. This was the first opportunity I had to leave the service of the Hungarian police state in safety, and I took advantage of the opportunity.

I was born 31 August 1925, in Debrecen, Hungary, a large city in rural eastern Hungary. I grew up in a family of very modest means. My father was a printer's assistant. He had been a prisoner of war of the Russians during World War I. He was fundamentally a Communist in his political belief. After World War II, my father worked for the Soviets in Hungary as a translator. I was not in military service during World War II. I worked throughout that time in a printing plant in Debrecen.

I was inscribed in the Hungarian Communist Party by my father, and I was sent by him to the County Center of the Communist Party in 1945 for a recommendation. They sent me to the Ministry of Interior school despite my explanations that I did not want to be a policeman. I was told my father had promised that I would do what I was told. I did not have the courage to protest or back out. From that moment until the moment of my break with the Hungarian service on 18 October 1965, my life was a succession of failures to take a firm stand.

I finished gymnasium (high school) in Budapest in 1946 by attending night courses in the College of Foreign Languages in Budapest. Until 1948 I worked in the provinces, and from 1948 to 1963 in the capital, Budapest.

My assignments included a tour of duty with a counterintelligence section of the Internal Security Branch of the Department for State Security. Between January 1949 and December 1952, I took part in the work of neutralizing radio transmissions of western agents in Hungary. I was routinely promoted to lieutenant during that period.

From January 1953 to the end of 1954 I was out of Hungarian security work and served as the chief of factory guards at the Lorincz Sheet Metal Mill in Pest-Szent Lorincz. From the autumn of 1954 to November 1956, I was an officer in the Industrial Sabotage Section of the Internal Security Branch of the State Security Service. In November 1956, I was appointed deputy chief of the Metallurgical Subsection, Industrial Sabotage Section, of the Internal Security Branch, AVH. I was routinely promoted to captain in 1957 and to major in 1960.

Up to this time I had served only in internal security components. During the autumn of 1963, however, I was transferred to foreign intelligence operations. I was assigned to Subsection B in the First Main Department. This subsection handled operations against the United Kingdom. I spent one month at Oxford University, England, studying the English language in 1964. Previously, I had studied English in night courses in the College of Foreign Languages in Budapest between 1959 and 1963. I remained with this unit in Budapest until September 1965. I was sent at that time to the Hungarian Embassy in London as an espionage officer, as a member of the unit (commonly known as the *residentura*) which operates under diplomatic cover in the London Embassy. My personal cover for this assignment was a diplomatic post as Second Secretary for Economic Affairs. On 18 October 1965, shortly after my arrival in London, I took the action which severed my service with the Hungarian Communist regime forever.

These in bare outline are the main facts of my personal life and career, but they cannot reflect my whole history as a man. That is involved, complicated and must be explained in detail in order to be understood. Sometimes I believe that even after it is reviewed at length the story remains unexplainable. Fundamentally, I cannot say that I am courageous, but I do believe that I am a sensitive man. I have always aspired to a happy life and to the performance of good purposes. If a man's decisions were to be based solely on financial return, there would have been no reason for me to have left the Hungarian service. We were paid very well—almost 8,000 forints a month. That is almost as much as a minister makes in Hungary today. None of these considerations really counted in moving me finally to the break. It was a gradual, continual process, building up to the horrible realization that everything that had happened to me from 1945 had been in response to the wishes, commands, and demands of others. I finally decided not to go along any further like a piece of wood floating in a current of water.

My first grave doubts about the morality of the Hungarian security service system were generated in 1948 and 1949 when I assisted in the work on a number of cases that were basically mounted by the service against certain foreigners in the country. I began to fight myself and to begin to justify this action by conceding that in the long run there might be some ultimate justice in these basically illegal actions. Thereafter, however, the AVH service began to choke out any individuality or feeling and I was always under orders. I noted in 1949 and 1950 certain AVH officers began to disappear. These men disappeared, for example one was Oscar Havas, without a trace—that was

the period of the persecution of Ferenc Nagy and the period of the Rajk and other cases. But with these doubts also came my fears. What was happening in the service also began to happen in the country itself. Slogans began to repress all thinking and created widespread fear, and this was greatest within the AVH itself. I joined the AVH as a very young man. After a succession of events, I recognized it for what it was. I did not have personal bravery then to turn in any other direction and I found it impossible then to change the course of action.

During the two years that I was out of the service—1952 to 1954—I saw what had happened in Hungary was completely tragic, but I accepted to go back in the service. Though I hated the slogans, I felt I was probably safer in the AVH at the time and knew it better than any part of the Party organization. There was a third choice—I could have refused to go back, but I feared to do it. I knew by this time that they were ready to kill as well as pressure so I chose to go back in. It is very difficult to describe a fight that goes on inside the self. A heroic man could have refused. I was not and am not that, and I feared to do it. I talked to no one about my doubts. That would have been a mistake. I was able to leave the way I did and I am here today because I was careful.

In the period 1954 to 1956, the Hungarian security service lost in power. At the same time the country gradually was caught up in a ferment of criticism and opposition to the Communist regime. We in the AVH knew this. We were powerless to stop it in the country just as the service itself was powerless to mobilize effective counter-action.

I remember receiving in the AVH a small pamphlet printed in the west and sent into Hungary which carried the text of Khrushchev's secret speech at the Twentieth Congress. Thousands of copies of this pamphlet got into the country and were passed around secretly. Within the AVH, which had the job of picking up as many copies as it could, the document was read with great interest. It was given to me to read by a colleague. The influence on me of this little booklet was terrible and it also affected other AVH officers the same way. It was clear from Khrushchev's secret speech that Rakosi and his followers had not only followed the example of Stalin's leadership but had really carried out horrible crimes against the Hungarian people on their own. Very gradually the October 1956 Revolution developed in Hungary out of the crimes of the regime itself. First by its excesses and then by its inability to clean up its own messes. The 1956 revolt, therefore, was prepared and carried out by the Hungarians themselves, not by outsiders.

I survived the events of late October and early November because I was in the Ministry of Interior building throughout the whole time on duty. I was evacuated from the building under Soviet guard and brought back by them a week and a half later. I followed orders and kept quiet.

My transfer to the overseas part of the service was the beginning of my opportunity, finally, to decide something for myself about my life. I was able to make the change because one of my former superiors had earlier gone to the External Service as deputy chief and he

picked me to follow him there. When I was in Oxford in the autumn of 1964, I thought of remaining but ultimately I decided to return. Again I was still afraid and perhaps somewhat confused, but I also knew I was sure to come back.

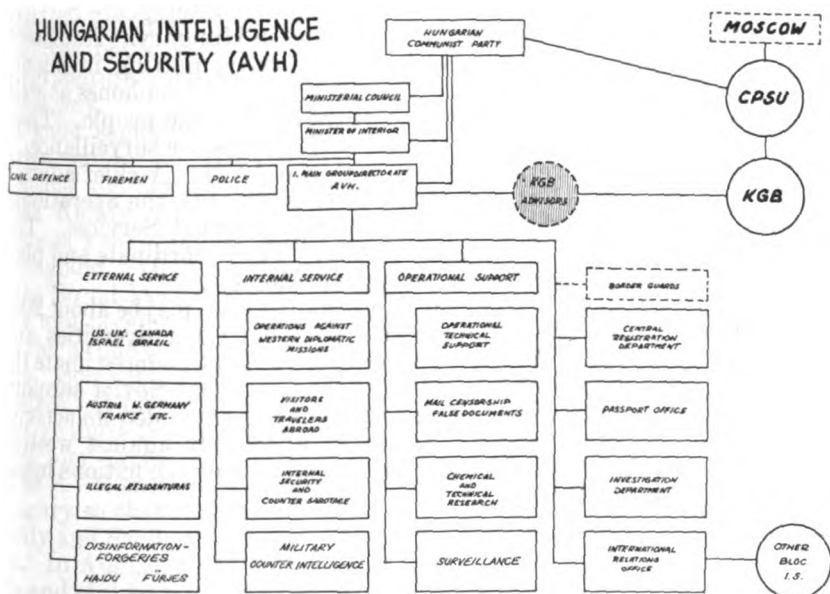
When I arrived in the United Kingdom, finally, on my assignment, I had decided I would not carry out any orders and soon after my arrival I made the break. I knew this was my last chance. I finally made up my mind I would not serve the AVH organization further. I have no doubts about my choice and I would do it over again if I had to. Was this a crime against my country? I am sure that it was not. It was the only thing I could do. The crime was that I was a member of a very cruel and inhuman organization. But I never did anything criminal, I never fired a gun at a man during my service, and I never initiated any cases against innocent people.

My soul is clear before God—and I hope before you.

II. An Evaluation of the Hungarian Security and Intelligence Service (AVH)

The Hungarian intelligence and security service—as I said earlier, for convenience I will refer to it as the AVH—is under the Ministry of Interior and is the instrument of the Hungarian Communist Party.* It protects the Party and the Government from all inside and outside enemies. It works against the “Main Enemy”, the United States and other western nations. All capitalist nations are enemies, but the United States is the “Main Enemy”. In the Magyar language it is a special term that is used in documents, instructions and briefings: “A főellenség”.** The Hungarian Communist Party keeps close contact with the AVH through the Ministry of Interior.

EXHIBIT 1



The AVH works both abroad and inside Hungary. The part for working abroad is called the Intelligence Service, or the External Service. It handles disinformation operations, such as forgeries, to make the west look bad in Africa and Asia. It runs the spies from its intelligence units, or *residenturas*, in Hungarian embassies, and the

*See Exhibit 1.

**This is the Magyar equivalent of the Russian term used in Soviet State Security documents: “Glavni Vrag”.

"illegal" agents who work disguised as non-Hungarian people. The AVH has been looking seriously to recruit agents among the refugees who fled abroad in 1956. AVH officers abroad have to study these people, find out who can be recruited and how. They have some successes in recruiting.

The External Service works mainly against the United States, the United Kingdom, France, Italy, Canada, Brazil, Israel, Austria and Germany. There is a subsection for each of these countries. All other countries are handled by the Miscellaneous Operations Section. AVH officers abroad work from centers, generally in Hungarian embassies and legations, called *residenturas*. These are located in Washington, New York, London, Paris, Frankfurt, Vienna, Rome, Rio de Janeiro, Ottawa and Tel Aviv. In Moscow and in each bloc capital there is a special group for liaison on security and counterintelligence. Each *residentura* is headed by a *resident*. He has under him staff officers and temporary, or "coopted", agents who are diplomats or administrative people who are assigned temporary spying functions by the AVH. Possibly there are unofficial *residenturas*, staffed with coopted diplomats, in Tokyo, New Delhi and other cities throughout the world.

The Internal Service of the AVH, the Counterintelligence Service, watches the Hungarian people and foreigners in Hungary. Its officers are good at entering foreign embassies secretly, putting in microphones, following people, monitoring the radio and telephones as well as using internal agents and provocateurs against the people. They are studying the use of television and such things for surveillance.

The Soviets keep several advisors with the AVH. A chief advisor works with the top AVH men, the others work with the operational departments in both the External and the Internal Services. The KGB and the AVH work together closely. They coordinate and plan operational work at periodic meetings in Moscow.

The AVH is a small but developing organization, maybe about 2000 staff officers. Staff officers are recruited from the universities and trained by the AVH. Western countries should not underestimate the AVH. It is neither poor nor weak as long as it has Soviet support. It is dangerous to the west and since 1963 it has expanded its activity against Hungarians overseas. It works effectively against western diplomats and students in Hungary and against western nations inside Hungary's own borders.

III. The Missions of the AVH

The main mission of the AVH is to protect the Communist Government of Hungary. No matter how they reorganize the AVH, change it around, this mission never changes. They have to protect the Party and the Government against all inside and outside enemies.

First, they work against the "internal" enemies. The AVH and the Soviets learned a lot from the Revolution of 1956. Since 1956, they have reorganized and have tightened up the work within the country. All the time they watch what they call "the most dangerous elements" of society: members of churches, intellectuals, people of old regimes, old army and police officers, people who used to be something. And also young people. You would think they would trust the young people they are educating their way, but no, they are not trusted either. They watch for sabotage too. They can define sabotage any way they want. Sabotage means throwing sand in machines, but it can mean not carrying out the big plans for industry or agriculture. Anybody can be called a saboteur if the AVH wants it that way.

I know something about the work of the AVH against the Hungarian emigration. I have seen how they try to penetrate their organizations and destroy these people. They used this technique against Anna Kethly, Imre Szelig and the Hungarian Social-Democrats.* There is a man named Gyula Balogh, a Social-Democrat who lived in England. He made jewelry. Balogh was a medium-level leader in the Social-Democratic Party after 1945. About 1948 he left Hungary and became an important Social-Democratic leader abroad.

After a time he quarreled with Kethly and Szelig and turned against them. Sometime after 1956 he was recruited as an agent of the AVH by an AVH officer under diplomatic cover in London. Balogh was inactive until 1964 when another officer under diplomatic cover activated him again.

The AVH then decided that Balogh must be persuaded to come to Hungary so that they could find out if his intention to work against Kethly and Szelig was serious and if he was really a good agent prospect. In August 1965, Balogh came to Hungary as a tourist with his wife and children. I was ordered to talk to him to see if he was suitable for AVH work. I met him at the end of July, for the first time.

Balogh had scandalous stories to tell against Kethly and Szelig. Then he told me that the Social-Democratic movement was declining and practically did not exist. So I asked him what he wanted to destroy. He did not answer me. I asked him what he wanted to do for the AVH. He told me: "I am really a Communist. If the

*Miss Anna Kethly and Imre Szelig were prominent leaders of the Social Democratic Party in Hungary and continue as leaders-in-exile.

AVH will give me a task I am ready to carry it out." He was not a paid agent.

The internal AVH works against the foreign diplomats, the students who come to study in Hungary and the tourists. Every foreigner is considered a possible spy. Must watch him if he acts strangely or wants to learn too much. Always the internal people are looking for good recruits among the diplomats, the students, the tourists. They monitor telephones, try to plant microphones and maintain the surveillance on foreigners. This is the main principle: if you can recruit a foreigner inside Hungary, you may have a good agent in his home or in another foreign capital one day.

The External Service is always looking for possibilities in the foreign offices in the capitals of the enemy states. Foreign offices are one of the first targets for the Hungarian service, by an agreement made among the Communist services themselves with the Soviets. Recruitments may result from watching the foreign diplomats in Hungary.

Hungarians living abroad are an important and urgent target. The AVH wants to recruit many of these people as agents. Even the children of emigrants and refugees are looked for. These emigrants and refugees are very important to the AVH. Also the AVH is always trying to find out about foreign intelligence services. They do not expect to have a lot of immediate good luck in this field, but still they keep trying.

As I pointed out earlier, the AVH works with the Soviets on disinformation and propaganda. The AVH always works with the Soviets. Anything they do has Soviet support and agreement.

IV. AVH Integration With Soviet and Other Bloc Intelligence Services

The AVH works closely with the Soviets. Since the Hungarian Revolution of 1956, however, the Soviets have relaxed their hold on the Hungarian Government somewhat, and the number of advisors has been cut down. Soviet cooperation with the AVH is carried out by advisors who are assigned to that service. There is a chief advisor. The other advisors are assigned to the Counterintelligence Department, and to the Intelligence Department.

According to the general agreement between the two services, the Soviet advisors can see all the important AVH papers, including the annual report of the service. The Information Department selects the most valuable intelligence information to send to Moscow. Hungary has no secrets from the Soviet Union. Officials of the AVH run to the Soviet advisors with any information they think is important. They are happy to be of service to the Soviet State Security—the KGB.

When the Soviets need it, they can get the operational assistance of the AVH. I remember one case some time ago. The Soviet KGB wished to recruit a woman, a foreigner. They arranged for the AVH to have this woman invited to Hungary. An AVH officer was assigned to handle the invitation to the woman and the details of her stay in Hungary so that the Soviets could approach her.

If the AVH has an operation of interest to the Soviets, they will ask the agent reports be given to them. When the Soviets want original documents or an agent's file, the material is sent to Moscow. If they want, they will also get the code names assigned to agents by the AVH, as well as the agents' true names. The logs and registers of incoming AVH intelligence reports and materials are maintained for the use of the Soviet advisors by the Evaluation and Review Department of the External Service. The Soviet advisors had their offices on the same floor and were in and out of the Evaluation Department at will. When the Hungarian External Service created its disinformation and forgeries unit, it was set up in the Evaluation and Review Department.

The AVH contacts the Soviet service in foreign capitals through Hungarian and Soviet contact officers. The AVH group in Moscow is there for counterintelligence purposes, that is, to watch Hungarian diplomats and students in the USSR. The AVH also maintains groups in the capitals of the Soviet bloc countries, but, again, for counterintelligence purposes only. They watch Hungarian citizens living in those countries. I believe the group in East Berlin also works against the western nations. Officers of one bloc service may be sent to another bloc country to work on specific intelligence cases. As I said earlier, the groups each service maintains in the capitals of the others work only on the citizens of their own nations in those bloc countries.

Requests for information on individuals to other services are handled by the AVH International Relations Office. Between the Communist services and the Soviets, the official language is Russian. The International Relations Office sends telegrams to the services of whom the request is to be made. When replies are received, the International Relations Office first sends them to the Soviet advisors where the reply is recorded; they are then sent to the subsection concerned. The Soviet advisors will always have the chance to know the details about each request for information that is passed about among the bloc services. If the AVH obtains information that is believed to be of interest to another service, the Czechs for example, it will be sent to them through the International Relations Office. Names of individuals of interest to the AVH will be cleared with the other services through the same way. If another service replied it is interested in the individual, the Hungarians would let him go or maybe use him together. If necessary, an officer will be sent to discuss specific agent problems with another service.

Periodically the Soviets call conferences with individual services in the USSR for the discussion of intelligence objectives and problems. The Soviets, as far as I know, meet with the representatives of each service individually. On occasion, however, representatives of bloc services may meet to talk over mutual problems.

All of these services work together today more as equals. I want to stress this point. The Soviets try not to order the other services around, they prefer an appearance of giving advice and suggestions. They don't command openly the other services any more in matter of details. You might call the Soviets "the first among equals". But some are still more equal than others. When something has been decided at the chief's level with the Soviets, the other services must stay strictly in line.

The Soviets give counterintelligence training in the USSR for officers from all the bloc services who want to take advantage of the opportunity. Training is not forced on the other services. They can send officers or not. The Soviets tell each service the number of officers they can send, but the services do not have to send this number. They can send less.

I have personal knowledge of the counterintelligence training because I was one of several AVH officers who attended this course in 1957. We were the first group to go to the USSR for training after the Revolution of 1956. Our course began in September 1957 and lasted one year. It was given in a KGB building in Moscow. We lived and studied in the same building. We Hungarians studied alone. We did not work with other national groups. The instructors were from the KGB. Their lectures were interpreted into Hungarian as they were delivered. All our notebooks were classified secret and kept locked in a special room when we were not using them.

The training given us was in counterintelligence subjects. We received instruction on how to find, recruit and handle agents and informers for reporting on individuals and groups. It is fine, the Soviets said, if you can find a person who will work for you of his own free will when asked, but usually he will not want to do so. Then you have to use pressure to force him. You have to investigate your

prospect to see what is the best method to use. Use blackmail if you have to, but recruit your man.

They gave us careful training in some counterintelligence subjects: every secret area of the country, such as military installations, research institutes, scientific installations, and government agencies must receive the attention of counterintelligence. According to the Soviets, special attention has to be given to the "internal enemy", that is, counter-revolutionary groups or nationalist organizations, and to anti-Soviet activity organized from abroad.

All church groups have to be penetrated by agents abroad in order to find out their plans against the Soviet Union. The Soviets consider any kind of religion to be a tool of the "imperialists". For the Hungarians this means Catholics, Calvinists, Lutherans and a number of other small sects. The Soviets gave us in the training course a long list of "subversive" churches.

They gave us training in counter sabotage. This covered counter sabotage in industry, armed forces, communications, space and agriculture.

Sabotage in planning offices must be carefully watched for. We had to plan counter sabotage and other cases which the instructor then criticized.

One significant subject was investigation, that is, how to plan an operation against a hostile person or group, make the arrest, interrogate and assemble evidence to convict the subjects and get confessions. We have to entangle the suspects and get them to confess. They gave us a problem to work out in this field. In general, everything is allowable in working against an identified traitor or group for this purpose.

We received some general instruction on the western intelligence services, their organization and how they work.

A very important part of the course was instruction in work against foreign embassy buildings and foreign diplomats. According to the Soviets, every capitalist embassy and legation in Moscow is a nest of espionage. Every means must be used to penetrate them and find out their work. They taught us to use surveillance, photographic apparatus and planted microphones in this work. Much attention was also given to physical penetration of embassy buildings and the secret theft of materials such as code books.

Whenever they can, the Soviets use agents against foreign embassies. Some of these are Soviet nationals who, for one reason or another, can visit foreign embassies. These people can look and pick up a lot of information. But the best method, the Soviet lecturer said, was to recruit diplomats as agents. This is the best way to get inside the embassy building. The Soviets gave examples of blackmailing diplomats with photographs of their intimate relations with women and with homosexuals. They use any technique: blackmail, threats against relatives, money. Anything that will work.

As a practical exercise, I had to prepare a plan for getting into a building. This included getting the layout of the building, reproducing keys to the building and the safes, working out a schedule of the movements of the diplomats, arranging for the people who will make the entry, etc.

I know there is also a course in the Soviet Union for intelligence training of officers of bloc services. This is a longer course than the counterintelligence training I have just described.

The work among Soviet and bloc intelligence and security services is a direct result of the cooperation between the national Communist parties and the Communist Party of the Soviet Union. Earlier, during the thirty years when the Communist International existed, the Bolshevik Party ran all other parties through the Comintern, and later the Cominform. They could order them directly. All this meant, generally, was that every Communist party depended upon the Soviet Communist Party for orders and directions. In effect, the Soviet Communist Party exercised total authority and control. This gradually subverted the parties from their own national interests and they became paralyzed. Now the form has changed. The national Communist parties have more authority and can choose the methods for achieving determined overall Communist bloc goals. The integration of bloc and Soviet security and intelligence services takes place in just the same way. As I said before, every bloc service is a Party instrument. Service and Party practices are in parallel. Each bloc service has agreed with the Soviet service to achieve certain broad objectives in its own interest and in the interest of the other bloc services. They all use the same method but they have integrated objectives. For example, the Hungarian service in this integrated framework has agreed to attack western foreign offices, in particular. This doesn't mean, of course, that they won't develop other good opportunities too. This is a kind of intelligence COMECON.*

*Council for Mutual Economic Assistance, set up among the Soviet and Soviet bloc countries.

V. AVH Operations Against the United States and the American Legation in Budapest

As I have already said, the Soviets consider the United States to be the "main enemy". I have talked to AVH officers who have worked against the Americans. I feel I know how the Soviets and the AVH operate in that field.

The idea of the KGB and the Hungarian AVH is always "penetrate, penetrate, penetrate". Get inside the government agencies in the enemy's capital; get inside his embassy in your own capital. Use technical means or agents but get inside somehow.

Of course you have to study your enemy's embassy and its people before you can act. There are many ways to do this. I should say first, however, the AVH considers the United States Legation a difficult target. The building is well guarded.

They keep trying though. They keep studying the place and the people who work there. Fixed surveillance posts are put in buildings near the American Legation. People going in and coming out are photographed. Infra-red binoculars are used to watch the entrance at night. Now the AVH is planning to use television cameras for surveillance. They are experimenting with television.

Of course the AVH uses foot and automobile surveillance against the Americans, and other western embassies as well. Some of the cars they use are parked openly near the American Legation, others are hidden. There is even a special AVH surveillance group at the American Legation to watch for Cardinal Mindszenty. Because of this situation, the American Legation is under the heaviest surveillance of any western diplomatic mission in Budapest. It takes a lot of manpower and money to keep surveillance on all the diplomats, so the AVH tries to evaluate them to determine who is interesting, who has an intelligence mission. They try to concentrate on the interesting ones. When diplomats go out in the country they are followed in cars. Sometimes they send men from the center in Budapest, but often local officers in the counties are used. At the county line the old surveillance stops and the men of the next county pick it up. Policemen are required to report any diplomatic automobile they see; often they neglect this duty. Employees of bars and other places foreigners visit are recruited to report on them. The AVH is able to surveil all foreigners if it has need to.

The AVH recruits employees of Americans. For example, some years ago the maid of an American official was recruited and ordered to look at every piece of paper and notebook she could find in his apartment. One day she called to say she had found an important notebook. The operations officer picked her up and photographed the book in the car, then she put it back. The AVH is always trying to recruit people to use against Americans. They use blackmail or any

kind of pressure to get these diplomats in their power. I have described how the Soviets do it. The AVH uses the same methods.

Even the public demonstrations against the Americans in Hungary are planned by the AVH. In February 1965 there was a demonstration about Vietnam in front of the United States Legation. Of course this demonstration had the permission of the Party and the Government. Otherwise it could not have taken place. A fellow AVH officer told me how they handled this demonstration. The AVH planned a large demonstration so they allotted in advance the money to pay the damages. They set aside two million forints to pay the damages before the demonstration started.

The AVH had other plans for this demonstration. They hoped to use the confusion to break into the American Legation and grab some material, files, and such. Security officers, almost all the staff of the AVH subsection handling the American Legation, were put among the demonstrators for this purpose, but they could not manage it. They could not find any opportunity to break in.

Sometimes the AVH uses the American flag. In 1949 or so they wanted to arrest two men they thought were working for the Americans. They found that these men were hiding with a farmer in the country. So they put an American flag and diplomatic plates on an American car and drove out to the farm like an official American car. I know about this because I went along as a guard in another car. When the car with the flag reached the farm the two men thought the Americans had come to rescue them. They came out and got in. Then they were arrested.

That's how the AVH works against the Americans in Hungary. I do not have much first-hand information about the work of the AVH in the United States, but I have some details. There is a secret Hungarian intelligence unit under diplomatic cover called a "*resindentura*" at the United Nations in New York. There is also a *resindentura* in the Hungarian Legation in Washington. I know nothing about AVH agents under deep cover in the United States, but I am sure that they are operating here.

I believe any group of Hungarian officials or travellers will contain AVH agents. I know also ex-AVH agents were among the refugees leaving Hungary in 1956. Since the Revolution, the AVH has lost no opportunity to reactivate former agents and to recruit real refugees, using any pretext or means. Any refugee who returns to Hungary on a visit is a target. The large number of Hungarian refugees scattered throughout the world are natural AVH targets.

I do not know the AVH plan of work in the United States, but I know what they planned for 1965 and 1966 in another area and I presume that the plan could be the same. For that area, they planned to work against the foreign service headquarters. They wanted to find out everything about it. First, everything about the building. Its heating system, electrical system, how the building is cleaned, who supplies food for the restaurants, where supplies are bought. Next, they want to know the security system, what kinds of passes are needed, how you get in and out. They want to know all about the people who work there: who they are, where they were educated and trained, where they go to eat, what doctors they use, how they

get language training, who the teachers are. They are always looking for some Hungarian-born person who has something to do with the diplomatic headquarters. Since it is the practice in one western area, why shouldn't it be the same here?

I know that they tried to make contact with American diplomats to find out if they are interested in Hungary or may have been born there.

EXHIBIT 2



JANOS FÜRJES

VI. Disinformation

I know about the use of forgeries and disinformation by the Soviets and the Communist bloc. Of course I don't know everything, but I can tell you something new.

During January 1964, *Newsweek* magazine asked for information about those persons responsible for putting out forged issues of the magazine in November and December 1963. They have probably never learned who was responsible for these forgeries and disinformation.

I can tell them. It was done by the Hungarian intelligence service. Major Janos Fürjes, Chief of Special Activities, the unit responsible for disinformation work in the Hungarian service told me about it before I was transferred to the AVH *resindentura* in London. He told me the whole story.*

There were two forged issues of *Newsweek*. The first issue, dated 18 November 1963, was printed on the secret presses of the Hungarian intelligence service. Fürjes told me that the texts of these forgeries were prepared in French, then given to Noel Field for the translation of parts into English. The first forged issue was sent by diplomatic pouch to certain Hungarian embassies for mailing to African and Asian diplomats and other selected persons. AVH personnel handled the mailings. People doing the work had precise instructions about what to do. For example, they were ordered to wear rubber gloves while handling copies so as not to leave fingerprints in handling and sticking on stamps. I know that London was one of the mailing points. The mailings were countersurveilled by AVH personnel to make certain that they were not detected.

Almost all copies of the first forged issue had been mailed when President Kennedy was assassinated. There were problems for the AVH because the forgery contained cartoons that were critical of President Kennedy. It was feared after President Kennedy's death that there would be an unfavorable reaction. Therefore, a new forged *Newsweek* issue, dated exactly one month later, and carrying President Kennedy's portrait on the cover was put out and mailed in the same manner as the first. One of the cartoons was redrawn so as to be more favorable to President Kennedy, the others were dropped.

This is the reason why two forged issues of *Newsweek*, with almost the same contents, were distributed.

Fürjes was teaching me about my work in London when he told me the *Newsweek* story. He told me they preferred that an item for disinformation should have some real basis, be based on facts, but if I can produce a good idea that does not have any fact send it in anyway. Truth is not important if the idea is good. Just send it in. They will make it look truthful, then get it published in some little

*See Exhibits 2 and 3.

paper somewhere. After that we Hungarians will hand it out, get it republished everywhere. Who can prove it is not true? Fürjes said, "the Soviets used such kind of method successfully. It is a very good method." Then he gave me an example.

This was a KGB disinformation operation in an Arab country. Fürjes didn't tell me which one it was. The KGB, he said, sent a forged letter to an Arab leader accusing a person close to him of taking an action against the leader at the request of some western country. The letter prompted the Arab leader to arrest that person. This action caused a breakdown between the Arab leader and the western country. Fürjes said that apparently some parts of the Soviet operation had been discovered. He thought it was probably for that reason that the Soviets used it with him as an example. In any case, the Arab leader found out that the accusation was not true at all but it was too late. That's how Fürjes instructed me in disinformation work.

The AVH had not been formally organized to handle disinformation work when the forged *Newsweek* issues appeared, but, of course, disinformation had been an AVH activity. After the *Newsweek* forgeries, early in 1964, a unit for this work was created. It was known as Special Activities Against the West (*Aktiv Intézkedések Alosztálya*). The Chief is Major Janos Fürjes. Special Activities was put under the Assessment and Evaluation Department, whose chief is Pal Hajdu, a lieutenant-colonel of the AVH.

All disinformation activities must have the approval of the Central Committee of the Hungarian Communist Party before they can be carried out. I know that Hungarian disinformation work is discussed with the Soviets.

Pal Hajdu, Chief of the Evaluation and Assessment Department, last year wrote a book called *Political Hucksters for Relaxation (A Fellazítás Kortesei)*, Kossuth Book Publishing House, Budapest, 1965, 71 pp.). He accused the western nations of planning to wipe out Communism by using psychological warfare techniques to push the Communist bloc governments over to the right. This volume was printed and circulated throughout the country. The book is actually an attack on the U.S. It's full of falsifications about the Hungarian Revolution, for example, that the Revolution came from outside Hungary. It is a good example of AVH domestic disinformation. Hajdu wrote it under the pseudonym Peter Hun.

The part I was to play in the disinformation campaign was small but important. As I have said, before I left for London I was told by Fürjes about my role in it. He told me to submit suggestions for causing friction between the United States and the United Kingdom and the British Commonwealth, and to undermine the relations between the United States and other western countries—economically or otherwise.

As Second Secretary for Economic Affairs, I was instructed to supply information that could be used for this purpose and to suggest ideas for forgeries. I did nothing in this field before I asked for political asylum.

(Facing page 5948)

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VII. The Case of Bela Lapusnyik

The mysterious death of Bela Lapusnyik, a young AVH non-commissioned officer who fled from Hungary early in May, 1962, and died in a Vienna jail early in June where he was being held, created big excitement in the western world. How could a young man who appeared to be in the best of health, and with his freedom assured after escape from Hungary, suddenly die while in the hands of the authorities?

I recall after Lapusnyik's death there was a formal statement or order on Lapusnyik circulated by the Chief of the AVH. This order was read to AVH personnel at departmental or section meetings. In the order from the AVH Chief, Lapusnyik was represented as having been an immoral, corrupt person who hung out in bars and brought loose women to the apartment where he lived. He was also accused of misusing official money and not taking an interest in Communist Party affairs. The facts of his case were outlined briefly: he had escaped from Hungary by misusing his AVH status and in so doing had shot down a border guard. Throughout the document he was referred to as "the traitor, Bela Lapusnyik". The report also noted he died in jail. According to this statement, Lapusnyik had caused very serious damage to the AVH because he had revealed AVH secret locations, identities and surveillance methods. The report pointed out his superiors had failed to exercise adequate supervision and it indicated appropriate punishments had been given. The report demanded more and better discipline from personnel and more careful supervision from senior officers.

I can tell you what I learned later in Budapest about Bela Lapusnyik's death. The people who told me were in a position to know about it. Early in 1965, a little over a year ago, I was ordered by my chief in the External Service to evaluate and screen the file which concerned the safe apartment in Budapest that Lapusnyik had lived in. Lapusnyik had worked in the very secret AVH surveillance unit which required its members to have civilian cover. The apartment which Lapusnyik had used as his own home was used by the AVH for meetings with its agents. Immediately after Lapusnyik's death in Vienna, the AVH had given up the apartment but the file on the apartment still remained at the Registry, and I was given the work of evaluating it. Lapusnyik's safe apartment, administratively, had been the responsibility of the section in the External Service for which I worked.

I examined the apartment file.

In order to make a judgment what to do with this material, I had to know something about Lapusnyik himself. Therefore, as was normal in such matters, after consulting with my chief I asked the Internal Service for Lapusnyik's complete file. I was surprised to be



BELA LAPUSNYIK

told by the Counterintelligence Department of the service that his file could not be seen without the written permission of the Deputy Minister of the Interior and the head of the AVH. The man who told me this was chief of the Research Subsection of the Counterintelligence Main Directorate. This subsection investigated cases like Lapusnyik's.

I reported the fact that Lapusnyik's file was under special controls to my superiors. My chief and the Internal Service then talked the matter over and agreed to submit a report on the case in order to close

the file. This report went to the secretariat of the External Service where I was permitted to know that Lapusnyik, after he arrived in Vienna, had given information on all of the AVH cases he knew, including the persons his group had surveilled, even the license plate numbers of some western businessmen who visited Hungary. It was said: "we got some information on some other things that Lapusnyik revealed while he was in jail in Vienna".

Then I asked why I hadn't been shown the whole file. I was told this was understandable since the case was top secret. I had not been permitted to see the whole file because Lapusnyik had been poisoned by the Czech intelligence service in the Vienna jail.*

*See Exhibit 4 on p. 5361.

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VIII. The Hungarian Revolution of 1956

The Revolution of 1956 was produced by the Hungarian people. They didn't get any outside help to do it. They didn't need any. By 1956 the AVH wasn't the big power it had been. The people were finding out too much about it, about how brutal it was. People were coming out of prison and telling what had happened to them. They also got a lot of information from Radio Belgrad and western radio stations: Radio Free Europe, the Voice of America, and the BBC. The Government jammed the broadcasts but you could still hear a lot. Then pamphlets of Khrushchev's secret speech came into Hungary continually after mid-1956. The AVH tried to pick all these up and destroy them but there were too many. Copies were passed around inside the service. As I have said, I read a copy in my office. It made me shiver to read the things Khrushchev said.

People were beginning to talk about the situation with each other. And the AVH could not do much about it. It did not have the power any more to push people into prison or concentration camps without trial. The AVH was a little paralyzed. During 1955 and 1956 the Hungarian people were getting excited.

That's why I say the Revolution came from inside Hungary, not outside. The young people wanted to demonstrate. They asked permission from the Government, but the Government could not make up its mind. Then it decided to give the students permission. The Minister of Interior and the AVH did not like it, but the Government decided anyway to let the students demonstrate. They came out in the streets on 23 October and that started everything.

I was the duty officer for my department the night of 22-23 October. I was supposed to go off duty at nine o'clock on 23 October, but they would not let me leave the building. I had to sit by the telephone in the Ministry of Interior. None of us could leave. I slept by the telephone. There was a lot of shooting I could hear but I didn't see any of it.

The new Government ordered the AVH dismissed, but it continued to exist. The AVH officers stayed in the Ministry of Interior because the Russians were there. One day the new Minister of the Armed Forces, Ferenc Munnich, came to the Ministry of Interior with an escort. He called the AVH officers together and told them the AVH was a guilty organization and they had to leave. I heard him say that. But nobody could leave. On 28 October the Soviets said we were in danger and had to leave the building. We had one hour to get ready. We packed our things, locked the vaults and left. The files stayed behind. They were scattered in the courtyard. There were too many papers to burn.

The Soviets lined our route with tanks and trucks. We were moved by truck to the middle of a Soviet camp outside Budapest. It was

in a woods. The Russians gave us clothes and tents and food. We couldn't leave the camp. Most of the AVH officers were demoralized. At first there was some talk that the Russians would take us all to the Soviet Union.

On the morning of 4 November, we were ordered to assemble. They read an order of Marshal Konyev. He said that the Soviet troops had attacked Budapest that morning and we could go back when the city was quiet. We were taken back to Budapest and went back to the Ministry of Interior on 5 November.

The Ministry was a mess. Some rooms were burned out. The files were scattered everywhere. Some of the files had been carried away. Then we were reorganized and went out to take over sections of Budapest from the Soviet troops. As I said, I was inside all the time or in the woods with the Soviets. This is how I saw the Revolution.

As I said, the Communists in Hungary caused the Revolution and the Hungarian people carried it out by themselves. When the people finally acted against the regime the Government could not do anything by itself. It became absolutely disorganized. Only the Soviets could do something and they were afraid of a war. They supposed that the West would help the Revolution. While we were sitting in the woods some of the fanatical Communist AVH officers kept saying, "Why don't the Communists organize a new government? We have to do something." The Soviets kept saying, "Just keep quiet. Something will happen." I think the Soviets were organizing a new government, the Kadar Government. Until this was ready they didn't want to do anything. Then they ordered the new government to ask them to help. It was all set up like a play. The Soviets just set up Kadar and told him what to do. We didn't know anything about this, though, while we were sitting in the woods.

It's true that some AVH officers got killed by the people in the streets. I suppose they were recognized and the people finished them. I never heard that the freedom fighters were savage, but the people did kill some AVH officers. When officers of the security service can be killed like that, the government has no power. And it was exactly these officers who oppressed the people that got killed. I am sure that lesson impressed the Soviets. When the people lost their fear of the security men, they lost their fear of the Communists too. Maybe that is the real lesson of the Hungarian Revolution. Take care of the Security Service and the government has no power.

IX. Messages to Hungarians at Home and Abroad

[Original]

MR. LASZLO SZABO'S MESSAGE TO THE PEOPLE OF HUNGARY

Üzenet a magyar népnek

Mindenek előtt fontosnak tartom ismertetni, miért szakítottam a magyar kommunista rendszerrel. 20 évet töltöttem el a kommunista rezsim szolgálatában és mit kaptam érte? Rettegést a jövőtől, a bizalmatlanság, a félelem, a gyűlölet, a kiábrándulás érzését, mely rámnehezedett a hosszú évek alatt. A rezsim ajánlott pénzt is, jobb anyagi létet mint amit az átlag élvez Magyarországon, de mit követelt érte? A lelkeimet, hitemet, magánéletemet, függetlenségemet, emberi érzéseimet, vágyaimat, boldogságomat, a kommunista eszme szolgálatát, mely engem, mint egy embert nem vett tudomásul.

Szolgálni a kommunizmust, mely engem mint egyént nem ismer el, de én csak érte létezhetek: számomra ez a kommunizmus. Nem gondolkodhatok úgy hogy ÉN hanem csak úgy hogy MI. Nincs enyém, csak MIÉNK. Van egy sokat hangoztatott jelszavuk melyszerint egy kommunistának alá kell rendelni egyéni érdekeit a kommunizmus érdekeinek. Szerintük a kommunizmus érdekei elsődlegesek, aztán jöhetnek az egyéni érdekek. De hol van hely az egyéni érdekek számára? Sehol! A kommunizmus érdekei minden helyet betöltenek. A kommunista rendszernek olyan emberekre van szüksége akikből hiányoznak az igazi emberi érzések és mint gépek készek vakon harcolni a kommunizmusért. A propaganda-gépezet Magyarországon ilyen típusú emberek előállításán fáradozik. Olyan ez mint egy ördögi gyár, melynek egyik kapuján behajtják az emberek tömegeit, és a másik kapuján élő-halottak halmai és néhány fantaszt jelenik meg; az úgynevezett kommunista ember-típus. Számomra ez a kommunizmus.

A társadalom egyes emberekből, egyénekből áll akiknek magánéletül, vágyaik, álmaik, terveik különböző elképzeléseik vannak az egyéni élet szépségeiről, a boldogságról. Miféle társadalmi rendszer az, amely elnyom minden törekvést az egyéni életre, kiöl minden hitet, vágyat, álmot az egyénekből? Ez a sötétség, az embertelenség, a kegyetlen elnyomás, a lelki és fizikai terror; a kommunizmus rendszere, melynek szolgálatát sohasem tudtam lelkiismeretemmel összeegyeztetni. Amikor a rezsim azt követelte tőlem, hogy vegyek részt a nyugati nemzetek és főleg Nagy Britannia és az USA ellen irányuló tervei végrehajtásában is, elhatároztam, hogy végleg szakítok a kommunista rendszerrel.

Hittem abban, hogy nyugaton egy új igazi szabad hazát talállok magamnak ahol a megélhetésem mellett lelkiismereti szabadságot és egyéni boldogságot talállok régi hazam helyett, mely nem tudott otthont boldogságot adni nekem.

Őszinte boldogság érzésével jelenthetem ki, hogy hitemben nem csalódtam, szabad vagyok, lehetőséget kaptam egy boldogabb új életre, biztos állásom, megélhetésem lesz, és olyan emberek vesznek körül akik őszintén fognak szeretni és megérteneek engem.

A kommunista propaganda igyekszik elhitetni a magyar néppel, hamisítások árán is, hogy a nyugati rendszerek kegyetlenek, embertelenek, hogy a nyugati nemzetek terror alatt, nyomorban élnek, ahol nincs igazi kultúra és emberi élet. Gyűlöletet és félelmet igyekeznek kelteni a nyugati társadalmak iránt azokban az emberekben is, akik hivatalosan, vagy magánemberként utaznak nyugati országokba, mivel tudják hogy ezeknek az embereknek alkalmuk van meggyőződni mindezek ellentéteiről.

Tévedés hinni a kommunisták humanitásában és abban, hogy magyar kommunista rendszer több szabadságot ad a magyar népnek. Amit a rezsim a Forradalom után adott az történelmi szükségszerűség, és nem önkéntes, humánus engedmény volt. A rendszer kimélettlenül elnyom minden törekvést, mely több szabadságot követel a magyar népnek.

Remélem, hogy mindenki, aki hasonlóképpen érez mint én, és felismeri voltaképpen mi történik ma Magyarországon, és nem szolgálja tovább a rendszert, hanem keresi és megtalálja a neki legjobban megfelelő módot arra, hogy szakítson vele és segítse a sokat szenvedett magyar nemzetet szabaddá és boldoggá válni.

Washington, 1966 február 18

[Translation]

MR. LASZLO SZABO'S MESSAGE TO THE PEOPLE OF HUNGARY

First of all I would like to repeat what I consider to be the most important reasons why I broke with the Hungarian Communist regime after 20 years in its service and what I got in return for this service. During those long years I increasingly felt a dread for the future, a fear of trusting my fellow man, a feeling of loathing and disillusionment weighed upon me. The regime offered money in addition to a good material life in comparison to that of the average person living in Hungary. But what was the price paid for this? The communist cause commanded the service of my soul, my beliefs, my faith, my private life, my independence, my human feelings, my longings, and my happiness, but never considered me as an individual.

To serve communism a cause which does not recognize me as an individual but only as an instrument of its own interest is intolerable: that is what communism means to me! I could not think of ME but only of US—never about MINE but only of OURS! There are many oft repeated slogans according to which under communism one must subordinate one's private interests and desires to the interests of communism and in the end thus find the most perfect expression of individual interests. But where is the place in this scheme for private

interests? Nowhere! Communist interests crowd out everything else. A communist regime needs those kinds of men lacking in all real human feelings and who, like machines, fight blindly for communism. The propaganda machines in Hungary strive to produce a certain type of "pre-fabbed" man. It is like a monstrous factory in which a mass of people is forced into one door and from another door comes a dual stream of bodies of living dead beside one composed of some fantastic appearing shapes—the so-called "communist types"! It is a sad thing, communism.

A society is composed of individuals for whom there should exist a private life, longings, dreams, plans, and their own special hopes for beauty and happiness in their own lives. What kind of a society is it that represses every aspiration of an individual's life, stamps out every religious feeling, every dream of the individual? The darkness, the inhumanity, the ruthless repression, the mental and physical terror; that is the Communist system to whose service I was never able to reconcile myself in my conscience. When the regime demanded of me that I participate in carrying out its plans against western countries, principally Great Britain and the USA, I decided finally to break with the regime.

I believe that in the West I can find a new truly free home where, in addition to a chance for a better life, I can find intellectual freedom and genuine happiness. My former homeland could not give me a real home and happiness.

It is with a feeling of joy that I can report with complete openness that true to my desires *I AM FREE!* I have received the opportunity for a happier new life, secure work and self-fulfillment. I find myself among the kind of people who accept me openly and understand me.

Communist propaganda tries hard to convince the Hungarian people falsely that Western regimes are brutal and inhumane, that their peoples live under continual terror, and that they are countries without true culture and humane living conditions. They attempt to create an abhorrence of Western society in those individuals who travel privately or as officials to western countries. But those Hungarians who have had the opportunity to travel to the West know the truth in their hearts.

It is a mistake to believe in "communist humanism" and in the claim that the Hungarian communist regime grants more freedom to the Hungarian people. What the Hungarian regime has granted since the Revolution has been a historical necessity and not a voluntary act of humaneness. The regime has, on the contrary, pitilessly suppressed every individual aspiration, rather than given more freedom to the Hungarian people.

I hope that all of you who have feelings similar to mine and who realize what is actually going on in Hungary will no longer serve the regime but will desire and find for yourselves the most effective way to break away from it and assist the long suffering Hungarian nation by choosing freedom and happiness.

MR. LASZLO SZABO'S MESSAGE TO HUNGARIAN EMIGRATION

Üzenet A Magyar Emigrációknak.

A magyar kommunista rezsim a magyar nép szabadság—törekvéseit nemcsak országon belül nyomja el kiméretlenül, hanem minden eszközzel támadja a magyar emigrációt is szerte a világon.

Mint ismeretes, a Forradalom óta a történelmi körülmények miatt a rezsim arra kényszerült, hogy némileg változtasson módszerein a magyar emigrációval kapcsolatos politikájában is. Mindez azonban nem változtatta meg politikájának lényegét. Hírszerző és elhárító szervének—mely gyakorlatilag az AVH-val azonos—változatlanul célpontja az emigráció melyet a szabad világ elleni aknamunka egyik bázisának tekint.

Mindenki aki Magyarországra utazik mint turista, üzletember vagy hivatalos delegátus, gyakorlatilag az AVH ellenőrzése alá kerül. Ügynökök, titkosrendőrök, figyelik, lehallgatják telefonját és rejtett mikrofonok utján magánbeszélgetéseit, ellenőrzik levelezését stb. Keresik az alkalmat, hogy a hazai rokonság, régi barátok, vagy éppen provokátorok felhasználásával, megtévesztéssel, megvesztegetéssel, zsarolással új hazája ellen fordítsák, mely otthont, szabad életet és boldogságot adott számára.

Lehetőségeik—kölcsonös egyezmények alapján—kiterjednek a kommunista blokk összes országára, ami azt jelenti, hogy pl. Csehszlovákia egyáltalán nem jelent menedéket egy odalátogató magyar emigráns számára az AVH támadásai ellen.

A szabad világ országainak városaiban, Washingtonban, New-Yorkban, Rio de Janeiróban, Ottawában, Londonban, Frankfurtban, Bécsben, Rómában, Tel-Avivban ávos hírszerzőtisztek csoportjai dolgoznak diplomáciai fedés alatt a magyar nagykövetségeken, követségeken és kereskedelmi kirendeltségeken. Mindenki aki hivatalos minőségben, vagy magánemberként—mint pl. turista vízum ügyben—kapcsolatba kerül a magyar külképviseleti szervekkel, gyakorlatilag az AVH-val találja magát szemben. Ezek a diplomata mezbe bujtatott ávos tisztek azonnal megkezdik kapcsolataik tanulmányozását, bizalmas, titkos adatokat igyekeznek megtudni a fecsegőktől, ártalmatlannak látszó "szivességeket" kérve felhasználni őket aknamunkájuk leplezésére és később akit lehet céljaikra.

Mindez nemcsak az egyéni védekezés szükségességére hívja fel a figyelmet a kommunizmus akanamunkája ellen, hanem nagyobb éberségre is figyelmeztet a szabad világ és ezen belül az új haza érdekeinek és biztonságának védelmében. Meggyőződésem hogy a szabad országok biztonsági szervei megfelelő biztonságot tudnak nyújtani az ilyen fajta akciók ellen.

Hiszem hogy eljön az idő, amikor sokat szenvedett hazánk és egész népünk szabad és boldog lesz és a világ népeire az örök béke korszaka köszönt. Addig azonban nekünk akik az emigrációban égünk mindenkor késznek kell lennünk a szabadság eszmejének védelmére nem csak otthon hanem új hazánk határain túl is!

Washington, 1966. február 27.

[Translation]

MR. LASZLO SZABO'S MESSAGE TO THE HUNGARIAN EMIGRATION

The Hungarian Communist regime cruelly oppresses the efforts for freedom by the Hungarian people, not only inside the country, but attacks the Hungarian Emigration all over the world.

As is well-known, after the revolution the regime was forced by historical circumstances to change its political methods at home, and in a way, in connection with the Hungarian Emigration too. But this change doesn't mean any change in the essence of its politics. A priority target of the Intelligence and Counterintelligence Services of the regime—which is the AVH—is the Hungarian Emigration. That is one of the bases of subversive work of the AVH against the Free World.

Everybody who enters Hungary as a tourist, businessman, or official delegate, falls under control of AVH agents, surveillance, telephone monitoring, hidden microphones, letter-censorship, etc. Exploiting personal relationships, old friends, or provocateurs, and with the help of charges of false official representations to the regime, corruption, and blackmail, they try to force this person to turn against his new Homeland which has given him a free life and happiness there.

On the basis of mutual agreements, they have possibilities to carry out this type of action in all countries of the Communist Bloc. It means that Czechoslovakia, e.g., isn't at all a place of refuge from the attacks of the AVH for a Hungarian emigrant.

Groups of AVH intelligence officers are working under diplomatic cover in Hungarian Embassies, Legations, and trade missions in the following cities of the free world among others: Washington, New York, Rio de Janeiro, Ottawa, London, Frankfurt, Vienna, Rome, and Tel-Aviv. Any Hungarian emigre who gets in touch with Hungarian foreign representations officially or privately—e.g., as a tourist for visa—may come face to face with the AVH.

These AVH officers, hiding in the guise of a diplomat, begin to study their contacts immediately. They try to get secret information from the careless talkers, and ask them for small apparently innocent favours. They try to use them to disguise their clandestine espionage work, and later, if some of them prove useful enough, use them for their own purposes in their intelligence collecting plans. All these facts not only call everybody's attention to the necessity of individual self-defense against the subversive work of Communism, but also warn everybody of the need to protect the interests and the security of the Free World and that of their new homes as well. Your local security authorities can assist you in defending yourselves from this kind of action.

I do believe there will come a time when our long suffering Homeland and all the Hungarian Nation will be free and happy again, and peace will come to the peoples of the world forever. However, until then, we in the Emigration must be alert always to defend the principles of freedom we sought not only at home but now seek in our new Homelands as well.

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EXHIBIT 4

A selection of contemporary news items on the LAPUSNYIK case follows:

[Attachment]

A Selection of Contemporary Press Accounts on the Case of Bela Lapusnyik

[From the Washington (D.C.) Post]

HUNGARIAN OFFICER FLEES TO AUSTRIA

(Reuters)

Eisenstadt, May 9.—A sub-lieutenant of the Hungarian counter-intelligence today forced his way in full uniform into Austria and sought political asylum, police reported here.

The sub-lieutenant, 24-year-old Bela Lapusnyik, told police that he rode a motorcycle to a Hungarian border checkpoint near Nickelsdorf. He fired warning shots at two Hungarian border guards, forcing them to seek cover, before leaping over the barrier. The guards fired at him with automatic pistols, but he escaped injury.

[From the Vienna Die Presse, May 20, 1962]

OVERCOAT WAS "LINED" WITH ESPIONAGE LISTS

(By Norbert Linniger)

The leather overcoat of 23-year-old 2d. Lt. and AVO agent Bela Lapusnyik was heavily lined, and literally so. Among other instructive documents sewed up in the lining of the overcoat the Hungarian smuggled to Austria were lists giving the names of persons working for the Hungarian secret service in the west.

As Die Presse reported in detail before Bela Lapusnyik left Budapest on a motorcycle the night of 8 May. He outwitted the two border posts near Nickelsdorf, identifying himself as an AVO member and then fled across a mine belt to Austria. After a first questioning by Burgenland police, Lapusnyik was immediately taken to Vienna for questioning by the Hungarian affairs specialist of the Vienna political police, Dr. Hejkrlik.

Not only did the initially vague hope that Bela Lapusnyik might have brought information to Austria come true, but actually the boldest expectations of the political police were surpassed. Sewn up in his overcoat the Hungarian had brought secret information about espionage activities, foreign currency smuggling, and name rosters of agents in Austria, straight from the Budapest Ministry of the

(5361)

Interior. Lapusnyik presented detailed documents about the methods employed by the Hungarian secret service in Austria. He was also able to reveal the obscure channels through which information is smuggled from Austria to Hungary. He furthermore told the police about the "secret loopholes" in the iron curtain, as well as the names of AVO contact men in Austria.

The documents also contain names of AVO agents dispatched to Austria as refugees. Lapusnyik is even informed about the financial situation of these people. As soon as the political police fully utilize the information a major wave of arrests of secret agents is to be expected in Austria.

The AVO man was also able to give details about foreign currency smuggling. Only through his information was it learned that these activities are centrally directed by the Budapest Ministry of the Interior. Lapusnyik named a fashion shop on the Stephansplatz where any monetary transaction with Hungary can be effected. This shop is also said to be the meeting place of agents. An investigation already underway will show to what extent the shop owner is informed about these things.

Last but not least the 23-year-old second lieutenant was able to give information about man smuggling between Hungary and Austria. Hungarian authorities, it turned out, are far better informed about this than the Austrian political police have been up to now. Thus, the Hungarian police, according to Lapusnyik, have repeatedly succeeded in arresting people engaged in man smuggling for money. The Austrian authorities have been less successful in this respect.

Bela Lapusnyik is still being constantly questioned by members of the Vienna political police because it has not yet been established whether all his statements are correct. Nevertheless, a large-scale check of these statements has started and it has turned out that at least the general information the Hungarian gave about the agents and their working methods are correct. The checking of the list of names, however, requires some time because police want to prevent any premature warning of suspects.

It will be difficult to check up on Lapusnyik's information about the men-smuggling organizations. In this connection a distinction must be made between those organizations which want to save their fellow believers and persons who take people to liberty for sheer profit motives, charging up to 20,000 dollars per person.

[From the Reuters News Service, June 5, 1962]

Vienna, Austria, June 5 (Reuters).—Austrian Police today were investigating the death in a hospital of a Hungarian counterintelligence agent who escaped to the west May 9.

The agent, Lt. Bela Lapusnyik, 24, who was in custody since his escape, was admitted to a closely guarded Vienna clinic on Saturday.

Doctors diagnosed tonsillitis, but the lieutenant's condition worsened and he died yesterday. A preliminary post mortem showed death was caused by paralysis of the brain.

Police said that shortly before he died, Lapusnyik wanted to say

something to his doctors. But no one could understand him, and he was dead before an interpreter arrived.

Lapusnyik escaped from Hungary by driving up to a border barrier on a motorcycle and then leaping over amid a hail of automatic fire from Hungarian border guards.

He claimed later he wanted to give police details of Hungarian agents in Austria.

[From the Reuters News Service, June 5, 1962]

Vienna, Austria, June 5 (Reuters).—A preliminary investigation today showed no sign of unnatural causes in the death yesterday of a Hungarian counter-intelligence agent who escaped to the west last month.

A preliminary post-mortem showed the agent, Second-Lieut. Bela Lapusnyik, 24, died of "paralysis of the brain." Police said there was not the "slightest indication of an unnatural death."

He died a few days before he was to be flown to the United States.

An autopsy was begun and showed indications of inflamed intestines and pneumonia in early stages, a police statement said. The examination of the body was being continued.

Lapusnyik, who was scheduled to be flown to the United States shortly, escaped to Austria May 9 by leaping over a border barrier as Hungarian frontier guards fired at him. He was taken into protective custody.

On Saturday Lapusnyik was admitted to a closely-guarded clinic here with what physicians diagnosed as tonsillitis. His condition grew steadily worse until he died.

Lapusnyik claimed he wanted to give police details of Hungarian intelligence agents in Austria. Police said he tried to make a statement shortly before he died, but that death came before an interpreter arrived.

While in protective custody, Lapusnyik was guarded by police, only took meals prepared in a prison kitchen and had no visitors, police said.

"We exclude the possibility of outside interference," a police official said.

[From the New York Times, June 5, 1962]

HUNGARIAN DEFECTOR IS POISONED AS HE GIVES AUSTRIANS SPY DATA

(By M. S. Handler)

Special to the New York Times

Vienna, June 4.—A second lieutenant of the Hungarian secret police who escaped to Austria under a hail of bullets early this month was found poisoned last night in the maximum-security room of the Austrian State Security headquarters in Vienna.

The officer, Bela Lapusnyik, died this morning. He had been held in protective custody for questioning. He was to be released this evening.

The 24-year-old lieutenant had brought with him from Budapest a packet of secret police documents that included the identification of numerous Communist secret police agents and informers in Austria and Western countries.

Informed persons likened the role of Vienna in the East-West intelligence war to that of Lisbon during World War II, when Allied and Nazi agents frequented Lisbon.

The Austrian State Security Police were unable to solve another sensational case that held the front pages of Austrian newspapers for several weeks. A mysterious Hungarian disappeared from a house in Vienna and was never found. Only bloodstains, bits of hair and an empty drug vial were found in a room where a fierce struggle had apparently taken place.

The Hungarian, who was known as Abranyi had traveled between Vienna and Budapest under a businessman's identity, which he had assumed after having posed as a journalist.

The Lapusnyik affair began May 9, when Lieutenant Lapusnyik borrowed a motorcycle from a friend in Budapest and headed for Hegyeshalom, the Hungarian checkpoint on the Hungarian-Austrian frontier.

Lieutenant Lapusnyik wore his uniform and carried his regulation pistol in a holster. He also was carrying the packet of secret documents.

He arrived at the checkpoint shortly before 2 A.M. May 10. The frontier barriers were closed. Two frontier guards armed with machine pistols were on patrol and they pointed their weapons at the motorcycle.

LIEUTENANT SHOWED CARD

Lieutenant Lapusnyik dismounted and showed his security police card, which identified him as a member of the special branch in charge of preventing escapes from Hungary.

According to the report, he gave to the Austrian state security police after his escape, the lieutenant told the two frontier guards that he had a rendezvous with an automobile driver. He said later that he had hoped to jump into the first car leaving Hungary for Austria, but none appeared.

Finally, Lieutenant Lapusnyik said, he resolved to take a chance. He whipped out his pistol and ordered the two frontier guards to drop their weapons. Lieutenant Lapusnyik said he then started to fire above the heads of the guards, jumped over the barriers and plunged into a ditch parallel to the road leading to the Austrian checkpoint.

The two frontier guards started spraying the ditch and the road with shots from their machine pistols. Lieutenant Lapusnyik stumbled along the ditch and finally reached the Austrian checkpoint unhurt.

The Austrian police took him to Vienna, where he turned over his packet of documents and submitted to questioning.

Last night, Lieutenant Lapusnyik began to complain of cramps and a throbbing headache. This morning he was dead.

[From the Vienna (Austria) Express, June 6, 1962]

PERFECT MURDER OF AVO MAN FEARED

"The sudden death of the Hungarian AVO Second Lieutenant who had fled to Austria with important intelligence materials is like a perfect murder." That is the opinion of criminologists and of persons experienced in the agents' war, after it had become known that Bela Lapusnyik had succumbed to a severe infection of bacteriological origin within 48 hours. The official position, that no clues showing outside intervention are available—the court's medical expert had found no cyanide of potassium nor other traceable poison—is being shrugged off by experts of the agents' war.

It cannot be disputed that the murder using bacteria will never be proven. The court's medical experts will hardly be able to determine how a deadly bacteria culture could have gotten into the body of the Second Lieutenant. It is also not their job. And the investigation of the Federal Police as to who in Vienna has spent time with the refugee and, in the course of such meeting, given him an apple, for example, contaminated with bacteria will hardly be crowned with success.

The fact remains that Lapusnyik had great fear of Hungarian keepers. Before his death he had revealed names of persons in Austria who were to have been carried off to Hungary like agent Dr. Aurel Abranyi.

AVO OFFICER REVEALED PLANS OF NEW ABDUCTION

The only available, and therefore most important, witness in the sensational kidnapping of the Viennese western agent Dr. Aurel Abranyi, 47, is dead. He was the Second Lieutenant of the Hungarian Ministry of Interior, Bela Lapusnyik, 24, who as is known suddenly died a mysterious death on Monday morning in the secured section of the General Hospital. Among the secret materials which the former AVO officer had played into the hands of the Austrian Federal Police after his flight from Hungary, were also data according to which Dr. Abranyi had actually been lured to a ambush in the villa in Hetzendorf, was numbered and carried off to Hungary on 14 October of the past year. Abranyi is supposedly still alive. How far Kadar's "long arm" reaches into Austria is proven not only by the death of the Second Lieutenant, but also by the Lieutenant's all-important revelations [during interrogations]. According to the format of Abranyi's kidnapping, a series of other persons are still to be dragged off into Hungary from Austria. The victims—the names are known to the Federal Police—are for the greater part former Hungarian refugees who now are working for "intelligence services".

Although the interrogations of the defecting counterintelligence officer so far have been described as "very productive", his sudden death while in the custody of the Federal Police, nevertheless, constitutes an almost irreparable blow. Because of language difficulties it was not possible to gain complete clarification of many complexes of questions during the three weeks since his flight. Among them: Who

in Austria participated in the abduction of Abranyi and how was the victim gotten across the border.

If indeed Hungarian agents have the death of the defected counter-intelligence specialist on their conscience, then they struck literally in the last seconds. Already yesterday, Tuesday, Bela Lapusnyik was to have been flown to the USA. Although this plan had not been conceived before the weekend and although it was made in strictest secrecy, it could nevertheless have become known to his keepers.

I AM NO LONGER SAFE IN VIENNA

The Second Lieutenant himself had repeatedly asked during the previous week that he finally be turned over to the USA because he was not safe from Hungarian agents in Vienna. It is possible that the police also "smelled" something, because the Ministry of Interior had wanted to permit the departure of the important informant, even though the materials had not as yet been worked on. On Saturday at noon Lapusnyik complained to the superintendent of the police prison on Rossauerlaende that he had an ache in his throat. The police doctor suspected a tonsil abscess and ordered confinement in the secured section of the General Hospital, after the patient had not been able to eat his noon-day meal—carrots and peas—because of difficulty in swallowing.

Despite the fact that room 125—it is the so-called interrogation hospital—is under guard by Justice-guard-complement-officials, the "valuable prisoner" was still further protected against the outside world by officials of the Federal Police.

I HAVE BEEN POISONED

To begin with the doctor could only determine that he had a high temperature and an inflammation of the tonsils. On Sunday—supposedly as a result of progressive exhaustion—the patient had no fever! On the other hand, however, he complained about severe stomach pains. "I have been poisoned!" he voiced the fear, and, at the direction of the Federal Police, the interpreter sounded the alarm to no less than five doctors. His stomach was pumped out—and nothing was found. There was also no trace of appendicitis. They faced a puzzle. As a precautionary measure, the patient was treated against all possible poisonings by using heart-strengthening medications and medicines designed to improve resistance. Unsuccessfully. Monday at 5:45 the Second Lieutenant died.

During the autopsy yesterday, Tuesday, the two court's medical experts, Professor Dr. Holczabek and Professor Dr. Woelkart, could determine preliminarily:

Lapusnyik had become ill as a result of the inflammation of the tonsils as well as of an inflammation of the narrow intestine.

The beginning of pneumonia was in progress.

The direct cause of death is to be found in a paralysis of the brain.

Inasmuch as inflammation of the narrow intestine could possibly have been brought on by typhoid bacteria, a bacteria culture was taken, but only in 2 to 3 days will it be possible to tell whether the culture

"takes" and thus whether Lapusnyik actually became ill of a typhoid or paratyphoid.

ALL OTHERS ARE WELL

Even though the chemical expert, Professor Dr. Machta had been able to find no inorganic traces of poison in the body of the deceased until yesterday, Tuesday afternoon, this in no way proves that the AVO officer could not have been "poisoned" anyway. How the bacteria could have gotten into the body of Lapusnyik could not even be explained by the court's medical experts.

Inasmuch as Lapusnyik was fed in jail most of the time, all other prisoners are of good health, it seems possible that the "special prisoner's" fruit had been contaminated with bacteria. "A difficult undertaking, but certainly possible", was the explanation from the medical experts in this connection. Leaving the question of the origin of the bacteria open—doctors recall that, as a result of psychological pressures, a man can reach a condition where he has no resistance, whereby in the end the body can muster no strength for recovery.

TREATED LIKE A CRIMINAL

That the sudden death of the AVO officer under these conditions rests heavily upon the responsible officials of Austrian security is understandable. What is, however, not understandable is that no asylum other than the police jail is known for the protection of such an important man. After daily nerve-racking interrogations, Lapusnyik could then think about his situation while in an unheated, isolation cell of stone flooring, on a plank bed, with a meager prison meal. No east and no [other] west state would dare treat in such manner a refugee who had been so exposed. Particularly not when it is in its own interests (full translation).

[From the Austrian Volksstimme, June 6, 1962]

HAS THE US SECRET SERVICE MURDERED LAPUSNYIK?

Vienna, June 5.—Columns of reports appeared in numerous Viennese newspapers on Tuesday concerning a "Sensation" which they had uncovered: A Hungarian refugee in police custody was supposedly poisoned, murdered by the Hungarian secret service with a gas pistol.

How does the official presentation of the investigating offices read? The 24 year old Bela Lapusnyik, who had fled to Austria on the 9th of May and had alleged that he is a sub-lieutenant in the Hungarian counter-intelligence service, had been held in detention by the Federal Police under strict guard and had been repeatedly interrogated. On Saturday morning Lapusnyik reported illness and the physician of the police jail established tonsillitis. The refugee was taken to the General Hospital, kept under strict guard and treated by physicians of the ear, eye and nose clinic. His condition worsened, he lost consciousness from time to time, and finally died on Monday morning.

In reply to inquiries the police disputed the possibility that its charge who, after all had been under constant guard, could have been

poisoned. All that had been invented was described as sheer nonsense, in particular the mysterious gas pistol with which a person could be killed without it becoming conspicuous.

Professor Dr. Holczabeck reports to us that the autopsy has provided the following interim result: Lapusnyik suffered not only from tonsillitis, but also from an inflammation of the narrow intestine and from the beginning of pneumonia. Death from a resulting brain apoplexy is entirely possible. As far as the inflammation of the narrow intestine is concerned, this could have resulted from either paratyphoid or typhoid. Only a bacteriological examination could provide clarity on this point. This and all other microscopic and chemical examinations will be completed in a few days. In any event, to date the court's medical men have found not a single clue to show that Lapusnyik had been poisoned. They are of the opinion that he had died a natural death. So much for official statements which were made available to the other newspapers as well as to us.

Nevertheless, several papers have created an "insidious poison murder through the Hungarian secret service". No news agency had the audacity to render this kind of version. The Austria-Press-Agentur furnished the negative opinion of the court's medical men, the American UPI agency reported laconically that Lapusnyik had supposedly died of typhoid. These newspapers must, therefore, have received a nod from [certain] quarters as to how to report; that is patently evident because they have come forth with the same poison murder version in unison, as on command. These quarters must naturally pursue a certain purpose.

At the same time, statements from official Hungarian organs unequivocally refute the assertions of a poison murder made by this source. Without contradiction it has been determined that the Hungarian refugee had been under constant Federal Police guard. How would the Hungarian secret service have gotten into Lapusnyik's cell in order to murder him?

On the other hand, the same source reports that Lapusnyik was to have been flown to America during this week. He must doubtlessly therefore have had contact with the American secret service. How else would he have flown to the USA? Well then, because of the sharp guard of the Federal Police nobody could have come near Lapusnyik—with one exception: the American secret service! If it indeed is factual that he had become the victim of a murder, then the culprits are to be sought only in the American secret services, nowhere else (complete translation).

[From the Associated Press News Service, June 6, 1962]

Vienna, Austria, (AP).—A Hungarian secret police officer told his Austrian guards shortly before his mysterious death that he feared he had been poisoned, probably by Hungarian Communist agents, it was reported today.

The officer, 24-year-old Lt. Bela Lapusnyik, died last Monday in a maximum-security room at Vienna's General Hospital, three weeks after a spectacular escape through the iron curtain to Austria.

A police communique last night said there was no evidence of foul play in Lapusnyik's death and that medical examination of the body was continuing. The communique did not rule out that the Hungarian could have been murdered.

Police officials, under press criticism, were tight-lipped. Informed sources close to the Interior Ministry, however, said Lapusnyik had given Austrian authorities valuable information about the Hungarian espionage network in Western Europe, including lists of names and headquarters of agents working abroad. The young officer crossed into Austria in mid-May and surrendered to Austrian authorities.

[From the Vienna Die Presse, June 7, 1962]

JAIL PERSONNEL UNDER CROSS EXAMINATION—THE AVO MAN WAS NOT POISONED IN HIS CELL

(By Norbert Lininger)

Vienna, June 7.—At noon on Wednesday the Vienna security bureau had completed the examination of the mysterious death of the 24 year old AVO officer Bela Lapusnyik. According to the results of the investigation, it is almost impossible that the Hungarian alone had been poisoned in the jail on Rossauer Laende. Understandably, almost daily, Lapusnyik was taken by officials of the Federal Police to the [police] headquarters on Parkring. As yet it has not been possible for the Viennese security bureau to determine what possibilities for murder existed during the time of his absence from jail.

In jail Lapusnyik was quartered in an isolation cell in the section for major criminals. Only the warders—in this section selected older personnel—had access to him. The food was poured into bowls in the kitchen and taken on a cart to this section which, in addition, was divided from the rest of the jail by grilled doors. In the kitchen, they didn't know which bowl would be served the Hungarian in the cell. The distribution [of the soup bowls] was always made by two guard officials. Therefore, the circle of suspects is limited to a maximum of five or six persons. These persons were thoroughly checked and subjected to cross examination on Tuesday and Wednesday. The result was negative.

What then was the situation when Lapusnyik was taken outside of the jail? And that happened, as has now been conclusively established, almost every day. Officials of the Viennese City Police came for him usually in the early forenoon and brought him back only toward evening. During the interrogation at headquarters on Parkring, Lapusnyik received special food. He was also permitted to make special requests. In this connection he was known as a friend of farinaceous food. Often, therefore, officials had to get a cake [Torte] from a nearby pastry shop.

The possibilities that existed there for the assassination of the AVO man are currently being investigated by the Federal Police. So far nothing has been made known concerning the progress of this investigation. As has been reported, however, all criminal officials of

Department I who had any dealings with Lapusnyik were supposedly interrogated individually on Wednesday (full translation).

[From the New York Times, June 8, 1962]

DEFECTOR TOLD OF HIS FEAR THAT HE HAD BEEN POISONED

Vienna, June 6 (AP).—A Hungarian secret police officer told his Austrian guards shortly before his mysterious death that he feared he had been poisoned, probably by Hungarian Communist agents, informants said Wednesday.

The officer, 24-year-old Lieut. Bela Lapusnyik, died last Monday in a maximum-security room at Vienna's General Hospital, three weeks after his spectacular escape from Hungary to Austria.

[From the New York Times, June 10, 1962]

VIENNA AS A SPY CENTER—POISONING OF HUNGARIAN AGENT POINTS UP CITY'S NEW STATUS AS CENTER FOR INTELLIGENCE ACTIVITY

(By M. S. Handler)

Special to the New York Times

Vienna, June 9.—The sudden death this week of a young Hungarian secret service officer who had defected to the Austrians and was guarded by them in a maximum-security building in Vienna has loosened tongues on the subject of the role of the Austrian capital as the main Communist base for intelligence operations against the West.

Apart from the normal amount of gossip engendered by the death last Monday of Second Lieut. Bela Lapusnyik evidence accumulated since the first of the year indicates that Vienna has replaced Berlin as the intelligence base.

The transfer from Berlin to Vienna was caused in part by the difficulty of passing agents between the two parts of Berlin after the Communist wall was erected. The wall became a handicap because the Western Allied services could more easily control entries and exits. Other reasons for the selection of Vienna included proximity to Communist borders unrestricted movement in Austria and ineffectual Austrian laws on espionage.

BIG ROSTER

There are more Soviet officials in Austria today than in Washington and New York combined. Not including such personnel as secretaries, telephone operators, cooks and chauffeurs, all imported from the Soviet Union, there are about 240 men with official titles.

The Hungarian and Czechoslovak intelligence organizations also maintain impressive establishments in Austria, but less is known about their manpower.

The death of Lieutenant Lapusnyik served to dramatize the im-

punity with which the Communist intelligence organizations operate in Austria.

He was a member of the section of the Hungarian security police headquarters in Budapest that is concerned with preventing defections and tracking down defectors. On May 9 he borrowed a motorcycle from a friend in Budapest and headed for Hegyeshalom, the Hungarian checkpoint on the Austrian border.

Lieutenant Lapusnyik escaped across the border under a hail of bullets at 2 A.M. on May 10. He surrendered to the Austrian border police, who transferred him to the state security headquarters in Vienna. He was interrogated almost every day. He was confined in maximum security and had contact with no one except his official guards and interrogators.

The defector was to be released last Monday. The night before he complained of throat pains and a throbbing head. A police surgeon reported later that he had detected an infection of the tonsils. Lieutenant Lapusnyik was rushed in the greatest secrecy to a guarded section of the general hospital.

The patient's condition deteriorated rapidly. A team of physicians tried desperately to save him. He had no fever. At 7 a.m. Lieutenant Lapusnyik, 24 years old and a strong, athletic type accustomed to outdoor life, died of a cerebral hemorrhage.

A quick autopsy disclosed a certain amount of inflammation of the intestines and the beginnings of inflammation of the lungs—none of which explained the rapid collapse and the stroke. Chemical analyses of tissue are under way, but there seems little likelihood that the agency that caused death will be discovered.

Professional opinion holds it as certain that Lieutenant Lapusnyik was killed by a poison that leaves little trace in the body. How the poison was administered is the main question.

The drama and mystery of the affair overshadow numerous recent incidents. Some cases wind up in court but most leave no trail.

For example, the criminal court in Eisenstadt, the Provincial capital of Burgenland, sentenced a young man to a year's imprisonment on charges of having supplied information to the Hungarian secret service. His assignment included the small frontier defense bunkers being erected in Austria. A kidnapping charge was dropped when the intended victim unexpectedly reversed his testimony in court.

LONG REACH

Austrians who have been aroused to anger by Communist activities commented, perhaps cynically, that the Communist secret services had long arms.

In some cases men simply disappear and are never heard from again.

Despite such incidents, informed sources believe the "rough stuff" is only a secondary activity in the intelligence underworld. They say times have changed, as have the targets of the intelligence organizations. The main target is said to be infiltration into business and social organizations and governmental departments.

Parallels are drawn between Vienna and Lisbon as intelligence centers. During World War II Allied and Nazi intelligence opera-

tives worked intensively from the Portuguese capital because it was a bridge between the two warring camps.

Vienna is also a bridge, this time between East and West, where men can be trained and operations conducted without fear of interference unless Austria's narrow law is violated.

[From the Reuters News Service, June 13, 1962]

Vienna, Austria, June 13, (Reuters).—Josef Afritsch Interior Minister said today that police investigations into the recent death of a Hungarian counter-intelligence agent “made it appear out of the question” that he was murdered while in protective custody.

In reply to questions in the National Assembly, he said all medical tests so far had not given the slightest indication that 24-year old Bela Lapusnyik, a Second Lieutenant, had died through “outside interference.”

Investigations are continuing, he said.

Lapusnyik escaped into Austria last month, claiming he had important information on the activities of Hungarian agents in Austria. He died in a closely guarded clinic June 4, shortly before he was to have been flown to the United States.

[From the Washington (D.C.) Post, June 14, 1962]

EX-SPY'S DEATH NATURAL

Vienna, June 13 (AP).—Interior Minister Josef Afritsch told Parliament today that the investigation of the death of former Hungarian intelligence officer Bela Lapusnyik has failed to disclose any foul play. Lapusnyik died in a Vienna hospital recently and there was speculation that he had been poisoned.

[From the New York Times, June 14, 1962]

SPY'S DEATH ARGUED IN VIENNA

Special to the New York Times

Vienna, June 13.—The Interior Minister, Josef Afritsch, told the Austrian Parliament today that chemical and bacteriological analyses had not disclosed any evidence that the death of Lieut. Bela Lapusnyik, a Hungarian spy who had defected to Austria, had been caused by an “external agency.” The minister made his statement in answer to questions.

[From the Volksstimme, June 14, 1962]

COLLAPSE OF THE LAPUSNYIK STORY

Vienna, June 13.—In response to a question by the FPO [Austrian Liberal Party] in Parliament concerning the "mysterious" death of the Hungarian fugitive Lapusnyik, the Minister of Interior, Afritsch, explained among other things that: "When, on June 3 the guard personnel reported that Lapusnyik was apparently suffering from an inflammation of the middle ear, he was immediately transferred to the General Hospital at the instance of the Directorate of Police and there was uninterruptedly guarded by an especially dependable police official. Since his condition worsened, that same evening there was a medical consultation which also took account of the possibility that poisoning was involved.

"A blood test was made and an examination of the contents of the stomach was undertaken. After Lapusnyik died early on the 4th of June, his body was subjected to a forensic medicine post mortem examination. The medical, chemical, and bacteriological test results so far provide no basis for the assumption that death could have been caused by outside action. The police investigations also have not revealed any circumstance which could lead to the conclusion that Lapusnyik was exposed to health-harming influences from any direction. Before the final determination of the cause of death the pending results of the biochemical tests will have to be awaited. The conjectures concerning the cause of death appearing in various daily newspapers therefore have no factual basis whatsoever."

There was considerable hilarity when the FPO delegate Tongel asked whether death could not have been caused "by means of an undetectable poison or the like."

Afritsch replied, the question had been answered.

Concerning the fantastic new reports which had appeared concerning Lapusnyik, Afritsch remarked: "The articles which have appeared in the press in large part did not square with the truth." The Minister of Interior commented: "In a country where there is freedom of the press it cannot be avoided that all sorts of news items will be spread about without having been checked beforehand." (Freedom of the press, too!)

AND THE CIC?

Unclear remains obviously the question who, with obviously very close connections with Austrian newspapers, spread the Lapusnyik story; furthermore on what basis was Lapusnyik to be brought to the USA and made available to assist the CIC; and what is actually the situation with regard to the practically official activities of the US espionage service in Austria, which should be combatted by the Federal Police, just as every other secret service must be combatted, instead of—as the Lapusnyik case makes clear—collaborating with it closely. No delegate raised a question in this regard, and the Minister did not reply to the question put to him by the Volksstimme. But silence also conveys a meaning (full translation).

[From the *Népszabadság*, (Budapest), No. 140, June 17, 1962]

THE LAPUSNYIK AFFAIR

(Signed: István Pintér)

If there were such a thing as a next world and if Béla Lapusnyik could now, two weeks after his sudden death, look back, to be more precise, could look back upon the "free world", he himself might say that it was not worth it. Probably that is how the editors of various Austrian papers have now come to look upon the matter, for the "Lapusnyik affair" became buried in a few days' time just as the body of the escapee had been buried. Lapusnyik died a sudden death; the fuss made over his death lingered on for some days, but neither has left a lasting mark.

Yet Sergeant Béla Lapusnyik became a famous man from one day to the other when on May 9 he got to the "free world" and chose the career of escapees and deserters that so rarely leads anywhere. From *Die Presse* and *Arbeiter Zeitung* down to *Express* a number of Viennese bourgeois papers together with West-German, British and American papers were terribly anxious to exploit this and crowded over the successful escape of a "key person of the Hungarian secret service"—as put by *Die Welt* of Hamburg. Lapusnyik—who by the way had never been officer as the various papers called him but had only risen to the rank of a sergeant—was said to have taken very important "lists" with him sewn into his coat's lining, that were to provide the Austrian counter-intelligence service with fine catches. Following the well-tested course the papers hypocritically "unmasked" that there was such a thing as a political police in Hungary while they rejoiced at the present the Austrian state security organs had come by and reported that Lapusnyik was to undergo a long interrogation at the Austrian political police. This "sensation" had but a short life then, all in all one day, in the columns of the Viennese papers. By the time it was resuscitated, Lapusnyik had been dead. He died in the prison hospital while he was in the Austrian police's strict custody * * *

While Lapusnyik was alive the Vienna police did not reveal a word whether the escapee had fulfilled the high expectations or not. But it issued a statement after his sudden death saying that Lapusnyik had developed an abscess on his tonsil in the prison where he was in custody and therefore he was transferred on June 3 to the Prison hospital where he died on Monday morning. The representatives of forensic medicine who carried out the post-mortem examination established that Lapusnyik had suffered from pneumonia and an inflammation of the small intestines as well and there were also indications that he had typhoid or paratyphoid fever. The statement firmly pointed out that in the course of the examination no signs had been found to indicate that the precious captive of the Austrian police had died a violent death.

Yet on the staffs of the Austrian papers there are skeptical men as well. They did not believe that a young man of 24 could die so suddenly of an abscess on the tonsil or even of typhoid fever of which

but some traces had been found. Contrary to the big agencies, the UPI, the AP, the AFP, the Reuter, and the Austrian semi-official APA, which reported the case laconically, an abridged form of the official communiqué, the Viennese press was immediately sure that Lopusnyik had been killed. According to hair-raising reports he had been killed by "Hungarian agents" so as to forestall his "sensational revelations". Die Presse and Arbeiter Zeitung blared it out just as much as Kronen Zeitung which, worthy of the fantasy of monarchists, informed its readers under a red-letter title that "Lopusnyik had been killed with a gas-pistol". In addition to the gas-pistol, which "leaves no marks whatsoever, the victim is not aware that he has been wounded and the post-mortem examination does not reveal anything either", even papers which consider themselves serious ones produced the story of "poisoned apples".

Hardly one day had elapsed when the Viennese papers, as if led by an invisible conductor, changed their tenor. Even Die Presse brushed aside, in a cold-blooded manner, what it had said the previous day and tried to prove that Lopusnyik had died a natural death. Was perhaps the reason for this climbing down, so unusual in provocative campaigns, that on Wednesday the story of the sudden death of a young man of 24 sounded more credible than on Tuesday? Or perhaps have the Viennese journalists discovered that it was a dangerous game to maintain that Lopusnyik had been killed when even simple readers could easily detect what sort of agents could have got into contact with Lopusnyik and could have got rid of him in the prison hospital?

Lopusnyik was in solitary confinement in the prison of Rossauerlaende where—we quote Express—"after the nerve-racking daily interrogations he had to content himself with one dish a day, with an unheated cell with a stone floor and a hard bunk". He had died one day earlier before he was due to be handed over to CIC agents to be transferred immediately, as had been planned, to the U.S. from the Schwechat Airfield on June 5, for "further treatment". Pursuant to their country's laws, the Austrian political police ought to fight against all secret services alike. Or are these laws violated just by those who ought to adhere to the Austrian laws, by the officials of the Austrian police? And if an agreement had been reached between the Austrian state security organs and the CIC in regard to the handing over of the prisoner, had they not co-operated when it was to be decided whether to let the escapee live or not?

And Lopusnyik, the "good catch" must have ceased being a "precious" captive after the first sensational days of the provocative campaign had worn off. After all the Sergeant who had escaped and asked for "political asylum" because of the disciplinary proceedings instituted against him for various financial corrupt practices—did not take, and could not have taken, any "lists" with him. Whatever revelations he had promised, or had other people promised on his behalf, he could not keep his promises. The French AFP reported that Lopusnyik could give but "information of no value". The deserter, who broke through the frontier, having confidence in Western "freedom", and who was dragged to solitary confinement and submitted to continuous interrogations over four weeks and then was to be

handed over to the CIC so that that torment should be continued in the U.S., could hardly produce all that was demanded by his interrogators who were in touch with the CIC. And who cannot cite examples how the American espionage organization deals with people who no longer represent any value to them and who have become superfluous?

This time the news agencies kept aloof from the provocative campaign launched by the Austrian papers. Is it because their correspondents had received information from certain quarters before their colleagues on the staffs of Austrian papers? There is one thing certain, the Arbeiter Zeitung in its article sounding a retreat, trying to prove that Lapusnyik had died a natural death, referred to "western intelligence agents" as well. Why has the central organ of the Austrian social democrats found it necessary to obtain information in the Lapusnyik affair from the men of the head of the U.S. spy organization, McCone, as well (incidentally, how did they get in touch with them?), and why did they not find satisfactory the statements issued by the Ministry of the Interior, led by the social democrat Minister Afritsch? Last Saturday several officers of the American secret service arrived in Vienna to "clear up" the circumstances of Lapusnyik's death. Although the Minister of the Interior, Afritsch, declared in Parliament to a question posed that Lapusnyik had died a natural death, the oversea commission would continue the investigations, even if the Minister did not mention it * * *

Thus the agents of the CIC can freely travel to neutral Austria and are welcome guests at the Austrian political police. Do perhaps the anti-Hungarian provocative campaigns, that are from time to time revived, and like the Lapusnyik-story meet with a fiasco, want to divert attention from the co-operation existing between the official Austrian authorities and the intelligence organs of the U.S. and N.A.T.O.?

The cold-war circles failed to profit by the case of the dead Lapusnyik as much as by that of the living one. The escapee has become a victim of the provocative campaign, but also those have burnt their fingers who received him with open arms and with a locked cell, though open to the CIC. How beneficial it would be if Express, together with the other papers, were to remember what it wrote, as a sort of unctuous explanation when the affair took a turn for the worse, though first it had jubilantly greeted Lapusnyik, "it would be wrong to glorify the participants in the dirtiest battles of the cold-war, runaways and traitors like Lapusnyik" (translation in full).

[Taken from the Vienna (Austria) Kurier, June 27, 1962]

BEHIND THE COFFIN MARCHED ONLY FOUR MEN THE LAST MILE OF THE AVO LIEUTENANT

Vienna, (own report).—That was the last mile of AVO second lieutenant Bela Lapusnyik, who died under sensational circumstances as a prisoner of the Federal Police, a few weeks after he had fled to

Austria, had placed himself at the disposal of the local police as an informant, and had already been granted asylum.

Several hours before the funeral, set for 11:15 a.m., men of the Federal Police in civilian clothing had arrived at the Central Cemetery and had "inconspicuously" placed themselves at their posts. Four of them stood at the chapel, a fifth one at the open grave site.

These officials were to be the only escorting mourners. The time of the funeral was not made public—"publicity was to be avoided". The costs of the plain funeral, a so-called Burial 4th Class, were assumed by the Ministry of Interior. For the consecration, a Hungarian clergyman was gotten; he provided a short funeral sermon in the German language for his compatriot who had lost his life on foreign soil in so tragic a manner.

Almost unnoticed, the funeral procession moved from Chapel III to a recently dug family grave which had just been purchased for Lapusnyik. In the lead the cross-bearer, then the clergyman, four undertaker's employees who pushed the burial cart, and then four men of the Federal Police in civvies.

No wreath, no flowers * * *.

Hardly were the words of the second consecration spoken when the gravedigger grabbed his shovel. He had been ordered to close the grave while the "five gentlemen" were still present. The men of the Federal Police, however, had been ordered not to depart before the dirt mound covering the resting place of the unfortunate Hungarian had been heaped up. A plain cross with the inscription "Bela Lapusnyik"—the cost was included in the overall funeral expenses—will be erected.

Photo captions on page 3.—Upper photo: The last mile of the AVO man. Hardly noticed was the funeral procession, consisting only of the cross-bearer, the priest, four pallbearers, and four officials of the Federal Police whose assignment it was to prevent any incidents and to wait until the grave of the former AVO second lieutenant had been closed.

Lower photo: The Hungarian clergyman stood alone at the open grave of his compatriot. The four men of the Federal Police who had followed the coffin and the fifth official who had guarded the open grave, all stepped back several paces and formed a circle around the burial site as if they still wanted to guard the dead man.

Photo caption on page 1: Only four men of the Federal Police yesterday morning followed the coffin of the Hungarian refugee, Bela Lapusnyik, who had died in Vienna under mysterious circumstances, to the Vienna Central Cemetery. The funeral, which was paid for by the Minister of Interior, was conducted most unobtrusively. (Story and other photos on page 16) (Full Translation)

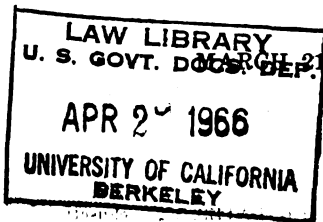


HEARINGS
ON
VARIOUS STOCKPILE COMMODITIES

H.R. 13368—BISMUTH
H.R. 13365—CHROMITE,
METALLURGICAL
GRADE
H.R. 13578—RHODIUM
H.R. 13662—REFRACTORY
GRADE BAUXITE
H.R. 13580—AMOSITE ASBESTOS
H.R. 13367—ACID GRADE
FLUORSPAR
H.R. 13371—PHLOGOPITE MICA
H.R. 13373—MOSCOVITE MICA
H.R. 13579—THORIUM
H.R. 13364 }
H.R. 12412 } PLATINUM
H.R. 13569 }
H.R. 13570 }

H.R. 13663—RUTHENIUM
H.R. 13774—VANADIUM
H.R. 13369—MOLYBDENUM
H.R. 13661—BATTERY GRADE
SYNTHETIC MAN-
GANESE DIOXIDE
H.R. 13320—INDUSTRIAL
DIAMOND STONES
H.R. 13372—CRUDE SILICON
CARBIDE
H.R. 13370—CRUDE ALUMINUM
OXIDE
H.R. 12694—JAMAICA AND
SURINAM TYPE
BAUXITE

BEFORE
SUBCOMMITTEE NO. 1
OF THE
COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS
SECOND SESSION



[Pages of all documents printed in behalf of the activities of the House Committee on Armed Services are numbered cumulatively to permit a comprehensive index at the end of the Congress. Page numbers lower than those in this document refer to other subjects.]

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EIGHTY-NINTH CONGRESS, SECOND SESSION

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VARIOUS STOCKPILE COMMODITIES

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE No. 1 OF THE
COMMITTEE ON ARMED SERVICES,
Washington, D.C. Monday, March 21, 1966.

The subcommittee met, pursuant to call, at 10 a.m., in room 2118, Rayburn House Office Building, Hon. Philip J. Philbin (chairman of the subcommittee) presiding.

Mr. PHILBIN. The subcommittee will come to order.

Today, we begin a rather backbreaking schedule. We have before us 22 stockpile bills involving 18 different commodities. Each of them relates to the disposal of surplus strategic and critical materials from the national stockpile and supplemental-barter stockpile.

In addition, on Thursday, March 17, I introduced seven additional stockpile bills sent to us by the General Services Administration. I am hopeful that we will be able to schedule these seven additional bills during the latter part of this week.

We hope to dispose of these bills through a series of consecutive hearings commencing this morning and continuing for so long as may be necessary.

Understandably, conditions may occur to interrupt this program. The tentative schedule, subject to revisions, is as follows:

Monday morning, March 21, 1966:

1. Bismuth—H.R. 13368.
2. Chromite, metallurgical grade—H.R. 13365.
3. Industrial diamond stones—H.R. 13320.
4. Rhodium—H.R. 13578.
5. Battery-grade synthetic manganese dioxide—H.R. 13661.

Monday afternoon, March 21, 1966:

6. Refractory-grade bauxite—H.R. 13662.
7. Crude silicon carbide—H.R. 13372.
8. Crude aluminum oxide—H.R. 13370.

Tuesday morning, March 22, 1966:

9. Amosite asbestos—H.R. 13580.
10. Acide-grade fluorspar—H.R. 13367.
11. Phlogopite mica—H.R. 13371.
12. Muscovite mica—H.R. 13373.

Wednesday morning, March 23, 1966:

13. Jamaica and Surinam types of metallurgical-grade bauxite—H.R. 12694.

14. Thorium—H.R. 13579.

15. Ruthenium—H.R. 13663.

16. Platinum—H.R. 13364 (Philbin) and H.R. 12412 (Ichord), also, H.R. 13569 and H.R. 13570 by Mr. Lennon.

Thursday, March 24, 1966:

17. Molybdenum—H.R. 13369.

18. Aluminum—H.R. 13366.

As you know, last year this subcommittee, the full Armed Services Committee and the Congress acted on every single stockpile bill either sent to us by the General Services Administration or introduced by a Member of Congress on which we received favorable reports from the Administration; and we authorized disposals totaling over \$1 billion.

As of February 28, 1966, the total market value of excess materials over which General Services Administration has complete disposal authority, including those materials for which congressional authorization had been given, plus the amount in the DPA inventory, totaled \$1,484 million. The authority now requested in the bills before us would provide authorization for disposal of approximately \$1,100 million worth of additional materials.

In essence, therefore, if congressional approval is given to disposals of these 25 materials as requested by the Administration, five principal commodities only will remain under congressional control. They are: lead, with a value of \$406 million; zinc, \$370 million; tungsten, \$145 million; cobalt, \$58 million; and diamond bort, \$27 million. These five items total approximately \$1 billion.

The other excess items contained in the stockpile are minor in nature, and total approximately \$200 million. Thus it is apparent that this committee and the Congress have cooperated fully with the executive branch of the Government to provide it the means to conduct a sound and orderly disposal program of excess materials.

In order to expedite the hearings as rapidly as possible, I have prepared a written statement summarizing each of these bills, and you will have before you a copy of that statement when we consider each of the bills. I do not propose to read that opening statement, but, rather, merely insert it in the record.

For the information of the members of the subcommittee, counsel has prepared a concise memorandum relating to each of these bills, which I am sure will prove helpful and will expedite the hearings.

In view of this fact, and in the interest of saving time, I will not at this time outline in detail the content and purpose of each of the bills which are to be considered. All information which has been furnished the subcommittee, including prepared statements, will appear in the printed report covering these hearings.

On March 16, I issued a press release announcing the hearings and the commodities which we would consider. In that press release, I stated that we would be happy to hear from witnesses from industry who are in disagreement or have reservations concerning any of these proposed disposals. Since each of the bills, with one exception, are Administration proposals—and I am positive that Administration spokesmen will urge their adoption—I also said in the press release that those witnesses who desire to support the legislation will not be heard, but that they will be privileged to submit their statements for the record.

The bills which we hope to take up during the latter part of the week are those which I introduced on the 17th of March, and are as follows:

1. Vanadium—H.R. 13774.

2. Celestite—H.R. 13768.

3. Cordage fiber (sisal)—H.R. 13769.
4. Crocidolite asbestos (harsh)—H.R. 13770.
5. Opium—H.R. 13773.
6. Diamond tools—H.R. 13771.
7. Metallurgical-grade manganese ore—H.R. 13772.

Naturally, the same rules will apply when we take up these bills as in the others that have been scheduled for hearing.

If we take up these additional seven bills, this means that we will be considering a total of 28 bills this week, involving 25 commodities.

I have had a copy of our stockpiling report compiled last year placed in front of you. I think you might be interested to know that the thousand copies that we had printed have been exhausted and that we have had a reprint of another thousand. I think these will be helpful to you as we proceed through the hearings.

The subcommittee is pleased to have the assistance of Mr. R. D. Young, an expert on stockpiling, to assist our regular counsel in handling these matters. We certainly appreciate Mr. Young's efforts, and his association with us, in this very important work.

As we proceed through these hearings, on each of the bills we will first hear from the Office of Emergency Planning witness and then the witness from the General Services Administration. Their testimony will be followed by testimony from industry witnesses.

I also want to welcome to the subcommittee, not for his first appearance, but for his first appearance after having been appointed Commissioner of the Defense Materials Service, General Services Administration, Mr. John Harlan. We congratulate him upon his elevation to this important position.

Under Mr. Connell, as you well know, Mr. Harlan, we have had very successful experiences here. We were able, over a period of time, through excellent cooperation on the part of witnesses, both of the Government witnesses and of the industry witnesses, to make a record regarding disposal matters of which I think that you of the administrative section of the Government, and we of this committee, and the Congress, may well be proud.

We hope we can continue along that line so that the record will continue to be good and not be marred by any inordinate delays, and we will have the same good results we have had in the past.

So we want to welcome you very much here, Mr. Harlan, and wish you good luck with your work.

And it is always a pleasure for this subcommittee to receive the expert and valued testimony of Mr. William W. Lawrence of the Office of Emergency Planning.

H.R. 13368—BISMUTH

[H.R. 13368, 89th Cong., 2d sess.]

A BILL To authorize the disposal of bismuth from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately two hundred and twelve thousand three hundred pounds of bismuth now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile estab-

lished pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. PHILBIN. The first bill we will take up this morning is bismuth, H.R. 13368.

(The prepared statement of Chairman Philbin on H.R. 13368 is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN SUBCOMMITTEE NO. 1

Mr. PHILBIN. This bill is part of the legislative package of the General Services Administration for 1966, and would authorize the disposal of approximately 212,300 pounds of bismuth from the national and supplemental stockpiles.

Bismuth is a grayish-white, brittle, hard, easily powdered metal with a reddish tinge. It has a low melting point (270° C.) and a low thermal conductivity. It is derived chiefly as a byproduct of lead-refining.

Bismuth is used primarily for low-melting (fusible) alloys, and pharmaceuticals. It is also used in other alloys, principally as an additive to improve machinability of aluminum and malleable iron.

Bismuth comes from Peru, Mexico, Canada, and Yugoslavia.

The total inventories contained in the national and supplemental stockpiles are 3,812,315 pounds, and the stockpile objective is 3,600,000 pounds, or an excess of 212,315 pounds.

The average acquisition cost of bismuth was \$2.13 per pound. The present market value is estimated to be \$4 per pound.

We will be happy to hear from you at this time, Mr. Lawrence.

STATEMENT OF WILLIAM LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. In order to save the time of the committee, I will try to paraphrase my statement on each one of these, rather than reading the entire thing.

We appreciate the opportunity of appearing before you to support this H.R. 13368. This bill covers the 212,300 pounds of bismuth which are excess to the current stockpile objective of 3.6 million pounds.

Bismuth is derived mainly from a residue of lead and copper smelting, and the major producers of bismuth are Peru, Mexico, Bolivia, and the United States. It is used in making fusible alloys, pharmaceuticals, and industrial and laboratory chemicals. The principal single use is an industrial chemical as a catalyst in the production of acrylic fibers which can substitute for wools in wartime.

There has been a considerable increase in the capacity to make these acrylic fibers in the last 18 months to 2 years, and this has caused what you might call a comparative shortage in bismuth and a corresponding increase in price.

The Atomic Energy Commission has a large current requirement for bismuth for the National Aeronautics and Space Administration

and Department of Defense space programs. It is expected that the entire quantity of this disposal will be reserved for the use of the Commission. In fact, this doesn't cover the entire requirements that the AEC have for this material.

Mr. PHILBIN. Will you tell us now something about the stockpile requirements situation for this particular material?

Mr. LAWRENCE. The requirements have gone up slightly. Actually, we, in considering the requirements for this material, don't count the use of the catalyst in the production of acrylic fibers in wartime; although they substitute for wools, we still feel that a larger portion of these outputs go to carpeting, which we don't consider an essential use.

This use that the AEC has now is, we think, a one-time use, and therefore it would not be covered in a mobilization requirement. I think the 3.6 million pounds is adequate to cover all of our wartime needs.

Mr. PHILBIN. Where would that leave the stockpile at the present time with respect to its requirements?

Mr. LAWRENCE. The 3.6 million in the inventory, we will be right at the inventory level, and the surplus will be all covered by this bill.

Mr. PHILBIN. So we won't be below the stockpile requirements?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. So you endorse this bill? You appear in favor of the bill?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. You cleared it with all the consulting agencies?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. The Joint Chiefs of Staff?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Department of Commerce, GSA?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. You worked in collaboration with them in preparing your own report?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Do you have any questions, Mr. Randall?

Mr. RANDALL. No.

Mr. PHILBIN. Mr. Machen?

Mr. MACHEN. No questions.

Mr. PHILBIN. Do you have any purchases going on at the present time?

Mr. LAWRENCE. Sir?

Mr. PHILBIN. What if this should be asked of GSA, would you be in a position where you could advise us concerning any purchases that are being made at this time, concerning the stockpile?

That is out of your field?

Mr. LAWRENCE. Yes.

Mr. PHILBIN. You have nothing to do with the marketing?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. So that you do say you have considered this matter very carefully and you have consulted with all of the contributing and cooperating agencies that usually are consulted in these matters, and that you appear here in favor of the passage of this bill?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. That is all I have.
 If there are no further questions, we will excuse you. Thank you very much.
 Now we will have Mr. Harlan.
 We are very glad to have you here, Mr. Harlan, and your staff.

STATEMENT OF JOHN HARLAN, GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Thank you, Mr. Chairman.
 May I assure you of full continued cooperation. Thank you very much for the statement you made.

Mr. Chairman, I have a very brief statement which I would like to read in connection with this particular piece of legislation.

Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H. R. 13368.

This bill would authorize the disposal of approximately 212,300 pounds of bismuth now held in the national and supplemental stockpiles and which the Office of Emergency Planning has determined are excess to stockpile needs.

Bismuth is a brittle, hard, and easily powdered metal. It is produced as a byproduct from the smelting and refining of copper and lead ores. Peru, Mexico, Bolivia, Canada, and the Republic of Korea are the major suppliers of bismuth in ores and concentrates. Several other countries, such as Japan and the United States, are large producers of metal from imported raw materials. It is used for low-melting (fusible) alloys in a number of safety devices such as plugs for compressed gas cylinders, automatic sprinkler systems, fire door releases, electrical fuses, and ammunition solders. The other major use of bismuth is as an ingredient in the manufacture of a wide variety of medicinal compounds.

The total inventory of bismuth held by GSA now stands at 3,812,315 pounds. The present stockpile objective is 3,600,000 pounds. The excess of approximately 212,300 pounds is covered by H.R. 13368.

The average acquisition cost of the stockpile inventories of bismuth was \$2.134 per pound. The current market price is \$4 per pound.

GSA has consulted with affected Government agencies in the development of the disposal program on the excess of 212,300 pounds. The Atomic Energy Commission has a continuing need for bismuth and its needs for the immediate future have been made known to us. It is established policy for agencies to use excess strategic and critical materials to avoid cash outlays for new procurement to the extent practicable. On the basis of the needs expressed to us at this time, it is our plan to channel the entire excess of bismuth covered by H.R. 13368 to AEC.

This agency recommends the enactment of H.R. 13368.
 This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you

may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. PHILBIN. Thank you very much.

So that the total amount of the disposal will be allocated to the Atomic Energy Commission?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. There is no other need for it, no other call for it, is there? Is there any need for it in industry that is urgent at this time, that you know of?

Mr. HARLAN. In checking with industry we have found bismuth is in very short supply, and to the extent that we can supply the needs of the Atomic Energy Commission, we hope to be able to in some way relieve an otherwise drain on a very tight supply situation.

Mr. PHILBIN. You realize that under this disposal now you are bringing it down to the stockpile requirement?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. You heard Mr. Lawrence's testimony regarding that?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. I think that is true of several of the other bills—most of the other bills we have here, too; we are bringing them down to stockpile requirements.

If there are any industries that are looking for these materials, because they have been in short supply, after these particular disposals have been made, they will not be able to come back to the Government again to seek or secure these materials.

Mr. HARLAN. That is correct, sir.

Mr. PHILBIN. That must be made clear.

Mr. HARLAN. Yes, it should.

Mr. PHILBIN. I made it clear to industry on several occasions in the past when we had hearings here that situation was coming to pass.

Now, with the proposed disposals that are pending, it has actually arrived, and I think it should be noted for the record that is the situation.

Is this material being purchased at the present time for stockpile purposes?

Mr. HARLAN. No, sir.

Mr. PHILBIN. Have you had industry conferences?

Mr. HARLAN. We have had individual conferences with industry. We did not have an organized meeting.

Mr. PHILBIN. Do you have what we might call consensus of the industry on this? Do you think you have the consensus of the industry concerning this disposal?

Mr. HARLAN. Yes, I think the only problem we might have with the industry is that they wish we could have more available.

Mr. PHILBIN. You do not have any objection?

Mr. HARLAN. No, sir.

Mr. PHILBIN. You have not had any recorded with you?

Mr. HARLAN. No, sir.

Mr. PHILBIN. You have no unfilled contracts or commitments outstanding covering the purchases of these materials?

Mr. HARLAN. No, sir; we have not.

Mr. PHILBIN. I think as you know we have a study taking place now to fix the stockpile requirements for nuclear war.

Are you familiar with that study?

Mr. HARLAN. Yes, I am.

Mr. PHILBIN. Do you have any indication as to whether it will be available? Have you had conferences with the Defense Department, with the Joint Chiefs of Staff, about this matter?

Mr. HARLAN. Mr. Chairman, I am familiar with the study that is being made. I am not participating in the study. I believe Mr. Lawrence would be better prepared to answer your question.

Mr. PHILBIN. What do you say about that, Mr. Lawrence?

Mr. LAWRENCE. We have completed the first part of the study, which is the supply requirements analysis of the entire economy. We are moving forward. We hope to have these nuclear war stockpile objectives as soon as possible. We have them scheduled within the next 6 months, but I don't know whether we are going to be able to meet that schedule or not, because of the fact, the people who worked on these materials, objectives, are also engaged in working on expediting production for Vietnam, so that—

Mr. PHILBIN. Who are these people that are working on this study?

Mr. LAWRENCE. The Department of Commerce and Interior, are the ones mainly responsible for the requirements. We have a rather limited number of materials people in the Government today, and the same people have to work on, as I said, expediting production matters for Vietnam.

Mr. PHILBIN. Does the Department of Defense—is the Department of Defense engaged also in this study?

Mr. LAWRENCE. Yes, sir. They have participated in it. They have given us part of their requirements. They haven't come up yet with their materiel requirements.

Mr. PHILBIN. In the hearing last year we were informed we probably would have the result of this study in May or June of this year. Would you say it would not be possible now to keep that deadline?

Mr. LAWRENCE. I think we will meet part of the schedule by then; yes, sir.

Mr. PHILBIN. That will, of course, when it comes, it could possibly change some of the stockpile requirements. I don't want to anticipate that, but what is your opinion about that?

Mr. LAWRENCE. Whether it will be higher or lower than conventional?

Mr. PHILBIN. Yes.

Mr. LAWRENCE. I think they will be lower than conventional.

Mr. PHILBIN. That would change the stockpile requirements?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. I didn't ask you to give testimony on that, but that is just your opinion.

Mr. LAWRENCE. I would say from the figures I have seen, that the nuclear war objectives in general will be lower than the conventional war.

Mr. PHILBIN. Yes.

Mr. Harlan, to come back to you, there is no objection, so far as you know, from industry?

Mr. HARLAN. None, no, sir.

Mr. PHILBIN. For this disposal? You are here to recommend it?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. You are convinced there is nobody in the industry, as far as you know, that opposes it?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. Actually you will channel it all to the Atomic Energy Commission?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. To be used by them?

Mr. HARLAN. This is why we—

Mr. PHILBIN. There are sales or disposals to no one, other than The Atomic Energy Commission?

Mr. HARLAN. We don't plan to make any other; no, sir.

Mr. PHILBIN. That is the way it is set up?

Mr. HARLAN. That is the way it is set up.

Mr. PHILBIN. You don't plan to make any of it—there is no reason to believe at the present time you should make disposals other than to the Atomic Energy Commission?

Mr. HARLAN. No, sir. The Atomic Energy Commission has told us their needs are far greater than what we will have available.

Mr. PHILBIN. Do you have some questions?

Mr. ARENDS. Just one question, if I might.

I note you acquired in the inventory \$2.135 cents a pound; now it is approximately \$4. Has this been a recent increase in price? How do you account for this?

Mr. HARLAN. It has been within the last 2 years.

Mr. ARENDS. Is this because of the demands from industry for it?

Mr. HARLAN. Yes; because there has been an increased demand, and new uses have developed for acrylon fibers, as Mr. Lawrence described.

Mr. ARENDS. There is a substantial demand in industry, as set forth?

Mr. HARLAN. There is; yes, sir.

Mr. ARENDS. What do you expect to get from AEC, pricewise?

Mr. HARLAN. \$4. We will transfer it to them at the fair market value.

Mr. PHILBIN. Then that will be credited to your account?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. As a matter of bookkeeping procedure?

Mr. HARLAN. That is correct. We will end up by making a profit of about \$380,000.

Mr. PHILBIN. What was the figure?

Mr. HARLAN. \$380,000.

Mr. PHILBIN. Mr. Bennett, any questions?

Mr. BENNETT. No questions.

Mr. PHILBIN. Mr. Randall, do you have any questions?

Mr. RANDALL. What is the reason for the AEC—I understood the gentleman testified there would be less of a need in nuclear war than conventional war. Why is this?

Mr. HARLAN. He believes it is a one-time requirement, Mr. Randall. I am not completely familiar with exactly what they plan to use it for, because they don't usually talk about these things. It is some sort of a coolant arrangement.

Mr. RANDALL. Possibly for peacetime use?

Mr. HARLAN. Reactor cooler—yes, sir.

Mr. RANDALL. You say bismuth is in short supply. Is this because of the shortness—you say it is a byproduct of copper and lead; is that the reason?

Mr. HARLAN. Yes; and the increase in demand. The supply is just not able to keep up with it.

Mr. RANDALL. That is all, Mr. Chairman.

Mr. PHILBIN. Mr. Machen?

Mr. MACHEN. No questions.

Mr. PHILBIN. Do you have questions, Mr. Cook?

Mr. COOK. No.

Mr. PHILBIN. Mr. Young?

Mr. YOUNG. No.

Mr. PHILBIN. That concludes the testimony on this bill.

Are there any additional witnesses who wish to testify on this bill? (No response.)

Mr. PHILBIN. If not, that concludes the testimony on this bill. The committee will take it under advisement.

(Whereupon, the subcommittee proceeded to further business.)

H.R. 13365—CHROMITE, METALLURGICAL GRADE

[H.R. 13365, 89th Cong., 2d sess.]

A BILL To authorize the disposal of metallurgical grade chromite from the national stockpile and the supplemental stockpile

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately two million and three hundred thousand short dry tons of metallurgical grade chromite (chromite ore equivalent) now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.*

Mr. PHILBIN. What is the next bill?

Mr. COOK. H.R. 13365, chromite; metallurgical grade.

(The prepared statement of Mr. Philbin on H.R. 13365 is as follows:)

OPENING STATEMENT OF PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. This bill is a part of the legislative program of the General Services Administration, and would authorize the disposal of approximately 2.3 million short dry tons of metallurgical grade chromite from the national stockpile.

At the present time we have a total inventory of this metal of 6,244,712 short dry tons, and a stockpile objective of 2,970,000 short dry tons; or a total excess of 3,274,712 short dry tons.

There has been no domestic chromite mining since 1961. However, the United States is the major processor of chromite ore. Imports of chromite from the U.S.S.R. comprised over 19 percent of

the total U.S. imports, most of which was consumed by the metallurgical industry. The Republic of South Africa, Rhodesia, and Turkey supplied most of the remainder of metallurgical chromite ore. In 1964, the domestic industry consumed 817,000 tons of chromite.

The average acquisition cost of chromite ores and concentrates in the national and supplemental stockpile inventories was \$50.55 per short dry ton. The present market value is estimated to be about \$30 per short dry ton.

In view of this great disparity in price, I am sure the subcommittee will be interested in knowing how much money we estimate that we would lose if this chromate were sold under the proposed disposal plan.

Mr. Lawrence, will you come forward and give your testimony on this bill?

Mr. LAWRENCE. The Office of Emergency Planning appreciates the opportunity to appear before this committee to support H.R. 13365. The bill authorizes disposal of approximately 2.3 million short dry tons of metallurgical-grade chromite, or chromite-ore equivalent, from the national and supplemental stockpiles.

I used the expression chromite-ore equivalent in this instance because we have authorized the General Services Administration, within this total amount, to dispose of 325,082 short tons of high-carbon ferrochromium and 236,376 short tons of low-carbon ferrochromium from the stockpiles.

We have made these upgraded forms of chrome ore available because we are heavily overstocked in both of them, so much so that the stockpile is overcapitalized to the extent of \$236 million.

Mr. PHILBIN. Let me interrupt for one moment.

When you say it is overcapitalized, there is too much material in the stockpile?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. All right.

Proceed, sir.

Mr. LAWRENCE. We also feel that we should retain chrome ore in the stockpile in order that the chrome industry could operate in wartime if all imports were cut off.

The primary use of metallurgical-grade chromite is in the production of ferrochromium for addition to steel.

The United States has had no production of chromite since 1961 although the United States is the largest consumer in the world. In 1964, over 1.4 million tons of chromite ore were imported from Russia (over 19 percent of the total), the Republic of South Africa, Rhodesia, and Turkey.

The crisis in Rhodesia has caused a cessation of imports from that country. U.S. industrial stocks of chromite are fairly high, but a continuance of the Rhodesian problem for a protracted period could result in a shortage in the United States.

For the information of this committee, the Office of Emergency Planning authorized the General Services Administration several years ago to sell approximately 989,750 long tons of subspecification metallurgical chromite ore from the Defense Production Act inventory. The GSA has been successful in disposing of approximately 35,000 tons of this material. Another 75,000 tons of fairly good material has been offered for sale.

The balance of the DPA material which is located at Nye, Mont., is of such poor quality that it cannot be sold in today's market.

The material that would be authorized for sale under this bill is specification-grade ore and should be useful to industry if a shortage develops.

We would recommend the enactment of this legislation. We feel the better quality ore available from the stockpiles will have a more ready sale than that which we have remaining in DPA.

Mr. PHILBIN. Thank you very much, Mr. Lawrence.

You have some ore in the stockpile that is substandard material, substandard quality?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. But you are not disposing of that? It is the better quality that you are disposing of under this particular bill?

Mr. LAWRENCE. We have already authorized that, I believe.

Mr. HARLAN. The material under this bill is higher grade material.

Mr. PHILBIN. Higher grade material?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. You noted the United States has not been in production of this material since 1961.

What is the reason for that?

Mr. LAWRENCE. The quality of ore available in the United States is of such poor quality that it is not profitable to mine without a Government subsidy—you can't produce it at a price that is competitive with imported ores in peacetimes.

Mr. PHILBIN. So that we have to rely on Russia and on the Republic of South Africa, and Rhodesia, and Turkey, for whatever we get.

Of course, that means, I suppose, since we don't have the kind of ore available here, that is good ore—

Mr. LAWRENCE. That is correct.

Mr. PHILBIN. Therefore the supply is not available here in our own country; we are largely dependent upon imports?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. What would our situation be if we had some of these imports cut off and we didn't have any stockpile?

Mr. LAWRENCE. We are retaining in the stockpile better than 2.5 million tons of specification-grade ore, which I feel will carry us in wartime very nicely.

Mr. PHILBIN. This brings down, however, the stockpile, to bare stockpile requirements; there is no excess?

Mr. LAWRENCE. There is no excess. We reduce the inventory to the objective, but not below it.

Mr. PHILBIN. Is that true generally of all of the disposals that you have presented to the committee, that the policy is to bring the stockpiles down to the stockpile requirements, and dispose of all that is over and above the stockpile requirements?

Mr. LAWRENCE. Everything that has been brought before this committee, that is our policy.

Mr. PHILBIN. This situation, now that you have referred to, pinpoints the real problem here, because we are apparently almost totally dependent upon foreign sources for supplies. Once we exhaust the stockpile supplies, we really will be in a very critical situation, won't we?

Mr. LAWRENCE. That is right, sir.

Mr. PHILBIN. But nevertheless, on the overall picture, you favor this?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. This amount, and this quality; and if needed in industry, you will check—I will take up with Mr. Harlan the matter of industry conferences.

Do you have some questions?

Mr. ARENDS. I was going to ask about the so-called poor quality that we have in the stockpile. The likelihood of not being able to dispose of this at all at any time——

Mr. LAWRENCE. I would say this mountain we have out in Montana may be with us forever.

Mr. ARENDS. Do you have any idea how much we have invested in this quality?

Mr. LAWRENCE. About 900,000 tons, I think.

Mr. ARENDS. In dollars and cents, how much?

Mr. LAWRENCE. Sir?

Mr. ARENDS. In dollars and cents, how much? Maybe you can supply it for the record if you don't have it.

Mr. LAWRENCE. We will have to supply this for the record, although I don't know whether you can place any value on this ore out there.

Mr. ARENDS. But we may have paid something for it.

Mr. LAWRENCE. We can give you the acquisition cost.

Mr. ARENDS. I would like to have the acquisition cost.

(The information requested is as follows:)

The acquisition cost of 900,000 short dry tons of the chromite ore stored at Nye, Mont., was approximately \$20 million.

Mr. ARENDS. It is interesting, you said that in 1964 the United States imported from Russia over 19 percent of the total 1.4 million tons of chromite that were imported. Do we continue to buy this chromite from Russia when we can get it?

Mr. LAWRENCE. Yes, sir.

Mr. ARENDS. But not from Rhodesia?

Mr. LAWRENCE. No, because of the embargo placed on it by the British, it is not shipped to the United States.

Mr. ARENDS. Is the embargo imposed by the British?

Mr. LAWRENCE. That is right, sir.

Mr. ARENDS. Very interesting—that is all.

Mr. PHILBIN. Mr. Bennett.

Mr. BENNETT. Is this metal considered to be a strategic metal?

Mr. LAWRENCE. Oh, yes, sir.

Mr. BENNETT. Do we have a law in the United States that prevents us shipping strategic materials to Russia?

Mr. LAWRENCE. Yes, sir. Strategic materials are under the control of the Department of Commerce. There is a certain list of the commodities which are not shipped to any Communist country

Mr. BENNETT. They don't have a comparable law?

Mr. LAWRENCE. No, sir; not to my knowledge.

Mr. BENNETT. Against ourselves—that is all.

Mr. PHILBIN. Mr. Machen.

Mr. MACHEN. No questions.

Mr. PHILBIN. No questions?

Thank you very much.

Mr. ARENDS. In the report on the stockpiling, it says the acquisition of commodities has been \$83.51 per short dry ton cost.

The average return to the Government, based on all of the sales made under the disposals to date, amounts to 46,066 short dry tons with proceeds of \$220,000. The average unit recovery was \$4.77 per short dry ton.

I just wanted to write that in the record.

Mr. PHILBIN. Mr. Harlan, proceed with your statement.

Mr. HARLAN. Thank you, sir.

I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13365.

This bill would authorize the disposal of approximately 2,300,000 short dry tons of metallurgical grade chromite (chromite ore equivalent) now held in the national and supplemental stockpiles. The Office of Emergency Planning has determined this quantity to be in excess of stockpile needs.

Metallurgical grade chromite is an ore consumed in the metallurgical industries principally for steel products. The ore is converted to ferrochromium and chromium metal which in turn are used to produce alloy steel and other alloying agents.

Mr. PHILBIN. At that point can you give us a breakdown of what you have in stockpile in ore, and what you have in ferro?

Mr. HARLAN. Yes, sir.

In chromite ore equivalents we have 2.5 million tons of ore; 975,000 tons of ferrochromium of the high carbon type; 790,940 of ferrochromium, low carbon; 84,258 tons of ferrosilicon chromium; 12,569 tons of chromium metal produced by the electrolytic process.

Mr. PHILBIN. Thank you.

Now proceed with your statement.

Mr. HARLAN. Then we have a number of subspecification items, including the material we have just been discussing. The total stockpile of low-grade ores at the moment is just over 1 million tons, most of which is this material stored in Montana.

Mr. PHILBIN. What about the ferro, what is the total on that, of the different grades of ferro, which is used by industry?

Mr. HARLAN. Let's see. The different grades of ferro will be—you total those up right quick—I have the various breakdowns; I don't have the total. I will total them up for you now.

Mr. PHILBIN. We can come back to that. Probably you can furnish that for the record.

You can proceed with it, and then we will come back to this matter of the quantity of ore and ferro, because I want to ask you a few questions on that subject. You can proceed with your statement, Mr. Harlan.

(The following information was received for the record:)

The total quantity of ferrochrome in inventory as of December 31, 1965, was 1,180,466 short tons of ferrochrome in chrome ore equivalents.

Mr. HARLAN. Thank you, sir.

The United States is dependent upon imports for the supply of this ore. The major sources of the supply for the United States are Rhodesia, Russia, South Africa, and Turkey.

The average acquisition cost of chromite ores and concentrates was \$50.55 per short dry ton. The current market value is in the area of \$30 per short dry ton.

Industry representatives and affected Government agencies were consulted in the development of the disposal program on the excess.

On March 2 we held an industry meeting with the major segments of the chromite industry to discuss the proposed disposal. The industry was most cooperative. They offered many valuable suggestions from which we will be able to develop a workable, orderly plan.

This agency strongly recommends the enactment of H.R. 13365.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time, or furnish the desired information for the record.

Mr. PHILBIN. You have complete concurrence with the industry as a result of your industry conference?

Mr. HARLAN. Mr. Chairman, I understand—and I have to assume from the fact that some of the industries have asked to appear today on the subject of chromite—there has been some change of mind.

At the meeting which was a little less than 3 weeks ago—and by the way, it was a very good meeting, very well attended, with very active participation—we reviewed the whole situation, and it was generally agreed that there was considerable danger of a tight supply situation developing in chromite, largely due to the British embargo on exports from Rhodesia, but also due to the uncertainty of Russian and Turkish deliveries; and that this was probably a very good time for us to begin working away at the disposal of chromite excesses.

We agreed that a good beginning rate would be in the neighborhood of 200,000 tons a year.

We also agreed that this was a poor time to begin disposals of the ferrochromes, and that we should postpone any immediate action on the ferrochromes, but keep a careful watch on the developments in the marketplace in close contact with the industry, and as a more favorable situation developed we would get together again and discuss beginning disposals of the various types of ferrochromes.

Now, I don't know what has happened, if the industry here now has reservations since the time of that meeting, I can only assume it may be because there is some indication that the chromite from Rhodesia is getting into the consumer's hands in this country in spite of the embargo.

I wish to point out to the committee that this just points up, in my opinion, the fluid and uncertain situation which exists on the supply of chromite, and that we should have authority to move the chromite and the ferrochromes promptly in the event of developments of short supply in the market.

Mr. PHILBIN. You are buying some now, aren't you, for the stockpile? Have you been buying any?

Mr. HARLAN. There is material coming into the stockpile under the barter program of the Department of Agriculture. I believe about 9,500 tons.

Mr. PHILBIN. Where is that coming from?

Mr. HARLAN. I believe that is coming from Turkey—it is either Turkey or Africa; I am not sure.

Mr. PHILBIN. What percentage do we get from Rhodesia and what percentage do we get from Russia?

Mr. HARLAN. Well, we are getting about 350,000 tons a year from Rhodesia, and the amount of supply from Russia fluctuates all over. I would have to say it is somewhere in the neighborhood of 225,000 tons.

Mr. PHILBIN. The supply from Rhodesia is being cut off—it is, I presume?

Mr. HARLAN. There has been an embargo imposed by the British, and our people who are mining in Rhodesia, I believe, are honoring that embargo, but there is reason to believe that the Rhodesian Government is continuing the mining operation and is getting the material out and into the hands of our consumers.

Mr. PHILBIN. We are getting some out of Rhodesia?

Mr. HARLAN. It would appear so; yes, sir.

Mr. PHILBIN. Coming directly to this country, coming through Russia or some other nation?

Mr. HARLAN. I am not sure, sir. It is possible the industry witnesses who are here may have some more information on it.

Mr. PHILBIN. You are not in position to tell us how this is developing?

Mr. HARLAN. No, sir. As a matter of fact, I only learned about this developing—this being a very possible development, just last Friday.

Mr. PHILBIN. The ferro, of course, is a much more valuable metal, isn't it? One that has more widespread use? Does it have more widespread use, and is it more valuable?

How did the Bureau of the Budget come into this picture? Have they been in touch with you?

Mr. HARLAN. Oh, yes, sir.

They, of course, have to clear all these bills.

Mr. PHILBIN. Do they also clear with you the quantities that you should request in these bills?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. For example, do they request that you bring all of the materials of the stockpile down to the stockpile requirements?

Mr. HARLAN. No. They don't require this, Mr. Chairman. You will recall that as a result of the Executive Stockpile Committee activities, which were started by President Kennedy, it was generally agreed that we should begin to address ourselves to total stockpile excesses for planning purposes, and this is what we have been doing now for sometime.

Mr. PHILBIN. What is the present policy regarding the disposition, regarding disposals, as measured and indicated and reflected by the bills which you sent down here to us?

I notice that you have in this batch of bills that you have sent down here, taken all the remaining excess right down to stockpile requirements.

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. I take it that must be your policy?

Mr. HARLAN. That is right, sir. This is the result of the policy.

Mr. PHILBIN. My question was, was that policy—does it emanate from your office, does it originate in your office, or was it dictated by the Bureau of the Budget or by other agencies?

Mr. HARLAN. No, sir. I believe it emanated from the Policy Agency on Stockpile Disposals, which is the Office of Emergency Planning.

Mr. PHILBIN. How much do you expect to get in total from this disposal?

Mr. HARLAN. You are speaking now, sir, of the chromite disposal?

Mr. PHILBIN. Yes.

Mr. HARLAN. Well, we would expect to get a total of about \$189.8 million.

Mr. PHILBIN. That would be at the market price. How would you sell it? Would you sell it on bids?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. Would you take it off the shelf, or what would you do?

Mr. HARLAN. Generally speaking, this type of material I think would have to be sold on bid, because there are so many uncertainties about the proper market price tied to quality, location, and so on.

Mr. PHILBIN. That would be sold on bids?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. That is the way you do it wherever you can?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. There are some instances where you would have to make sales but they are few and far between?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. I am very much interested in the export of any of these materials we are making available from our stockpiles. You realize the importance of these stockpiles to us for defense?

Mr. HARLAN. Yes.

Mr. PHILBIN. During any period of emergency or war?

Mr. HARLAN. Yes.

Mr. PHILBIN. What guarantee could you give to the committee that none of these materials would find their way into export channels, and eventually be exported?

Mr. HARLAN. Mr. Chairman, I don't think we would necessarily want to limit exports, unless the material were in short or tight supply. I believe if we are dealing with heavy excesses, and attempting as we do to get a maximum return to the Government, we should make them available on a world-market basis, unless there is a tight supply situation which would dictate our taking care of the domestic economy.

Mr. PHILBIN. Of course I appreciate that wouldn't be your particular area. You would have to do that through the Department of Commerce, no doubt?

Mr. HARLAN. That is right. It is a part of each individual plan.

Mr. PHILBIN. They handle the export license. You wouldn't have to do with that part of it?

Mr. HARLAN. No, sir.

Mr. PHILBIN. What regulations would you follow with respect to this particular disposal now, about getting it into the hands of people that need it, defense-rated orders, and that sort of thing?

Mr. HARLAN. Mr. Chairman, when we met with the industry it was agreed so long as the material was in danger of being in tight supply,

it should be limited to domestic consumption, and we would proceed on that basis, but would keep a watch on the market, and if that situation relaxed, then we might open it up for free market.

Mr. PHILBIN. So that you would believe it would get into the hands of defense-rated people, who are working on defense weapons or materials?

Mr. HARLAN. This is always given a priority, Mr. Chairman.

Mr. PHILBIN. That is always given a priority?

Mr. HARLAN. That is correct, sir.

Mr. PHILBIN. That is the understanding that you had then at the industry conference, no doubt?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. And the people in the trade well understand that?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. Defense industries are given priority?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. You are not acquiring any at the present time?

Mr. HARLAN. Except through the barter program.

Mr. PHILBIN. Except for the barter program that you described, but you actually are not buying any?

Mr. HARLAN. No, sir.

Mr. PHILBIN. How much of this material have you acquired through the barter program? Do you have those figures? I don't want you to divert—

Mr. HARLAN. It is about 1.5 million.

Mr. PHILBIN. We would like that for the record, if you have it.

Mr. HARLAN. I can give you a complete breakdown.

Mr. PHILBIN. Give us the breakdown on that, the amount acquired through the barter process, and the prices, and so forth, whatever you have.

(The following information was received for the record:)

Total quantity of chromite (chromite ore equivalent) acquired through barter program as of Dec. 31, 1965

	Short tons	Acquisition cost		Short tons	Acquisition cost
Chrome ore.....	373, 018	\$41, 246, 790	Ferrochrome (NS)	3, 280	} 5, 474, 107
High-carbon ferro.....	659, 777	128, 808, 214	Chromium electric metal.....	9, 156	
Low-carbon ferro.....	471, 617	141, 210, 619			
Ferrochrome silicon.....	45, 782	18, 333, 394	Total.....	1, 562, 640	335, 073, 124

Mr. HARLAN. All right, sir.

Mr. PHILBIN. Mr. Arends, do you have some questions?

Mr. ARENDS. Just one, Mr. Chairman.

You said you decided 2,300,000 short dry tons can be disposed of. What figure remains of the stockpile at hand—what figure remains?

Mr. HARLAN. We would be holding on to 2,970,000 tons.

Mr. ARENDS. At the same time do we continue to buy for the stockpile?

Mr. HARLAN. No, sir; we are not doing any buying for the stockpile in this area at all. We are, as I said, acquiring some through the barter program which is being done for the international—

Mr. ARENDS. This is a State Department procedure, then; is that right?

Mr. HARLAN. Yes.

Mr. ARENDS. Did you anywhere cite—I don't recall the figures—did you anywhere cite what these 2,300,000 tons would cost us, what you might expect we would get for them?

Mr. HARLAN. Yes. They cost us \$319,728,000, and we would expect to get \$189,816,000, which equates to an overall loss of \$129,912,000.

Mr. ARENDS. That is because there is little industry demand?

Mr. HARLAN. That is because we paid higher prices when we acquired the material.

Mr. ARENDS. Too much?

Mr. HARLAN. Particularly the ferros.

Mr. ARENDS. Thank you, Mr. Chairman.

Mr. PHILBIN. Now, when you make these purchases, would you describe briefly the procedure of making these purchases?

What sets off the purchase by GSA, on stockpile materials?

Mr. HARLAN. We receive a purchase directive from the Office of Emergency Planning, which tells as what to obtain in terms of quantity and quality and how to obtain it.

Mr. PHILBIN. Then you proceed to do that?

Mr. HARLAN. That is correct, sir. It is based on their research as to what is needed for stockpiling.

Mr. PHILBIN. Mr. Lawrence, may I ask you this question at this point?

How do you determine what is needed for the stockpile at any given time?

Mr. LAWRENCE. Any time——

Mr. PHILBIN. Where do you get this information, that causes you to send that order to GSA?

Mr. LAWRENCE. On all of the objectives where we don't have sufficient inventory to meet them we usually issue the purchase directives covering all of the items, and we specify the type of acquisition method that they are to use; in an effort to hold down the budget we have restricted cash procurement to the jewel bearings that are produced out in North Dakota. All the other materials are being acquired by the barter route, or by payment in kind with other excess materials.

Mr. PHILBIN. As of now, what is the excess in this particular stockpile? What is the excess of the materials that you have as chromite, metallurgical type—what is the excess you have in the stockpile at this time?

Mr. LAWRENCE. 2.3 million.

Mr. HARLAN. The total, including the low-grade material, is 3.3 million.

Mr. PHILBIN. What is the stockpile requirement for it?

Mr. LAWRENCE. 2,500,000, a little over 2.5 million short dry tons.

Mr. HARLAN. 2,970,000, to be exact.

Mr. PHILBIN. Back in 1963 you acquired 2,970,000 tons. Now, at that time, were you under or over the stockpile requirements?

Mr. LAWRENCE. We were over the stockpile requirements. That was obtained under the barter program in order to assist Turkey, as I remember.

Mr. PHILBIN. That wasn't a transaction where the Government went out and paid cash for it; it was a barter?

Mr. LAWRENCE. This was proposed by the State Department.

Mr. PHILBIN. I want to make that clear, this was a State Department proposal, and you purchased this under a barter program, and you didn't go out and pay cash for it?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. You followed that procedure in a great many instances, have you not?

Mr. HARLAN. Almost exclusively, now, except in the case of jewel bearings.

Mr. PHILBIN. How often do you pay cash, as distinguished from barter cash for any of this stockpile material, Mr. Lawrence?

Mr. LAWRENCE. About 5 years.

Mr. PHILBIN. These stockpiles were built up very largely at a very rapid rate, say within the last 10 years or so?

Mr. LAWRENCE. Starting in 1952, the program was largely handled through the Eisenhower administration.

Mr. PHILBIN. It was handled—was that a combination of barter and cash, or was it mostly barter?

Mr. LAWRENCE. It was mostly cash during that period.

Mr. PHILBIN. Mostly cash during that period?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. When did you get into the heavier acquisitions under the barter program?

Mr. HARLAN. About May 1954.

Mr. LAWRENCE. Barter has been in since when—1954?

Mr. HARLAN. Just about 1954; yes, sir.

Mr. PHILBIN. I see.

Do you have some questions, Mr. Machen?

Mr. MACHEN. No, sir.

Mr. PHILBIN. Mr. Cook, do you have any questions?

Mr. COOK. Two questions, sir: How long do you anticipate this disposal program will take?

Mr. HARLAN. Well, at the beginning rate of 200,000 tons, depending on market developments, I would expect that it would take better than 10 years.

Mr. COOK. And as I understood you to say, you will not be releasing under your present plan any ferrochromium?

Mr. HARLAN. Ferrochrome releases are in the plan, but we agreed this is not a good time to release them, and would not release them until a more favorable market situation develops.

Mr. COOK. Would you then have an industry conference to discuss this?

Mr. HARLAN. Absolutely; yes, sir.

Mr. PHILBIN. That is your practice?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. Wherever feasible to take action, you always follow that course?

Mr. HARLAN. That is right, sir. And this committee is largely responsible for the success of that type of program.

I would like to say at the chromite meeting the industry expressed a desire to have periodic meetings with us, regardless of the market condition.

Mr. PHILBIN. As you know, the committee is very anxious to keep informed of what you are doing, because you have always cooperated with us, and we have always cooperated with you.

Mr. HARLAN. That is right.

Mr. PHILBIN. Trying to get this job done together.

I am concerned about some loopholes here that seem to appear, regarding these exports.

I notice that you say—and I think with some reason—that you don't want to put any embargo on exports, but it seems to me to be rather inconsistent for us to be disposing of—the Congress and this committee to be taking action to dispose of these critical materials, with the thought that we are doing two things, bringing them down to the stockpile requirement level and also helping industry, and then find that those materials that we have made available, with the the thought that they are going to help industry, are being channeled out of the country, through loopholes in the present export controls.

Mr. HARLAN. Mr. Chairman, there is another factor that should be considered here, and that is the strong feeling on our part that never before have we had—and we may not ever have again—a better economic opportunity to move out these unneeded materials, and it should be pointed out that relieving this overhang from the market is also a benefit to the industry.

Mr. PHILBIN. Yes.

Mr. HARLAN. So that I would think where we have heavy excess, and there is no particularly tight market supply situation, we should not put in—

Mr. PHILBIN. That would be true, where we have heavy excesses, where there is no real demand in industry.

I am thinking of our talking about a situation where we have real demand in industry.

Mr. HARLAN. We almost—

Mr. PHILBIN. These materials nevertheless are channeled out of the country.

Mr. HARLAN. Mr. Chairman, in almost every case where there is a tight supply situation that I know of, we have limited the sales for domestic consumption, and we do have through the Department of Commerce, and our own compliance structure, a way of keeping a watch on that.

Mr. PHILBIN. You have done that in every instance, and you really have not had any other, so far as you know, result, than these materials have gone to the places that the legislation intended they should go to; namely, to relieve shortages in industry.

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. In most of the instances.

There have been some, you say, where the aim of disposal measures have to be to get rid of surplus?

Mr. HARLAN. Right.

Mr. PHILBIN. That would be good business, as you point out, too. If we get a good price, we should dispose of the materials that we don't need.

Mr. HARLAN. That is right.

Mr. PHILBIN. I was referring to an altogether different situation now, where you have a critical shortage in industry, and action by this

committee and by the Congress, to try to alleviate, to some extent, by making these materials available, and then having the materials that we have made available channeled in some way out of the country so that they didn't reach our own industry in the amount that the legislation intended they should.

You haven't had that actually happen in any disposals that you have handled with this committee; have you?

Mr. HARLAN. Not under those circumstances, and we plan to talk with you during these hearings on several commodities that are in critical short supply, and at the time we discuss those, I will point out to you that we will not only make every effort to keep them from getting out of the country, but we are going to limit our sales in a way which will get them most directly into the consumers' hands as soon as possible.

Mr. PHILBIN. That is very fine. I think that is an excellent approach.

Do you have a question?

Mr. ARENDS. Just one question.

In your real desire to get rid of the so-called surpluses, will we run into any possibility of dumping on the market against the private industry desires?

Mr. HARLAN. Mr. Arends, we can't afford to do that, even if it was legally possible, which it isn't. The law would not permit us to do that.

Mr. ARENDS. I am glad someone can't, because I know Orville Freeman is doing a pretty good job. I hope you don't associate with him too much in regard to that pattern. It worries me just being a farmer. You know, what is happening to the prices, in the urgency to get rid of the commodities, and we wouldn't want that to happen in this instance.

Mr. HARLAN. I think, maybe, Mr. Arends, the best illustration I can give you, with the help this subcommittee has given us, we have done \$600 million worth of disposal business during this year, and as far as I know, there has been no serious disruption of any kind.

Mr. ARENDS. Maybe you and I should go down and see Orville.

Mr. HARLAN. All right.

Mr. PHILBIN. It is gratifying to note there has been no disruption, and no irregularity of any kind, and there has been no criticism registered on this program up to this point, as it relates to this committee, the Congress, the United States, and your own agencies, with respect to disposals that have been handled through legislative channels; that is correct, is it not?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. Would you say that is correct, Mr. Lawrence, from what you know about it?

Mr. LAWRENCE. That is correct.

Mr. PHILBIN. If there are no further questions on that, we thank you very much for your excellent testimony.

Are there some witnesses from industry who want to be heard on this bill?

Step forward, give your name to the reporter, and we will be glad to hear from you briefly.

Mr. COOK. Our only witness is Mr. J. C. Moroso.

Mr. PHILBIN. Give your name and address, and who you represent.

STATEMENT OF J. C. MOROSO, UNION CARBIDE CORP.

Mr. MOROSO. J. C. Moroso. I represent the Mining and Metals Division of Union Carbide Corp.

Mr. PHILBIN. Who is it you represent?

Mr. MOROSO. The Mining and Metals Division of Union Carbide Corp.

Mr. PHILBIN. Do you have a prepared statement?

Mr. MOROSO. No, sir. I shall be very brief.

We want to make a point—just a point. And that is, as far as the disposal plan that Mr. Harlan has outlined, we have no quarrel with it whatsoever.

Right now is not a good time to dispose of ferrochrome, he knows that, and as long as he tells me he isn't going to do it, I certainly am going to accept his word.

However, I would like to make a point, and that point is that ferrochrome in this subobjective, which is surplus, which represents a huge quantity of electric power as well as labor, there is enough power in the surplus, there was enough power consumed in the surplus to light the city of Washington for about 3 months or more. We feel that perhaps the subobjective is a little bit on the low side. We don't quarrel with Mr. Lawrence, we don't quarrel with Mr. Harlan. We do sort of quarrel with the Bureau of the Budget.

We would respectfully request perhaps another look be given to the subobjective for ferrochrome with the possibility in the light of changed conditions as they exist today you would want to increase the amount that is in that subobjective.

We do not wish in any way to interfere with the passage of this bill.

Thank you.

Mr. PHILBIN. Thank you very much.

You are not objecting to the passage of this bill?

Mr. MOROSO. No, sir; not in its form.

Mr. PHILBIN. I might suggest you might address your objections to the Bureau of the Budget, rather than to this committee, although we are glad to have them.

We want to welcome you here; and we are glad to have you come and give your views, as you have so candidly done.

I would suggest you might have a conference with Mr. Harlan, and maybe you can work out something that might be agreeable to your point of view.

Mr. MOROSO. Yes, sir. We have been getting along very well in this whole disposal program.

Mr. PHILBIN. Thank you very much for your views.

Mr. MOROSO. Thank you.

Mr. PHILBIN. Are there additional witnesses in opposition, or who want to make some comments about this bill?

What is your name and your address, and the company you represent?

**STATEMENT OF DENTON A. SHRIVER, VANADIUM CORP. OF
AMERICA**

Mr. SHRIVER. My name is Denton A. Shriver. I am executive vice president of the Vanadium Corp. of America.

Mr. PHILBIN. That is a well-known name in Washington.

Mr. SHRIVER. Thank you, sir.

Mr. PHILBIN. Are you related to the Commissioner?

Mr. SHRIVER. Oh, about a seventh cousin, I guess.

Mr. PHILBIN. Good. That is fine. We are glad to have you here. We welcome you here.

Mr. SHRIVER. We have not formally asked for permission to address the committee, and I don't know whether it would be proper to.

Mr. PHILBIN. You may address the committee. We are glad to have your testimony.

You go ahead and let us know. Do you have a prepared statement?

Mr. SHRIVER. I do not; I am sorry. I sent the committee a letter on this matter.

Mr. PHILBIN. If you have a prepared statement, or if you care to have your letter go in the record, we can arrange for that, too. We will be glad to take your testimony; and we will also be glad to hear from you.

You go ahead in your own way and tell us what your point of view is.

Mr. SHRIVER. All right, sir.

My company is a producer of ferrochromium, in this country. We have plants for ferrochrome in Ohio and in West Virginia.

We also produce in a small way chrome ore in Rhodesia, formerly Southern Rhodesia.

We do take objection to the bill on the grounds that we see no reason for the disposal of ferrochromium at this time. We do not take objection to the objective of making available chrome ore, particularly chrome ore to relieve perhaps a shortage which will develop because of the British embargo from Rhodesia.

Incidentally, I am not aware of Rhodesian ore coming into this country at this time. Mr. Harlan may have information that we would like to have.

Mr. PHILBIN. You say no Rhodesian ore is coming here, either directly or indirectly?

Mr. SHRIVER. I didn't mean to say that, sir; I am not aware of it. I don't know that I would know the answer.

There may be some Rhodesian ore that was produced and exported from Rhodesia prior to January 20, which is the cutoff date in the British order of Council.

I do not know about ores produced or exported subsequent to that.

Mr. PHILBIN. Your position is that you want ore disposed of now; but you don't want the ferro disposed of now, because you think the market conditions are not favorable.

Mr. SHRIVER. That is correct.

Mr. PHILBIN. We had Mr. Lawrence's testimony about that, and you may not be so far apart as you think.

Mr. SHRIVER. I think our real point at this time is, obviously we do not feel that GSA can expect my company or other ferrochrome producers to purchase the chrome ore which they would like to sell

at the same time that, here, they are competing with us in the sale of ferrochrome.

We feel that if he puts up for sale the 800,000 tons of chrome ore, which he is asking authority for, approximately, here, it will take him a number of years to dispose of that without seriously damaging the economies of Turkey, perhaps Rhodesia, Russia perhaps, Iran, or South Africa, these being the traditional producers of chrome ore.

It will take him obviously many more years, to dispose of the ferrochrome, particularly if he wishes to get rid of the ore first.

So may I say that my company feels that it is totally unnecessary for Congress to grant this authority at this time for the sale of ferrochrome, and that there will be many opportunities for the GSA to come back to Congress over the next 3 or 4 or 5 years seeking this authority.

I would like to comment on one thing, sir, about this meeting on March 2. I regret that I was not present at the meeting. My company had a representative present, so that anything I know about it is second-hand hearsay information.

However, I did not understand that the industry representatives, including the steel industry representatives, approved of the idea of putting ferrochromium—or seeking authority for the sale of ferrochromium at this time.

I may be mistaken in that, and I don't—it may also be a matter of a large meeting; and it wasn't quite clear what the consensus of the meeting was.

Mr. PHILBIN. Your opposition is based on the fact that you think it would disrupt the market?

Mr. SHRIVER. I am sorry, I didn't hear.

Mr. PHILBIN. You think releasing these quantities of both the ore and the ferro at this time, particularly the ferro, would disrupt the market?

Mr. SHRIVER. The GSA is seeking authority to sell approximately three times the annual U.S. requirements of ferrochrome.

Mr. PHILBIN. You understand, of course, that would not be sold on the market at one time? That disposal would take place over a period of time.

Mr. SHRIVER. I appreciate that, sir.

Mr. PHILBIN. Have you gone over this matter with Mr. Harlan, to ascertain just how it is going to be done?

Mr. SHRIVER. We have seen Mr. Harlan's disposal plan, in which it speaks—which was filed, I believe, with the committee—which speaks of authority to sell, or a plan to sell, within the next year, 200,000 tons of chromite (chrome equivalent) I believe—I don't have it in front of me.

It isn't clear from that disposal plan whether ferrochrome would be included or not.

However, I do understand from what Mr. Harlan said today, he was not intending to dispose of ferrochromium within the next year.

I would like to make one other statement, sir—

Mr. PHILBIN. Would that change your opinion about the bill?

Mr. SHRIVER. I do not think so, sir. We feel since (1) GSA is not planning to dispose of ferrochromium within the first year, in any event, and that it does not seem likely or economically possible

for them to sell both chrome ore and ferrochrome, over the next 2 or 3 years, in quantities they are asking for, that there is very little reason for Congress at this point to approve the disposal of ferrochrome.

I would like to make one other point, though, sir. I speak for an industry which has been very depressed. Part of that depression is due to some of these stockpile programs, in a sense.

As Mr. Harlan and Mr. Lawrence pointed out, a good deal of the ferrochrome and of the chrome ore which is in the stockpile, was acquired for political purposes in the sense—I don't mean domestic political purposes—but primarily to help the economy of Turkey, and prior to that, as far as ferrochrome was concerned, to help the rebuilding of the economy of Western Europe.

This resulted in a very large increase in the capacity to produce chrome ore, particularly in Turkey.

At the time the stockpile program was ceased in the United States there was tremendous overcapacity, both in the ferrochrome production industries throughout the world, and also in the chrome ore production facilities.

This has led to a very substantial reduction in prices of these commodities in the world markets, and I think that is reflected in the figures which Mr. Harlan gave on the decline in the value of the stockpile.

In the United States, one of the ferrochrome producers has gone out of business completely, over the last 3, 4 or 5 years.

My company has closed one plant. I believe Union Carbide has closed one or two plants. Chrome Mining & Smelting has closed another one. And as an example of what we are talking about, ferrochromium, low-carbon ferrochromium, which in 1959 was selling about 39 cents a pound, contained chrome, declined in the middle of 1964 to about 20.5 cents, and it has come back slightly to the mid-twenties.

This is somewhat like trying to sell a Buick for about \$1,500.

On top of this, we have been subject to increasing competition from South Africa, primarily, and Japan, with the result that, particularly in low-carbon ferrochrome, the foreign imports have taken about 30 percent of the domestic market.

We feel strongly—my company feels strongly the U.S. industry can compete with the foreigners, but it means new furnaces, it means more efficient facilities, it means greater capital investment.

Several of the ferroalloy companies, including mine, are currently investing large sums in the building of new furnaces and new facilities.

Now, we don't think this program can continue to make the U.S. industry competitive if there is hanging over the market a 3 years' supply of ferrochrome from the stockpile, without any warning as to when it could come on the market.

I think Mr. Harlan and his group are doing a fine job. We have no criticism of them, although we had a little argument about vanadium not too long ago. But I think it is inevitable that a government body, particularly at this point, will have a temptation to save us all some tax money, and this I am thoroughly in accord with as a taxpayer, but I don't know that I can feel as an executive of a company having to invest maybe 5, 10 or 15 million in new facilities, that I

am too happy to rely on the good sense and integrity, or the long-term thinking and marketing analysis of the government body. And I know that my company would feel that it could make a much greater contribution in keeping the domestic industry competitive, in continuing to absorb large blocks of power, which is a very vital element in our national defense, only if we have some assurance that when the GSA really wants to sell ferrochrome, that they have to come back to Congress and prove their case.

I am sorry for a nonstatement. I do appreciate the committee letting me talk here.

Mr. PHILBIN. You have made a very good statement. If you were handling the stockpile, how would you handle it—this situation—having in mind now that we have a very large excess here, long standing, and we are trying to approach the disposal of it as well as we can without disrupting industry, without creating price problems for industry, and at the same time to try to safeguard the Government's interest?

What would you do if you were in the position of the Government Administrator here, and were charged with this responsibility? How would you dispose of this particular surplus?

Mr. SHRIVER. I would at this time, sir, suggest that Congress should grant only the authority to dispose of the chromium ore—chromite ore—which the GSA has asked for. The title of this bill, or the way in which this bill is expressed, is somewhat deceptive. I don't mean that in a derogatory sense.

However, it really asks for authority to sell approximately one-half chrome ore and one-half ferrochrome, or maybe one-third and two-thirds ferrochrome, on a dollar basis certainly.

I would grant authority to sell or dispose of, in an orderly manner, the chrome ore, and withhold authority at this time for the sale of ferrochromium.

I would think it will take the GSA at least 2 years to dispose of the chrome ore in an orderly manner, and that there will be a number of opportunities, for them to come back and seek additional congressional approval, if it should appear desirable to dispose of ferrochromium.

Mr. PHILBIN. Now, may I ask whether there are other members of the industry who feel as you do about the disposal?

Mr. SHRIVER. I understood that probably the second or third largest ferrochromium producer, Air Reduction Co., would be represented here. I don't see them present, so I may be wrong.

Another producer, Ohio Ferro Alloys, president, Mr. Cunningham, expressed to me somewhat the same views as I expressed to the committee. That was last week.

I am afraid our industry perhaps has been negligent here. We at first did not realize that this bill authorized the sale of ferrochromium.

Secondly, we perhaps have been a little slow in getting together in presenting our case to the committee. I apologize for that.

Mr. PHILBIN. We are very glad that you came here to give us your views. We too have responsibilities, as you know.

Mr. SHRIVER. Yes, sir.

Mr. PHILBIN. One of the responsibilities in disposing that we accept and are bound to follow—we don't want to do anything that will dis-

rupt industry, or disrupt price levels or economic conditions of the country.

I want to thank you for giving us such an excellent statement of your viewpoint, and assure you we will give your views very careful consideration.

Do you have any questions?

Mr. MACHEN. I have one question, Mr. Chairman.

You mentioned it might be more desirable to postpone this 4 or 5 years, that conditions would be more favorable then.

Can you tell us what you mean more specifically by that?

Mr. SHRIVER. Well, perhaps in a sense it is hard to say. One of the reasons that there has been a decline in this industry, or a depreciation, has been a decline in the consumption of stainless steel in the United States. That declined from about 1958, I think, through 1963, and stainless has since started to resume a growth trend. You realize stainless was one of the "wonder metals," and had a very rapid growth trend up through the 1950's, or mid-1950's. It then declined, and now is again resuming its growth.

We feel—of course, as one gets into their own industry they are always optimistic about it—we feel that the growth in stainless is going to be substantial, and that there will be better economic opportunities for disposal in the future.

There are in addition, sir, several new techniques, involving the use of metallurgical-grade chrome ores and ferrochromes. A great deal of work is being done on this, such as chromizing, and so on, chrome diffusion, which we think will substantially increase the market for ferrochromium, and therefore, for chrome ores, in the not too far off future.

But these things are not currently in the market.

Mr. MACHEN. Thank you very much.

That is all I have.

Mr. PHILBIN. Mr. Bates, would you like to inquire?

Mr. Bates is a minority representative on our committee, and a very knowledgeable and able member of the committee. If you have any questions, Mr. Bates, we would be glad to have them.

Mr. BATES. No questions.

Mr. PHILBIN. There are no further questions?

Do you have any questions, Mr. Cook or Mr. Young?

(No response.)

Mr. PHILBIN. Otherwise, we thank you for your fine statement. I want to assure you we will give your views very careful consideration.

Mr. SHRIVER. Thank you.

Mr. PHILBIN. Mr. Harlan, very briefly, would you sit down and be comfortable, and let us hear your reactions; first on the question of ore.

The preceding witness has suggested that you might make an orderly disposal of ore at this time, but do nothing at this time about the ferro. What is your reaction about this?

Mr. HARLAN. At the moment, sir, that is exactly what we plan to do.

But I would like to point out, Mr. Chairman, the ferroalloy industry, like any other industry, has its ups and downs, and the possibility that they could reach a capacity situation and not be able to supply the required ferroalloys is just as possible as it is in any other

industry. And I would think that with the defense spending program as it is, and with the level of the gross national product, this is a distinct possibility.

I would think we should be in a position if that situation develops, to consult with industry and notify some ferro——

Mr. PHILBIN. You wouldn't do anything until you consulted with the industry?

Mr. HARLAN. Absolutely not, sir.

Mr. PHILBIN. You wouldn't move until you had industry consensus and consulted with them, and found out their viewpoint?

Mr. HARLAN. That is right.

I would like to straighten something out on the record, Mr. Chairman. I am afraid Mr. Shriver may have left the impression that it wasn't clear to the industry this disposal program included ferro-chrome.

I want to say that at the meeting which we had, on March 2, I told the industry, and his company was represented, that we planned to ask the Congress for authority to dispose of this material, and we handed to every representative there a complete breakdown of the inventory of excesses, and had quite a considerable discussion on the subject of ferros. And it was understood that we would proceed with this program on the basis that we would move the ores out first, and keep a watch on the ferro situation.

Mr. PHILBIN. You will move the ores out every carefully too, won't you?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. You are not going to disrupt any markets or prices that you know of?

Mr. HARLAN. Not if I can help it; no, sir.

Mr. PHILBIN. Do you think you can confer later, at Mr. Shriver's convenience with him, and explain perhaps in detail what your plans are, what your procedure would be, in the event——

Mr. HARLAN. I certainly will, Mr. Chairman.

I think one of the things that bothers me is, we are in constant touch with Mr. Shriver's company. We have a lot of business with them. I knew nothing about this development until this morning.

Mr. PHILBIN. I suggest perhaps you might have a talk and clarify your viewpoint, as expressed here by Mr. Shriver.

Mr. HARLAN. All right.

Mr. PHILBIN. Do you have a question?

Mr. ARENDS. No, except this:

You do not anticipate disposing of the ferro; you still feel you should have the authority to do so? Is this right?

This is a long-range disposal program in that respect. It looks a long way down the road, but you feel you should have the authority nevertheless?

Mr. HARLAN. In order that we can move promptly if there is such a change.

Mr. ARENDS. Could there be such a change possible in the next 2 or 3 years, would you think?

Mr. HARLAN. It is very hard to say, but I think if it does develop it would develop within that period; yes, sir.

Mr. ARENDS. Thank you.

Mr. PHILBIN. Thank you very much.
 This concludes the testimony on this bill.
 Mr. Cook, what is the next bill?
 (Whereupon, the subcommittee proceeded to further business.)
 (The following material was received for the record:)

VANADIUM CORP. OF AMERICA,
 New York, N.Y., March 17, 1966.

HON. PHILIP J. PHILBIN,
 Chairman, Subcommittee on Disposals, House Committee on Armed Services,
 New House Office Building, Washington, D.C.

DEAR SIR: I am writing in reference to House bill 13365, which I understand has been referred to your Subcommittee No. 1 on Disposals.

We understand that H.R. 13365 is identical to Senate bill 3022. The Senate bill has been referred to the Committee on Armed Services.

Under the proposed bill, the Administrator of General Services would be authorized to disposed of "2,300,000 short dry tons of metallurgical grade chromite (chromite ore equivalent) now held in the national stockpile * * * and supplemental stockpile * * *."

"Metallurgical grade chromite" usually means chromium ore having a content in excess of 44 percent Cr_2O_3 and a 2.4-to-1 chromium to iron ratio. The term does not generally include "high-carbon ferrochromium" or "low-carbon ferrochromium." However, on the basis of information which this company has, there is not 2,300,000 short dry tons of "excess" metallurgical grade chromium ore in the stockpiles. The only way we can reconcile the 2,300,000 short dry tons is by the inclusion of 325,093 tons of high-carbon ferrochromium and 236,387 tons of low-carbon ferrochromium having, respectively, a "chromite ore equivalent" of 812,733 and 590,967 dry tons. This interpretation is made apparent by reference to the disposal plan transmitted to the Congress with the February 3, 1966, letter of the General Services Administration. On page 4 of the disposal plan the GSA states * * * "The total quantity for release hereunder includes the chromite ore equivalent of ferrochromium and electrolytic chromium. * * *"

The requested disposal authority thus is for, despite deceptive language used in the proposed act, approximately 897,000 short dry tons of chromite (ore) and approximately 325,000 tons of high-carbon ferrochromium and 236,000 tons of low-carbon ferrochromium.

We believe that the granting of authority to sell ferrochromium at this time is totally unnecessary and undesirable, that such disposals, if made, might seriously endanger the national defense of the United States and almost certainly will seriously damage the ferroalloy industry of the United States, an industry which is itself vital for our national defense.

Vanadium Corp. of America is a medium-sized, publicly owned company. It is one of a number of "ferroalloy" producers in the United States. Vanadium Corp. owns and operates chromite (ore) mines in Rhodesia through a subsidiary, although it also purchases a major portion of its chromite requirements.

From these foreign ores Vanadium Corp. and other ferroalloy producers in the United States manufacture in electric furnaces a product known as ferrochromium. The two general types of ferrochromium are referred to as "high-carbon ferrochromium" and "low-carbon ferrochromium." The majority of the U.S. ferrochromium-producing plants are concentrated in the Ohio Valley area and thus generally in the depressed economic area we have come to refer to as the Appalachian region. Vanadium Corp.'s plants for the manufacture of ferrochromium are located in Jefferson County, Ohio, near the city of Steubenville, and in Mason County, W. Va. Other Vanadium Corp. plants are located in Ohio, Washington, New Mexico, and Iowa.

Ferrochromium is an essential ingredient in the manufacture of stainless steel, and considerable tonnages are also used in the production of various other alloy steels. It goes without saying that stainless and alloy steels are, in turn, essential both for our domestic peacetime economy and for our national defense in any period of emergency. It also necessarily follows that a strong ferrochromium industry is also an essential ingredient of our national defense.

In recent years metallurgical grade chromite has come to the United States from, in the order of their importance, Russia, Rhodesia, and Turkey. There are no economically viable domestic sources of chromite (ore) in the United States and only very small tonnages known of in the entire Western Hemisphere.

The ferroalloy producers in the United States are also very major consumers of electrical power. As a result, their requirements for power are in many cases the bases for the economic strength and feasibility of large power units, particularly those in the industrial heart of our Nation, stretching from east of Pittsburgh through the Middle West. Serious disruption of the ferroalloy industry could also, therefore, seriously disrupt the present and future anticipated economic development of our electric power resources.

There is no present or anticipated shortage of ferrochromium in either the United States or the free world; sale of GSA ferrochromium, therefore, will be largely at the expense of the domestic industry.

During the year 1965 there were approximately 164,000 net tons of low-carbon ferrochromium and 148,000 net tons of high-carbon ferrochromium consumed in the United States. 1965 was, of course, a high-consumption year for ferrochromium, reflecting high-steel production rates, particularly high alloy and stainless steel rates of production. Of the ferrochromium consumed, approximately 50,000 net tons of low-carbon ferrochromium and 5,300 tons of high-carbon ferrochromium were imported into the United States, primarily from production in the Republic of South Africa, Japan, and to a lesser extent, from Western Europe. The imports of low-carbon ferrochrome were approximately 30 percent of U.S. consumption and show the substantial encroachment on the market by imports when compared to 5.4 percent as recently as 1960.

The ferrochromium industry has been severely depressed in the free world for a number of years, although the U.S. industry made a moderate recovery in the year 1965. The current price levels for low-carbon ferrochromium are below those prevailing in the so-called depression years of the 1930's.

The ferrochromium the GSA asks authority to dispose of, is approximately 2 to 3 years of the total U.S. domestic consumption, even supposing that the General Services Administration can oust foreign producers from their present entrenched position in the domestic market. (For reasons having to do with duty drawbacks foreign ferrochromium—even when sold at the same price as domestic material—has a substantial price advantage for a part of the U.S. market.)

While there may be some justification for the disposal of chromite ore at this time, arising out of the political uncertainties of the Rhodesian situation, it is obviously not practical for the General Services Administration to sell to the United States ferroalloy industry chromite ore in any substantial quantities, while destroying their market for ferrochromium. There, therefore, seems little justification for authority to dispose of ferrochromium from the stockpile at this or any foreseeable time. The chromite ore, which the General Services Administration seeks authority to dispose of, would constitute somewhat over 1 year's total U.S. consumption at a very high operating rate. As many domestic ferrochromium producers have already committed for other purchases for several years ahead, the GSA cannot be expected to complete marketing of their ore for many years even assuming Rhodesian ores are not available to U.S. industry. Furthermore, there is no basic shortage of chrome ore in the world today, so that GSA sales will undoubtedly depress world chrome ore prices. To the extent Rhodesian ores become available at depressed prices to producers of ferrochrome in South Africa, Japan, Canada, Great Britain—but not to U.S. producers—ferrochromium imports to the United States will likely increase. To this extent there will be a further reduction in the market available for GSA disposals. Accordingly, there will be many possible future opportunities for the General Services Administration to ask the Congress for authority for the sale of ferrochromium should such appear desirable.

Finally, the recent hearings before the Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs have, we believe, demonstrated the miasma involved in the setting of stockpile objectives for minerals, particularly as to objectives in the event of nuclear warfare. We believe that the objective for ferrochromium is less than 1 year's U.S. current peacetime requirements. World War II and Korean war experience was that ferrochromium requirements jumped 200 to 250 percent above previous peacetime levels. Ferrochromium is a particularly sensitive product in wartime since the United States is totally dependent on overseas supplies of chromite (the most important present supplier being Russia). Any stockpile objective is at best the sum total of a series of debatable assumptions. As to ferrochromium objectives there seems serious question as to the adequacy of the present objectives.

Vanadium Corp. of America urges strongly that the proposed House bill 13365 be revised to permit only the sale of chromite (ore) in the amount of approximately 800,000 short dry tons.

Very truly yours,

D. A. SHRIVER,
Executive Vice President.

CLEVELAND, OHIO, March 23, 1966.

HON. PHILIP J. PHILBIN,
*Chairman, Subcommittee on Disposals, House Committee on Armed Services,
New House Office Building, Washington, D.C.:*

In regard to bill H.R. 13365 now in hearing before your committee, our company as producers of chromium ferroalloys recommends that the wording be clarified as to the nature of the chromium materials authorized for release. We concur in the release of chromite ore in orderly fashion to meet industry requirements unavailable from normal sources. We object to the unrestricted release of ferrochromium alloys from the stockpile on the basis that it can be disruptive to the planned growth of this vital industry and can lead to the loss of irreplaceable labor and power units properly reserved for more critical situations than exist at present. Any chromiumferro alloy disposal should be clearly restricted in the language of the bill to meet shortages beyond the scope of existing and planned domestic capacity.

D. G. BOWSER,
Vice President.
Interlake Steel Corp., Ferroalloy Division.

MEMPHIS, TENN., March 25, 1966.

Representative PHILIP PHILBIN,
*House Armed Services Subcommittee,
Washington, D.C.:*

Reference H.R. 13365. Recommended most strongly that the disposal of ferrochromium not be permitted at this time through inclusion of wording "chromite ore equivalent." Ferrochromium should be in objective stockpile where it would be readily available in the event of emergency. We urge this course of action most strongly. Inclusion of chromite or equivalent could be very damaging to the vital ferroalloy industry.

J. THOMAS TIMMS,
*President and General Manager,
Chromium Mining & Smelting Corp.*

PICKANDS MATHER & Co.,
Cleveland, Ohio, March 23, 1966.

HON. PHILIP J. PHILBIN,
*Chairman, Subcommittee on Disposals,
House Committee on Armed Services,
New House Office Building, Washington, D.C.:*

With reference to H.R. 13365 before Subcommittee No. 1, our company, which is responsible for the marketing of Globe chromium ferroalloys, strongly recommends that the wording be clarified as to the nature of the chromium units to be authorized for release.

We are in favor of the release of stockpiled metallurgical grade chromite ore as a shortage develops.

We object to the unrestricted release of ferrochromium alloys from the Nation's stockpile. This would disrupt the growth of this vital industry. We recommend that the present stockpile of chromite be retained in the form of finished ferrochromium. Any disposal of ferrochromium should be clearly restricted in the language of the bill to assure protection of markets and the continued availability of capacity.

ELTON HOYT III,
Manager, Pig Iron, Ferroalloys & Coke Sales.

OHIO FERRO-ALLOYS CORP.,
Canton, Ohio, March 22, 1966.

HON. PHILIP J. PHILBIN,
Chairman, Subcommittee on Disposals,
House Committee on Armed Services,
New House Office Building, Washington, D.C.

DEAR SIR: We wish to call your attention to House bill H.R. 13365 which has been referred to your Subcommittee No. 1 on Disposals. We believe this House bill is identical to Senate bill S. 3022 which has been referred to the Committee on Armed Services.

The proposed bill provides that the Administrator of General Services would be authorized to dispose of "two million three hundred thousand short dry tons of metallurgical grade chromite (chromite ore equivalent) now held in the national stockpile * * * and supplemental stockpile * * *."

The significance of the above quote is concerned with the words "chromite ore equivalent." If this bill is passed by Congress, the Administrator would be authorized to sell the finished product high-carbon ferrochromium and low-carbon ferrochromium from the stockpile in lieu of the metallurgical grade chromite ore, if he so desired.

Our company, as a producer of ferroalloys, uses large quantities of metallurgical grade chromite which must be imported from foreign countries and we support the release from the stockpile limited quantities of the chromite to supplant the shortage of chromite that may be caused by the embargo by our Government against imports of Rhodesian chromite. However, we do not approve the release of the finished ferroalloy, low-carbon ferrochromium and high-carbon ferrochromium from the national stockpile or the supplemental stockpile.

In the last few years our country has become dependent upon Russia as a source of chromite to the extent that we could be in a precarious position if Russia would some day announce that no further shipments would be made to this country. More reason that the finished ferroalloy should not be disposed of, and, secondly, that the quantities of chromite should be limited so that friendly nations are not discouraged from exploring and producing the ore for shipment to this country.

The finished product, ferrochromium, mentioned above, is a storage of ore, manpower, electric energy and many other items that were put in the stockpile for emergencies such as we may find ourselves involved at the present time. Certainly now is not the time to release ferrochromium from the national stockpile.

We recommend that the reference to ferrochromium (chromite ore equivalent) be struck from the bill.

Very truly yours,

R. L. CUNNINGHAM,
President.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 28, 1966.

HON. PHILIP J. PHILBIN,
Rayburn House Office Building,
Washington, D.C.

DEAR PHIL: I am attaching a copy of a telegram received today from R. L. Cunningham, president of Ohio Ferro Alloys, with reference to H.R. 13365.

It seems to me that he has a valid point in suggesting the elimination of reference to "chromite ore equivalent," and I hope it will have your consideration.

Sincerely yours,

FRANK T. BOW,
Member of Congress.

CANTON, OHIO, March 28, 1966.

HON. FRANK T. BOW,
House Office Building,
Washington, D.C.:

I urge you contact members of Armed Services Subcommittee on Disposals to strike reference to "(chromite ore equivalent)" from H.R. 13365 being voted on March 29: "(chromite ore equivalent)" would allow GSA to dump 561,000 tons of ferrochrome on the market, which could cripple the ferroalloy industry. This amount compares with total consumption in the United States in 1964 and 1965. The ferrochrome is a storage of manpower electricity—2½ tons of chromite ore per ton of ferrochrome—which could be needed in case of war emergency. We approve of original intent of the bill to release a limited quantity of the excess ore in the stockpile, but not the important finished product ferrochrome.

R. L. CUNNINGHAM, President.
OHIO FERRO ALLOYS CORP.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES.
Washington, D.C., March 25, 1966.

HON. PHILIP J. PHILBIN,
Chairman, Subcommittee No. 1, Armed Services Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to the telegram to you and other members of the subcommittee from G. L. Weissenburger, chairman and president, Vanadium Corp. of America, and testimony before your subcommittee regarding the inclusion of ferrochrome in H.R. 13365.

In light of the damage to the domestic ferroalloy industry by this inclusion as outlined in the telegram and testimony, I would hope that you see fit to exclude ferrochrome from the bill.

With kind regards, I am,
Very sincerely yours,

WAYNE L. HAYS, U.S. Congressman.

NEW YORK, N.Y., March 24, 1966.

HON. RODNEY M. LOVE,
House of Representatives,
Washington, D.C.:

Reference H.R. 13365, disposal metallurgical-grade chromite from national and supplemental stockpiles and our written and oral statements to the Armed Services Disposal Subcommittee, inclusion of ferrochrome through wording "chromite ore equivalent" parenthesized in bill could be extremely damaging to the domestic ferroalloy industry and preclude or substantially eliminate research, development and expansion of this vitally essential industry necessary to keep pace with improved technological applications and processes. Further, our industry unanimously of opinion ferrochrome should be in objective stockpile rather than chromite ore, because of tremendous electrical power, as well as labor and transportation, used in converting ore to ferrochrome.

These items which are certain to be in short supply, as well as targets for bombing or sabotage in any national emergency, would thereby be stockpiled rather than chromite ore, which would be useless, lacking either productive capacity or these essential constituents to processing. We would therefore urgently recommend deletion of words "chromite ore equivalent" parenthesized in H.R. 13365 and either reducing tonnage of chromite ore to amount of ore currently in excess of objective, or leaving original tonnage of 2,300,000 short tons stand, so that it would be available for disposal in form of ore should the OEP act on advice from the alloy industry to switch ferrochrome into objective stockpile and place more chromite ore in excess.

Recent additions to domestic alloy productive capacity plus announced expansions currently authorized, making a shortage of domestic alloy capacity highly unlikely in the foreseeable future, and would provide ample time for congressional or presidential emergency action should ferrochrome supply fall short of satisfying domestic demand.

VANADIUM CORP. OF AMERICA,
G. L. WEISSENBURGER, Chairman and President.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 24, 1966.

Congressman PHILIP J. PHILBIN,
Chairman, Subcommittee No. 1, Armed Services Committee, the Rayburn Building.

DEAR MR. CHAIRMAN: I am enclosing the telegram I received today from the president and chairman of the Vanadium Corp. of America with respect to H.R. 13365, with respect to amending portions of the bill dealing with chromite ore.

I would appreciate it if the enclosed telegram could be made part of the hearings.

Sincerely,

KEN HECHLER.

NEW YORK, N.Y. March 24, 1966.

Hon. KEN HECHLER,
House of Representatives,
Washington, D.C.:

Re your conversation with Carl Adler, manager our Graham, W. Va., plant, the 2,300,000 short dry tons of metallurgical-grade chromite (chromite ore equivalent) in chromite disposal bill includes 900,000 tons metallurgical-grade chromite ore, approximately 236,000 net tons low-carbon ferrochrome, and 325,000 net tons high-carbon ferrochrome. Approximate U.S. consumption 1965 was 164,000 tons of low-carbon chrome, of which 50,000 was imports and 114,000 domestic material. Domestic consumption high-carbon ferrochrome 148,000 tons, 5,000 tons being imports and 143,000 tons domestic.

Telegram sent last night to members of Armed Services Subcommittee on Disposals follows: "Reference H.R. 13365 disposal metallurgical-grade chromite from national and supplemental stockpiles and our written and oral statements to the Armed Services Disposal Subcommittee, inclusion of ferrochrome through wording 'chromite ore equivalent' parenthesized in bill could be extremely damaging to the domestic ferroalloy industry and preclude or substantially eliminate research, development, and expansion of this vitally essential industry necessary to keep pace with improved technological applications and processes. Further, our industry unanimously of opinion ferrochrome should be in objective stockpile rather than chromite ore, because of tremendous electrical power, as well as labor and transportation, used in converting ore to ferrochrome.

These items which are certain to be in short supply, as well as targets for bombing or sabotage in any national emergency, would thereby be stockpiled rather than chromite ore, which would be useless, lacking either productive capacity or these essential constituents to processing.

"We would, therefore, urgently recommend deletion of words 'chromite ore equivalent' parenthesized in H.R. 13365, and either reduce tonnage of chromite ore to amount of ore currently in excess of objective, or leave original tonnage of 2,300,000 short tons stand so that it would be available for disposal in form of ore should the OEP act on advice from the alloy industry to switch ferrochrome into objective stockpile and place more chromite ore in excess. Recent additions to domestic alloy productive capacity, plus announced expansions currently authorized, make a shortage of domestic alloy capacity highly unlikely in the foreseeable future and would provide ample time for congressional or Presidential emergency action should ferrochrome supply fall short of satisfying domestic demand."

Understand committee may consider this bill again late today. Any assistance on your part to have the bill amended in subcommittee would be greatly appreciated.

G. L. WEISSENBERGER,
Chairman and President,
Vanadium Corp. of America.

H.R. 13578—RHODIUM

[H.R. 13578, 89th Cong., 2d sess.]

A BILL To authorize the disposal of rhodium from the national stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately six hundred and eighteen troy ounces of rhodium (Rh content) now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: Provided, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. COOK. The next bill, sir, is H.R. 13578, rhodium.

(The remarks of Mr. Philbin, on H.R. 13578, are as follows:)

**OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN,
SUBCOMMITTEE NO. 1**

Mr. PHILBIN. This is still another part of the legislative package of General Services Administration for disposal of metals from the national stockpile.

This is probably the smallest of the group. It calls for the disposal of approximately 618 troy ounces of rhodium (Rh content) now held in the national stockpile. There was never a stockpile objective for this particular metal.

The average acquisition cost of the commodity was \$126.537 per troy ounce.

In 1959 Congress authorized the disposal of 2,524 troy ounces of rhodium, and the average unit recovery was \$129.19 per troy ounce.

Rhodium is obtained from Canada, South Africa, the United States, and the U.S.S.R.

Rhodium is a metal of the platinum group and is intermediate between platinum and iridium with respect to hardness, toughness, and melting point. Rhodium maintains freedom from surface oxidation.

It is used to define the International Temperature Scale between 630.5 and 1063° C. Rhodium has a lower specific electrical resistance than platinum or palladium. Scientific instruments, silver and platinum jewelry, and precision instruments for the measurement of the physical properties of corrosive liquids are plated with rhodium. Electric contacts plated with rhodium are used for radio and audio-frequency circuits because of freedom from oxidation and low-contact resistance, and sliding or moving contacts are coated with rhodium to take advantage of the great hardness. Mirrors and surfaces coated with rhodium maintain brilliancy.

(The remarks of Mr. Lawrence are as follows:)

**STATEMENT BY WILLIAM N. LAWRENCE, CHIEF, STOCKPILE AND
REQUIREMENTS DIVISION, OFFICE OF EMERGENCY PLANNING**

Mr. LAWRENCE. Mr. Chairman and members of the subcommittee, thank you for the opportunity to support H.R. 13578, a bill to author-

ize the disposal of approximately 618 troy ounces of rhodium from the national stockpile.

Rhodium is one of the platinum group metals, and is usually alloyed with other members of platinum metals to give them hardness and strength. Some rhodium is produced in the United States, but most of our supply comes from Canada and South Africa.

There is no stockpile objective for rhodium, and a recent survey indicated no identifiable defense uses for the material.

There is currently a strong demand for rhodium, and the price has increased sharply in recent months. It would appear to be a most opportune time to dispose of this material.

Mr. PHILBIN. What did this quantity of rhodium material cost the Government when we purchased it? What would be the average cost of the total of 618 troy ounces which you now propose to dispose of?

Mr. ROMEO. \$127 per ounce. The total cost was \$78,200.

Mr. PHILBIN. In this case you don't have to have any industry conference, do you, Mr. Harlan?

Mr. HARLAN. No, sir.

Mr. PHILBIN. There is very little interest in this disposal. Was there any interest expressed by industry?

Mr. LAWRENCE. We have had Fiberglas people express their interest in buying it.

Mr. PHILBIN. They didn't express opposition to the bill?

Mr. LAWRENCE. No.

Mr. PHILBIN. There is no question about that?

Mr. LAWRENCE. Yes.

Mr. PHILBIN. Do you have some questions?

Mr. ARENDS. No questions.

Mr. PHILBIN. Any questions, Mr. Stratton?

Mr. STRATTON. No questions.

Mr. PHILBIN. Mr. Machen.

Mr. MACHEN. No questions.

Mr. PHILBIN. No questions. Thank you very much.

Mr. Harlan, there is not much controversy on this, but you have a statement on it?

Mr. HARLAN. Yes; why don't I submit it for the record, sir?

Mr. PHILBIN. I was going to suggest that in view of this situation. (The statement of Mr. Harlan is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13578.

This bill would authorize the disposal of approximately 618 troy ounces of rhodium now held in the national stockpile. This quantity

includes 173 ounces of rhodium in sponge form and about 445 ounces of rhodium alloyed with platinum.

The Office of Emergency Planning has determined this quantity, which represents the total inventory of rhodium in the stockpile, to be in excess of stockpile requirements.

Rhodium is a metal of the platinum group and is intermediate between platinum and iridium with respect to hardness, toughness, and melting point.

Rhodium has a lower specific electrical resistance than platinum or palladium. Scientific instruments, jewelry, and precision instruments for the measurement of the physical properties of corrosive liquids are plated with this material. Electric contacts plated with rhodium are used for radio and audiofrequency circuits because of freedom from oxidation and low-contact resistance.

U.S. production of rhodium is limited. The primary sources of the material are the Republic of South Africa, Canada, and Soviet Russia.

The approximate acquisition cost of the rhodium is about \$126.54 per troy ounce. The current quoted market price for rhodium is \$197-\$200 per troy ounce.

GSA has consulted with affected Government agencies in the development of the disposal program on the excess of 618 troy ounces. It is believed that in view of the type material which is excess and the small quantity involved there would be no impact on the market. We are, however, planning to review the disposal of this excess rhodium with the industry at a platinum industry meeting we are holding on March 23.

This agency strongly recommends the enactment of H.R. 13578.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. COOK. I have one question, Mr. Philbin.

Since this material was released, removed from the strategic and critical materials in 1957, why has a disposal plan not been developed at an earlier date?

Mr. HARLAN. Mr. Cook, there has been a continuing—I may want to ask Mr. Lawrence to correct me if I am wrong about this—there has been a continuing research by the Office of Emergency Planning to determine the possible need for rhodium, and it has only recently been determined this material should be released. Actually this material is an alloyed material, it was taken in from the Reconstruction Finance Corporation back in the days when we were trying to get adequate quantities of platinum.

Mr. COOK. This is what bothers me, the answer to the particular question. Having removed it in 1957, weren't we assured at that time that there was no continuing need for it?

Mr. LAWRENCE. We have been asked several times to make surveys on all the platinum metals.

Mr. PHILBIN. You haven't any industry conference on this particular metal. You are intending to take up this metal when you meet with the platinum industry?

Mr. HARLAN. On Wednesday, that is correct, sir.

Mr. PHILBIN. Do you expect to complete that meeting on Wednesday?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. As you know, we have a bill scheduled for consideration here.

Mr. HARLAN. I do, sir.

Mr. PHILBIN. At that time, perhaps you could bring us up to date. Remember please to make some mention of reactions you get from the platinum industry respecting this particular program.

Mr. HARLAN. I will be very glad to, sir.

Mr. PHILBIN. Are there any further questions?

If not, we thank you, Mr. Harlan. We will go to the next bill.

(Whereupon, the subcommittee proceeded to further business.)

H.R. 13662—REFRACTORY-GRADE BAUXITE

[H.R. 13662, 89th Cong., 2d Sess.]

A BILL To authorize the disposal of refractory-grade bauxite from the national stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately one hundred twenty-six thousand three hundred long calcined tons of refractory-grade bauxite now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. PHILBIN. Now the next bill is H.R. 13662, refractory grade bauxite.

(The statement of Mr. Philbin on refractory grade bauxite is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. H.R. 13662 was sent to us by the General Services Administration and provides for the disposal of 126,300 long calcined tons of refractory grade bauxite now held in the national stockpile.

At the present time, we have in our inventory 299,279 long calcined tons. The present stockpile objective which was established on April 10, 1964, is for 173,000 tons.

The proposed disposal would provide authority for disposal of all excess refractory grade bauxite.

Refractory grade bauxite is a clay-like material, dull white in color that has been calcined.

The principal use of this commodity is to produce high-alumina refractories.

Refractory grade bauxite comes from British Guiana.

The average acquisition costs of this commodity is \$79.92 per long calcined ton.

The consumption has increased from approximately 115,000 tons in 1963 to approximately 141,000 tons in 1964.

Mr. PHILBIN. Do you have that, Mr. Lawrence?

Is Mr. Lawrence here?

Mr. HARLAN. He stepped out for a moment.

Mr. PHILBIN. Mr. Harlan, you may go ahead. Is Mr. Lawrence coming back?

Mr. HARLAN. I am sure he is coming back. I think he stepped out of the room for a moment.

Mr. PHILBIN. Mr. Harlan.

STATEMENT OF JOHN G. HARLAN, GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13662.

This bill would authorize the disposal of 126,300 long calcined tons of refractory grade bauxite now held in the national stockpile. The Office of Emergency Planning has determined this quantity to be in excess of stockpile requirements.

Refractory grade bauxite is a special grade of bauxite high in alumina and low in iron. It is used primarily to produce high alumina refractories in the forms of brick and cementing compounds. British Guiana is the major source of supply.

The total inventory of refractory grade bauxite held by GSA is 299,279 long calcined tons. The present stockpile objective is 173,000 long calcined tons. The excess of approximately 126,300 long calcined tons is covered by H.R. 13662.

The average acquisition cost of refractory grade bauxite is \$37.92 per long calcined ton. The current market value is estimated to be approximately \$42 per long calcined ton.

Industry representatives and affected Government agencies were consulted in the development of the program for the disposal of the excess. On February 24, we held an industry meeting with representatives of the major segments of the refractory grade bauxite industry. At this meeting a spokesman for the Refractories Institute presented a proposal in behalf of the National Trade Association of the Refractories Industries regarding the method and rate of disposal. There was general agreement that the material is in short supply and that the disposal of the excess refractory grade bauxite from the stockpile is desirable. The industry suggested a program for orderly distribution of the material to domestic producers of refractories. With slight modification, we believe that the industry proposal is sound and will appropriately serve the interests of all concerned.

This agency strongly recommends the enactment of H.R. 13662.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. PHILBIN. Thank you, Mr. Harlan.

It would appear if the provision of this bill were carried out, the Government would make a pretty substantial profit here, on this commodity.

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. Because you bought it for something like \$37 a long ton, and the current market value is about \$42 per long ton?

Mr. HARLAN. Right, sir.

Mr. PHILBIN. There would be a profit here?

Mr. HARLAN. We stand to gain about half a million dollars on this, yes.

Mr. PHILBIN. How will that be disposed of? Will that be disposed of by competitive bidding?

Mr. HARLAN. The suggestion from the industry which has been pretty well agreed to is that it would be allocated to the makers of refractories on the basis of an initial first year disposal of approximately 40,000 tons.

Mr. PHILBIN. How can that be done, at the market price?

Mr. HARLAN. Yes, we would have to negotiate with each of the refractory producers, and we would base it on market price, yes.

Mr. PHILBIN. In that process, you will make sure all the producers are given an opportunity to get some?

Mr. HARLAN. Absolutely, yes sir.

Mr. PHILBIN. You wouldn't put it all in one or two pots, you would spread it around and give everybody a chance?

Mr. HARLAN. This material has been in short supply for quite a while, sir. The recommendations from the industry I think are sound. This will be the quickest way for it to get into use.

Mr. PHILBIN. Do we have that assurance from you: it will be handled, under this bill, or with other similar disposal bills, to give industry an opportunity either to bid or to be given a chance to be considered for some of the disposals?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. That is what you have been doing in the past, isn't it?

Mr. HARLAN. That is right, sir, but I would like to say when materials are in very critically short supply, one of our objectives of course is to get them into the hands of the using industry in the most direct and least disruptive way possible.

Mr. PHILBIN. That is right.

Mr. HARLAN. Frequently we work out arrangements where the material will be channeled directly through the normal producer channels.

Mr. PHILBIN. At the industry conferences you will advise the industry how this is going to be done, as a rule?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. In this particular case we want you to do that. We think that is very, very important. Also, you channel these materials to defense-rated orders, don't you—defense-rated industries?

Mr. HARLAN. Yes. Of course in this case, the refractories would be a little difficult to channel directly to defense because it goes into the bricks, which go into furnaces, and so on.

Mr. PHILBIN. Yes. I am speaking about general commodities.

Mr. HARLAN. In general, yes; that is correct.

Mr. PHILBIN. Where you do have any material that is used by industry, you make a point to consider defense-rated orders.

Mr. HARLAN. Yes, sir; we do.

Mr. PHILBIN. And then channel the materials, whatever they happen to be.

Mr. HARLAN. Yes; they are given priority.

Mr. PHILBIN. They are given consideration?

Mr. HARLAN. They are given priority consideration.

Mr. PHILBIN. That is right.

Then you will advise us, of course, of developments, as you always do, and advise us concerning the disposal plans, and the additional industry meetings you have, and how the proposals work out as you have been doing in the past?

Mr. HARLAN. Yes; we certainly will.

Mr. PHILBIN. Mr. Arends, do you have any questions?

Mr. ARENDS. No questions.

Mr. PHILBIN. Do you have a question, Mr. Stratton?

Mr. STRATTON. No questions.

Mr. PHILBIN. Mr. Randall?

Mr. RANDALL. The word "refractory," we know generally what it is, but you mentioned this as produced, I think, in British Guiana?

Mr. HARLAN. British Guiana.

Mr. RANDALL. Tell us a little about what the use of it is for. I don't think this would hurt. I don't think this encumbers the record at all.

Mr. HARLAN. Well, the word "refractory" has to do with heat absorption. This material has a special heat absorption quality which makes it particularly suited for making bricks in furnaces.

Mr. RANDALL. That is the principal use of it?

Mr. HARLAN. Yes, sir.

Mr. COOK. How long do you anticipate this disposal will take?

Mr. HARLAN. Mr. Cook, it will probably take from 2 to 3 years on the basis of our present agreement with the industry, which would be a rate of 40,000 to 50,000 tons a year. However, we will continue to be in touch with the industry, and if this rate should either be stepped up or cut back, naturally we will take some action to do this.

Mr. PHILBIN. Thank you very much.

Are there further witnesses on this bill?

Mr. COOK. Mr. Lawrence, sir.

Mr. PHILBIN. Mr. Lawrence, that is right.

Mr. Lawrence, you were out of the room.

Mr. LAWRENCE. I have nothing further except we fully support the bill.

(The prepared statement of Mr. Lawrence on refractory-grade bauxite is as follows:)

STATEMENT BY WILLIAM N. LAWRENCE, CHIEF, STOCKPILE AND REQUIREMENTS DIVISION, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. Mr. Chairman and members of the subcommittee, I wish to thank you for the opportunity of appearing before you for the purpose of supporting H.R. 13662, a bill to authorize the sale of approximately 126,300 long calcined tons of refractory-grade bauxite from the national stockpile.

The last review of the supply requirements of refractory bauxite in April 1964, resulted in an increase in the conventional war stock-

pile objective from 137,000 long tons to 173,000 tons. The inventory in the national stockpile, as of December 31, 1965, was 299,279 long tons. The upward revision in the objective was due mainly to the higher wartime requirements for refractory-grade bauxite for use to produce high-alumina refractories in the form of bricks and cementing compounds.

In the development of this disposal program, consultations were held with industry representatives and interested foreign governments. Due to the increased consumption, the supply of refractory bauxite has been tight since 1959. In view of this, and the fact that our chief supply is from British Guiana, industry producers, processors, and consumers have indicated general agreement with the proposed disposal as to quantity and timing of sales to help relieve the current market situation.

The Office of Emergency Planning, therefore, favors enactment of this legislation and feels that early passage of this bill will be helpful to the U.S. economy.

Mr. PHILBIN. You made the usual clearances?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. You come up with support for the bill?

Mr. LAWRENCE. Yes, sir. I think everyone is in favor of it.

Mr. PHILBIN. You increased the stockpile objective here in April 1964 from 137,000 long tons to 173,000. What was the reason for that?

Mr. LAWRENCE. The upward revision is due mainly to the high wartime requirements for refractory grade bauxite for use in high-alumina refractories. There is a growing use of this material.

Mr. PHILBIN. By defense agencies for defense uses?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. That was done at a high level?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. Thank you.

(Whereupon, the subcommittee proceeded to further business.)

(The following material was received for the record:)

THE REFRACTORIES INSTITUTE,
Pittsburgh, Pa., March 21, 1966.

Hon. PHILIP J. PHILBIN,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PHILBIN: The Refractories Institute, the national trade association of the refractories industry, strongly supports bill H.R. 13662, which you introduced on March 15 to authorize the disposal of 126,000 long tons of refractory grade bauxite from the national stockpiles without regard to the 6 months' waiting period.

Refractory grade (calcined) bauxite (as distinguished from metallurgical grade bauxite) is essential to the refractories industry for the production of high-alumina brick and mortars used for the lining of steel and other industrial furnaces.

At present there are only two producers of this particular highly refined bauxite with mines and plants in British Guiana and Surinam. For some years past these producers have been unable to keep up with the demand and the shortage is expected to continue for at least another 2 years, at which time a third producer is scheduled to be in production. The refractories industry estimates that the available supply of refractory grade bauxite is less than 75 percent of the augmented demand resulting not only from the high rate of steel production but from higher quality requirements of modern steel technology.

We urge prompt passage of your bill H.R. 13662 to afford immediate and much needed relief to the refractories industry and its industrial customers.

Thank you for your support.

Yours very truly,

AVERY C. NEWTON,
Executive Secretary.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES.

SUBCOMMITTEE No. 1,

Washington, D.C., Tuesday, March 22, 1966.

The subcommittee met at 10:10 a.m., Hon. Philip J. Philbin (chairman of the subcommittee) presiding.

Mr. PHILBIN. The committee will come to order.

We have several bills to consider today, and we will start with H.R. 13580, amosite asbestos.

H.R. 13580—AMOSITE ASBESTOS

[H.R. 13580, 89th Cong., 2d sess.]

A BILL To authorize the disposal of amosite asbestos from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately fifteen thousand, one hundred and seventy short tons of amosite asbestos now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

(The statement of Mr. Philbin on amosite asbestos, H.R. 13580, is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN,
SUBCOMMITTEE NO. 1

Mr. PHILBIN. The administration has submitted a proposal for disposal of 15,170 short tons of amosite asbestos now held in the national stockpile.

Currently, the stockpile objective is 40,000 short tons and the amount in inventory is 55,170 short tons.

The average acquisition cost of the commodity was \$245.86 per short ton.

Amosite asbestos is obtained from South Africa.

It is a fibrous amphibole mineral, characterized by long, coarse, strong, and resilient fibers. Amosite possesses good tensile strength and is more resistant to heat than crocidolite or chrysotile. It varies in color from gray and yellow to dark brown, with fiber lengths up to 6 inches.

Amosite asbestos is used in manufacturing woven insulating felt, heat insulation (pipe covering, block and segments), and marine insulating board. The long-fiber amosite is used principally in the manufacture of thermal insulation.

We have Mr. Lawrence here with us this morning, and we would be very happy to have you give us your views on this bill.

Mr. LAWRENCE. Mr. Chairman, members of the subcommittee, the Office of Emergency Planning appreciates the opportunity of appearing before you to support H.R. 13580, a bill "to authorize the disposal of 15,170 short tons of amosite asbestos from the National and supplemental stockpiles."

Amosite asbestos is used as a thermal insulating material on steam boilers and machinery and as pipe covering. It is stockpiled for ships of the Navy Department, the Coast Guard, and the Maritime Administration.

A considerable quantity of this material was obtained through the barter program of the Department of Agriculture.

About 80 percent of our inventory has been obtained on various barter programs of the Department of Agriculture. I feel that this disposal program will be helpful. I do not know of any objection. All of the agencies have concurred in the disposal plan.

Mr. PHILBIN. I don't have any questions to ask on this particular bill.

Mr. Gubser.

Mr. GUBSER. I have one, Mr. Lawrence.

In arriving at the figure of \$245.86, acquisition cost, per short ton, does that include the value of the agricultural commodities which were bartered?

Mr. LAWRENCE. Yes, sir.

Mr. GUBSER. How is that valued—whatever value the Department of Agriculture placed upon them?

Mr. LAWRENCE. At the time they made the contract, yes.

Mr. GUBSER. Thank you very much.

Mr. PHILBIN. Any questions, Mr. Bennett or Mr. Johnson?

Mr. JOHNSON. No.

Mr. PHILBIN. Thank you very much, Mr. Lawrence.

Mr. Harlan.

Mr. HARLAN. Good morning, Mr. Chairman.

Mr. PHILBIN. Good morning.

Mr. HARLAN. Since my statement is a repeat of the factual data which you and Mr. Lawrence have already covered, with your permission I will skip over that part of the statement.

Mr. PHILBIN. We will take your statement for the record.

(The statement of Mr. John G. Harlan, Jr., Commissioner of Defense Materials Service, on H.R. 13580, is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13580.

This bill would authorize the disposal of approximately 15,170 short tons of amosite asbestos now held in the national and supplemental

stockpiles. The Office of Emergency Planning has determined this quantity to be in excess of stockpile requirements.

Asbestos is a name applied to a group of naturally fibrous minerals. Amosite asbestos is characterized by long, coarse, and resilient fibers. It is more resistant to heat than crocidolite or chrysotile. The Republic of South Africa is the only commercial source of amosite asbestos.

Amosite asbestos is used in manufacturing woven insulating felt and heat insulation such as pipe covering and marine insulating board. The long fiber amosite is used principally in the manufacture of thermal insulation.

As of December 31, 1965, the total inventory of amosite asbestos held by GSA was 55,170 short tons. The present stockpile objective is 40,000 short tons. The excess of 15,170 short tons is covered by H.R. 13580.

The average acquisition cost of the amosite asbestos is \$245 per short ton. The current market price is about \$240 per short ton.

Industry representatives and affected Government agencies have been consulted in the development of the disposal program on the excess of approximately 15,170 short tons of amosite asbestos. We are continuing our discussion with industry and feel confident that an orderly program can be worked out to the mutual interests of all concerned.

This agency strongly recommends the enactment of H.R. 13580.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. PHILBIN. Is there anything in addition you want to say about the particular disposal?

Mr. HARLAN. Just this, Mr. Chairman: This material, of course, is produced only by one producer, and comes from the Transvaal region of South Africa. The bulk of the consumption is limited to three major consumers, although I think there are a number of additional smaller consumers.

We have not felt it was necessary to hold a formal meeting with the industry in this case, but have been in touch with the industry and find no objection from them to an orderly disposal program.

Mr. PHILBIN. Does that complete your testimony?

Mr. HARLAN. Yes.

Mr. PHILBIN. What is the situation regarding industry reaction here—industry contacts?

Mr. HARLAN. Well, while we didn't hold a formal meeting with the industry, we have been in touch with the one producer who is also—I think he distributes about 90 percent of the material in this country.

Mr. PHILBIN. There is only one producer distributing 90 percent. He has no objection?

Mr. HARLAN. No objection.

And we also talked to the major consumers, and they had no objection to an orderly program for the release of the material.

Mr. PHILBIN. I don't have any questions. Do you have any questions, Mr. Gubser?

Mr. GUBSER. No.

Mr. PHILBIN. We are honored by having the great chairman of our committee here today, and we are very happy to see him here. Perhaps he would have some questions.

Chairman RIVERS. Mr. Chairman, I don't have any questions. You do such a good job there aren't any questions left to ask.

Everybody has confidence in your knowledge of this subject and your committee has done a very effective and positive and immediate job. You have taken such prompt action on all of these important bills, and the whole committee has every confidence in you. I want to thank you.

The witnesses whom you are bringing here have made a fine contribution. We have a lot of bills to report out, Mr. Chairman.

I want to thank you for the excellent progress you are making. I believe we will meet our deadline. I believe you have over 20 bills.

Mr. PHILBIN. That is right.

Chairman RIVERS. I know you will have the witnesses get right down to the meat in the coconut, and we will get all this testimony and get these bills before the full committee, and before the Congress.

Mr. Chairman, I want to thank you and your committee. I will just sit here and see if I can learn something.

Mr. PHILBIN. Mr. Chairman, thank you very much for your kind remarks. It is very fine of you to come here, to attend our meetings here. We are proceeding very expeditiously. I am sure we won't have any difficulty finishing up these bills we have scheduled.

Mr. Gubser, do you have any questions?

Mr. GUBSER. No questions.

Mr. PHILBIN. There are no questions. Thank you very much.

Are there any industry witnesses here?

I think not. We only have one member of the industry; so there wouldn't be any industry witnesses.

That will conclude the hearings on this particular bill.

H.R. 13367—ACID-GRADE FLUORSPAR

[H.R. 13367, 89th Cong., 2d sess.]

A BILL To authorize the disposal of acid grade fluorspar from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately two hundred and thirty-six thousand seven hundred and seventy-three short dry tons of acid grade fluorspar now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: Provided, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. PHILBIN. Mr. Cook, what is the next bill we will consider?

Mr. COOK. The next bill is H.R. 13367, a bill to provide for disposal of acid-grade fluorspar.

(The statement of Mr. Philbin on acid-grade fluorspar, H.R. 13367, is as follows:)

**OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN,
SUBCOMMITTEE NO. 1**

Mr. PHILBIN. The General Services Administration sent to us this bill calling for disposal of 236,773 short dry tons of acid-grade fluorspar from the national stockpile.

Presently we have in our two stockpiles and the DPA inventory a total of 1,144,090 short dry tons and a stockpile objective of 540,000 short dry tons.

Fluorspar is a mineral of calcium fluoride. Except for a very limited supply of cryolite and the very low fluorine content in phosphate rock, fluorspar is the only source of fluorine for industrial use. Most of the acid-grade fluorspar in the stockpile is a concentrate which has been finely ground.

Acid-grade fluorspar is used to make hydrofluoric acid. This acid is used to produce synthetic cryolite, freon gas, alkylate for high-octane fuel, pickling steel, etching glass, and many other minor uses. Cryolite is used in making alloys of aluminum and magnesium and in the refining of scrap of these metals.

Mexico produces approximately 25 percent of world production, and the United States is the second largest free-world producer. Countries which export acid-grade fluorspar to the United States are Spain, Italy, and France.

The approximate cost for a short dry ton of acid-grade fluorspar was \$46.69. The present market value of fluorspar is estimated to be \$45 per short dry ton.

Fluorspar—Acid grade, H.R. 13367

<i>Unit: Short dry ton</i>	
Sales through Dec. 31, 1965.....	None
Current inventory:	
National stockpile.....	458, 089
Supplemental stockpile.....	668, 684
Defense Production Act inventory.....	17, 317
Total.....	1, 144, 090
Stockpile objective.....	540, 000
Surplus (reduced by 350,000 credited to fluorspar-metallurgical).....	254, 090
Requested disposal.....	236, 773
Remaining surplus if bill is approved:	
National stockpile.....	None
Supplemental stockpile.....	None
Defense Production Act inventory.....	17, 317
Unit acquisition cost.....	\$46. 69
Present unit market value.....	\$45. 00

Disposal plan: 60,000 short dry tons first year. Conditions require revisions. Estimated 4-year program.

Would you let us have your testimony and views on this bill, Mr. Lawrence?

Mr. LAWRENCE. Thank you for this opportunity to appear before you to support H.R. 13367, a bill to authorize the disposal of approximately 236,773 short dry tons of acid-grade fluorspar from the national and supplemental stockpiles.

Acid-grade fluorspar is the commercial source of hydrofluoric acid. Important products requiring large quantities of this acid in their production are aviation gasoline, freon gas, and synthetic cryolite.

It is also used as a flux in the melting of aluminum and magnesium during alloying and in the refining of scrap aluminum and magnesium.

Mexico is the largest free world producer of acid-grade fluorspar, accounting for about 25 percent of world production of 1.8 million short tons. U.S. production is about 110,000 short tons annually. Canada, Spain, Italy, and France also contribute to the U.S. supply.

U.S. consumption has climbed steadily in recent years, and was over a half million tons in 1965.

The last stockpile objective for this material was established in February 1964, at 540,000 short dry tons. The current inventory of this material is 1,144,090 short dry tons. In addition to the objective, 350,000 short dry tons of acid-grade fluorspar is credited to the metallurgical-grade fluorspar objective. The total excess of 254,090 short dry tons is the material authorized by this bill, plus 17,317 short dry tons in the Defense Production Act inventory which OEP authorized GSA to sell some months ago.

Mr. PHILBIN. That has already been sold. You already sold the 17,317 short dry tons in the Defense Production Act inventory?

Mr. LAWRENCE. I don't know. Have we sold all that, John?

Mr. HARLAN. Fifteen hundred.

Mr. LAWRENCE. Fifteen hundred has been sold.

Mr. PHILBIN. Have you made the usual agency clearances?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. You find no objection to the disposal?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. Thank you very much. Do you have any questions, Mr. Gubser?

Mr. GUBSER. No, sir.

Mr. PHILBIN. Mr. Chairman, do you have any questions?

Chairman RIVERS. No.

Mr. PHILBIN. Mr. Arends?

Mr. ARENDS. No questions.

Mr. PHILBIN. Mr. Bennett?

Mr. BENNETT. No questions.

Mr. PHILBIN. Mr. Harlan, will you come forward and give us your views of this bill?

We will take your full statement for the record, and then you can elaborate on it and present additional views as you may desire.

Mr. HARLAN. Thank you, sir.

(The statement of Mr. John G. Harlan, Jr., Commissioner of Defense Materials Service, on H.R. 13367, is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank

for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13367. This bill would authorize the disposal of approximately 236,773 dry tons of acid grade fluorspar now held in the national and elemental stockpiles.

The entire quantity covered by this bill is classified as meeting pile quality requirements and has been determined by the Office of Emergency Planning to be in excess of stockpile requirements. Acid grade fluorspar is a crystalline or massive granular mineral containing at least 97 percent calcium fluoride. Fluorspar is the primary source of fluorine for industrial use. Most of the acid grade fluorspar in the stockpile is a concentrate which has been finely ground.

Although the United States has been the world's largest fluorspar producer, domestic consumption far exceeds output and Mexico, principally, Italy and Spain are the main foreign sources.

Acid grade fluorspar is used to make hydrofluoric acid. Important industrial processes requiring larger quantities of hydrofluoric acid in their production are aviation gasoline and synthetic cryolite. It is also used as a flux in the melting of aluminum and magnesium during alloying and in the refining of scrap aluminum and magnesium.

The average acquisition cost of the stockpile inventories of acid grade fluorspar was \$46.69 a short dry ton. The current market value is about \$45 a short dry ton.

Industry representatives and affected Government agencies were consulted in the development of the disposal program on this excess. We held a fluorspar industry meeting on January 28 to discuss plans for the proposed disposal. Most consumers favored disposal on the condition that while domestic production of acid grade fluorspar is increasing, demand for acid grade fluorspar is growing at an accelerated rate and should continue to grow. Most producers, however, had reservations against disposals at this time.

We are still in contact with the industry and believe that through selection of specific types of material from given locations, we can develop an acceptable plan to permit a modest beginning. We will, of course, need authorizing legislation to make such a beginning.

Our agency strongly recommends the enactment of H.R. 13367.

This concludes my prepared statement, Mr. Chairman. However, if any other members of your subcommittee have any questions you wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. HARLAN. Mr. Chairman, we held a meeting with the representatives of the fluorspar producing, importing, and consuming industries on January 28 to discuss the disposal program. We found divergency of opinion. The domestic producing industry and the importers were opposed to the disposal program, whereas most of the consumers, with a major exception, appeared to favor some sort of a reasonable, reasonable disposal program.

At the meeting we agreed to supply the industry representatives with additional factual information about the material available for disposal, and this material has been mailed within the last few days to the industry people. We plan to continue working with the representatives of industry in an effort to work out a reasonable disposal

program which will enable us to remove these excesses from overhanging the market, and at the same time avoid any serious disruption of regular production channels.

I am confident, Mr. Chairman, that we will be able to work out such a program.

Mr. PHILBIN. You think you will be able to work out a satisfactory program?

Mr. HARLAN. I believe we will.

Mr. PHILBIN. You got the consensus you desire, or we desire?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. In order to effectuate the disposal. You are confident on that score?

Mr. HARLAN. I feel confident we can do it.

Mr. PHILBIN. Are there any questions?

There are no questions. We thank you very much.

Now, we have Congressman Gray, our distinguished colleague.

Come forward, Mr. Congressman.

Mr. GRAY. Thank you very much, Mr. Chairman.

I do not have a prepared statement, but I have Congressman Stubblefield, who is also my neighbor from Kentucky here, and he is with me this morning.

Mr. PHILBIN. Congressman, will you come at the same time? We are very happy to have you here, too. We have two of the most distinguished Members of the House.

Mr. GRAY. Thank you very much.

Mr. PHILBIN. We want to welcome you to our committee. We will be very, very glad to hear from you, and to hear from any witnesses that you have with you.

Do you have some witnesses?

Mr. GRAY. Yes, sir; we have Mr. Gill Montgomery, Mr. Chairman, who represents the southern Illinois and Kentucky fluorspar producers.

Mr. PHILBIN. While we have Mr. Stubblefield here, perhaps off the record, Mr. Reporter—

(Discussion off the record.)

Mr. PHILBIN. Back on the record.

Mr. GRAY. Mr. Montgomery is representing the fluorspar producers. I want to briefly mention having represented the Hardin County, Ill., area of the fluorspar industry for almost 12 years—this industry has been on its knees—and I think I could probably put this in proper perspective by stating if we dump any more fluorspar on the market it would be like giving a drowning man a drink of water.

We have been very hard hit, over 50 percent of the miners have been unemployed, they know nothing but relief checks. I am really sorry the administration has seen fit to request the legislation allowing a further deterioration of the fluorspar market.

Mr. Montgomery is here, is very capable of explaining the industry's position, and with that, Mr. Chairman, I would like to introduce Mr. Gill Montgomery of Minerva Oil Co., who will speak for the fluorspar industry for southern Illinois and Kentucky.

Mr. PHILBIN. We want to welcome Mr. Montgomery here. We will be very glad to hear from you.

We have a very high regard for your Congressman.

Mr. GRAY. The feeling is mutual, Mr. Chairman.

Mr. PHILBIN. We are very happy to welcome you here, and we would like to hear your views and go over these matters with you.

Mr. Cook.

Mr. COOK. Before Mr. Montgomery testifies, I would like to read a telegram I received this morning:

WILLIAM H. COOK,
Counsel, Stock Pile Committee, House Arms Service Committee,
Rayburn House Office Building, Washington, D.C.:

Offering of surplus acid fluorspar will seriously threaten domestic acid and ceramic fluorspar price structure urge delay and much caution we are asking Mr. Gill Montgomery, Minerva Fluorspar Co. to represent us tomorrow's hearing.

KENTUCKY FLUORSPAR CO.
ROBERT N. FRAZIER, President.

Mr. PHILBIN. Without objection, we will take that for the record, and it will be a part of Mr. Montgomery's testimony.

You can proceed in your own way. Give us the benefit of your views.

Mr. MONTGOMERY. Thank you, sir.

STATEMENT OF GILL MONTGOMERY, VICE PRESIDENT AND GENERAL MANAGER OF MINERVA CO.

Mr. MONTGOMERY. My name is Gill Montgomery, and I am vice president and general manager of the Fluorspar Division of Minerva Co. of Eldorado, Ill. Our company has been a principal producer of acid, ceramic, and metallurgical grade fluorspar in southern Illinois since 1944. In Hardin County, Ill., we operate two flotation concentrates, and have five mines. We also have leased properties in western Kentucky which are inactive at the present time.

I have been authorized by the Ozark-Mahoning Co. of Rosiclare, Ill., and the Kentucky Fluorspar Co. of Marion, Ky., to speak in their behalf, and the three companies thus represented are the only current domestic noncaptive producers of ceramic and acid grade fluorspar presently shipping to the U.S. fluorspar consumers. We urge the tabling and postponement of consideration of any bill authorizing the General Services Administration to sell such surplus acid grade fluorspar requiring congressional authorization at this time, for the reasons stated as follows:

Beginning in 1950 and 1951, major discoveries of fluorspar, on and near the surface and cheaply mined, were discovered in various parts of Mexico. With little protection from the GATT tariff concession rate on acid grade fluorspar of \$1.875 per short ton, large quantities of Mexican cheaper acid grade fluorspar, as well as metallurgical gravel fluorspar, entered the country and so depressed the fluorspar prices that most domestic producers were forced out of business. In fact, today the only producers who can remain in business are those that have zinc and lead coproducts as sulfides associated with their fluorspar ores. About that same time important discoveries of fluorspar were made in Spain, Italy, Sardinia, and France which were encouraged and subsidized by the various stockpiling programs of this Government, usually to an extent not available to domestic producers. Mod-

ern new mills were built in Mexico and in European locations and amortized against stockpile contracts obtained from the U.S. Government. By the time contract deliveries had been completed and all stockpile goals were well exceeded several years ago, these mills had been fully amortized, and were in a position to furnish large tonnages of fluorspar concentrate to the American consuming market at lower prices. This situation continues to this day, and only within the last few months have we observed a slight firming in prices, but current prices are still well below what domestic producers have to charge under U.S. operating conditions to make a small profit.

We refer you to the statistics developed by Department of the Interior, Department of Commerce, and in several publications of U.S. Tariff Commission in their investigations over the past 10 to 12 years. In 1965, approximately 74 percent of the fluorspar of all grades consumed in the United States was imported. A higher proportion of metallurgical grade is imported than acid and ceramic grades, largely due to the easy and cheap milling characteristics of the lower grade gravel material. In 1965, the consumption of acid and ceramic grade fluorspar, and it is assumed that acid can be used for all ceramic purposes and usually is, totaled close to 600,000 tons. Of this the domestic producers furnished approximately 250,000 tons. Final official figures on this proportion should be forthcoming very soon from the Department of the Interior.

This year some 17,000 tons of acid grade fluorspar in the defense production inventory might be released without congressional action.

I have just been informed by Mr. Romeo this has now been disposed of otherwise.

This quantity alone is deemed enough to quite possibly upset a marketing situation which is just begun to stabilize. The prices on acid and ceramic grade fluorspar are still considerably below prices that existed in 1954 when the domestic industry still had a fair share of the market.

When the time comes, acid and ceramic grade fluorspar can command a domestic market at prices comparable to those paid to domestic producers when our Government bought from them for the stockpile; numerous domestic mines will reopen. From my knowledge of various ore reserves both in the Midwest and in our Western States, I would state that the production of acid and ceramic grade fluorspar could easily double within the time it would take to rehabilitate some existing idle mills and mines.

All of the domestic producers are, however, taking the position of any releases from the stockpile are bound to have a further detrimental effect on the vanishing acid grade fluorspar industry in the United States at a critical time of need for this highly strategic mineral. In the event any major consumers are enabled to switch to using stockpiled acid grade fluorspar, this will immediately create surplus offerings from foreign mills currently shipping into the United States, with disastrous effects on a pricing situation which has just begun to achieve a small degree of orderliness.

It is conceivable that future growth patterns in the fluorspar industries will eventually bring supply and demand into a better balance than they have been. It would to all of us seem prudent for the Government to defer stockpile disposals of acid grade fluorspar until such a time arises.

In the past year or so shortages have occurred in such mineral commodities as mercury, sulfur, and others which were in more than ample supply but a short time ago. I am sure you will agree that the best interests of the Government and the domestic industry would be best served by conserving our stockpiles for future disposal. I would also urge you to examine the higher prices at which much of the surplus tonnage was acquired, such prices being in many cases higher than the going price paid for imported acid grade fluorspar by major consumers. It is reasonable to expect that the Government does not wish to sell fluorspar from its stockpile at a loss to the American taxpayer, when by holding it until the anticipated growing demand for fluorspar creates a healthier market condition, the stockpiled acid grade fluorspar can be sold at a profit and also be used to alleviate the short supply situations which certainly do not at the present time exist.

The surplus acid grade fluorspar stocks are stored near major consuming centers in the form of a bulk damp filtercake, which will require drying before use. To avoid damage to domestic producers, I would urge that, at such a future time as stockpile offerings be made, these offerings be made only to consumers which have historically been buying most of their requirements from foreign sources. By this I mean consumers who have depended upon foreign sources for 90 percent or more of their requirements for the past 5 years. Since such imports are usually in the form of damp filtercake, and since such consumers have drying facilities, these consumers would be the only obvious bidders for this material, but it takes no great effort for speculators to purchase the material, dry it, and ship it to consumers who have been the traditional customers of the domestic producers, who usually ship the dried bulk or bagged material.

At the present time Ozark-Mahoning Co. and Minerva are both pelletizing fluorspar flotation concentrates for use by the steel industry, principally in basic oxygen furnace flux use, and we are pleased to see that a certain tonnage of surplus acid grade fluorspar has been earmarked for future pelletized use by the steel industry. This usage is increasing rapidly enough, we believe, that it is entirely feasible that all of the 236,000 tons surplus under present disposal consideration could also be set aside for later metallurgical use. At the present time, there is still an adequate supply of Mexican metallurgical gravel available, but this material seems most likely to be in short supply rather than acid grade, due to the fact that a smaller percentage of fluorspar can be separated from ore gangue at a very coarse size and sold on metallurgical gravel fluorspar specifications.

Therefore, I urge that the bill by which the House would authorize GSA to dispose of 236,000-tons-plus of acid grade fluorspar be tabled at this time pending a study by the various Government agencies concerned with the supply situation, the impact of any stockpile releases on domestic industry, and the disruption of the world market that could be caused by foreign producers of acid grade fluorspar if their production was displaced by any substantial offerings of surplus acid grade fluorspar at this time.

On behalf of the domestic fluorspar producers, I wish to thank you for hearing our side of the question.

Mr. PHILBIN. Thank you very much, Mr. Montgomery. You have given us a very powerful and very helpful and fine statement.

I take it you are concerned about the fact this disposal must be carried out very carefully, very painstakingly, by the agency, or it would have a disruptive effective on your market, conditions in your industry, and positively give rise to speculation that would be harmful to your price structure. Those are your principal objections, are they not, as you set them forth in your very fine statement?

Mr. MONTGOMERY. Yes.

Mr. PHILBIN. Have you had a chance to present your views to the officials of GSA? Have you discussed the matter with them?

Mr. MONTGOMERY. In January we gave most of these same opinions to the GSA people, as Mr. Harlan mentioned a while ago.

Mr. PHILBIN. You understand, of course, when the Congress authorizes the disposal projects by law, the disposal programs by law, they then go to GSA, which has charge under the law of administering the disposal, and that every care is exercised to make sure of the tenor of the law, because it is specified right in the law nothing can be done to bring on the disruption of prices or the market.

The committee is very zealous in enforcing that provision, and also making sure, as well as we possibly can, that no unfavorable effects or impacts are going to be caused at all here to any industry in this country. That would be the last thing anyone on this committee would desire.

So we have set up with the GSA, by agreement of the committee, which in the past has always been carried out, certain safeguards relating to the disposals. And these include, by way of preface, rather extensive conferences at times where they are required—industry conferences, so called—and in one case an industry task force was set up so as to receive the views of industry, record all the objections, and then try to see if some method could be worked out, some formula could be worked out, by which these objections could be met as the disposal goes forward.

I don't know whether you were in the room at the time Mr. Harlan testified here, but you noted he expressed some optimism that there was a good likelihood of coming to an agreement with your industry regarding the problems in controversy. Are you willing to consult with GSA and go over the matter with them, speaking for your industry, and cooperating with other segments of your industry, other representatives of your industry, with the problems so you might be able to work out some suitable formula by which this disposal project can be authorized and go forward and yet not bring all the dire results that you fear?

Mr. MONTGOMERY. We have had some conversations, and we certainly hope to have many, many more with the people of GSA about this problem. They just speak of the disposal of acid grade. That particular item would cause no disruption because there is no appreciable production of acid-grade lump, as such, in the United States at the present time. But I have perhaps one view, and other domestic producers would have other views. I know if I speak for the majority it is that they fear when Congress absents its responsibility, that is just one step forward toward a possibility which they fear, that is that maybe for one reason or another GSA might not go along with the producers as well as Congress might do, or have the knowledge of the various problems in the various districts that the Congressmen themselves would have.

Now, as far as I am concerned, our relations with the GSA people are very pleasant. We found them most cooperative, and certainly the ones that we have been in touch with here, and in January, are very reasonable people, and I am sure they would do nothing to hurt the industry. Still, I wanted to tell you that this is a general situation which disturbs most of the producers.

Mr. PHILBIN. Mr. Harlan, would you be able to make some comment here, addressed to the testimony Mr. Montgomery has given regarding the type of cooperation he may expect from GSA, in the formulation of the methods of disposal, and other matters pertaining to the execution of this bill?

Mr. HARLAN. Mr. Chairman, as we always do, we will work very closely with the industry, and we will not undertake any program until it has been thoroughly explored and worked out with the industry, and there will be absolutely no danger of our upsetting either the domestic production market or the importing market.

The law, as you pointed out, would not permit this. As a matter of fact, the language in this particular bill again repeats the responsibility for the production of producers and consumers' normal market. We expect to be able to work with these people. As the gentleman has mentioned, we discussed with him this morning the possibility of undertaking a beginning program with the type of material which would have practically no effect as far as the domestic producers are concerned. We would be in touch with them continuously throughout this program, watching the market situation, and when a favorable time would arise that might permit us to move other types of material in the market we would want to be in position to do that.

Mr. PHILBIN. You can give some assurance there is going to be no disruption of the price or market arising from these disposals?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. You will consult with the industry very carefully about the disposal plans going to be made, and you will come to a consensus if you can do it, and then you will carry out the plan as it has been laid before the industry in such a way as to conform to the statute to bring no disruption to price or market, or upset the conditions in the industry.

You are prepared now, and you are in a position where you can give such assurance to Mr. Montgomery, are you not?

Mr. HARLAN. Yes, I am, sir.

Mr. PHILBIN. Are you willing to enter into talks with them, conferences with Mr. Montgomery and his colleagues from the industry, to see if you cannot get some plan by which this disposal could go ahead, and at the same time satisfying him by your assurances and his colleagues, as well, and his associates in the industry, that there will be no disturbance, no price disturbances, or disruptions in the industry. That is the procedure that we usually follow here. If you were assured, as you have been, in this public meeting here, which is a matter of record—if you were assured after having the conferences with some of your colleagues and Mr. Harlan and his group, that this would be the case, that this disposal would be carried out in an orderly way, and would have no unfavorable impact on your industry or on your price situation or on your market, would you be disposed to go along with it if the other members of your industry would go along with it?

Mr. MONTGOMERY. Yes, sir; I believe that could be worked out. I think we face now a matter of timing, and if there is an insistence from above that the disposal be implemented at once, this year, and possibly next year, then we are going to have to take an attitude that we would be probably hurt. But if this can be delayed until a time we anticipate, when the disposal would not hurt the domestic industry, why, then, we would certainly go ahead with it.

Mr. PHILBIN. You understand, under the usual rule, accompanying these disposals, it is such procedure that the GSA does have, not to dump vast quantities of these materials on any market, either for your product or any other product that is the object of this proposed legislation, that they proceed very carefully and must do it in an orderly way. That would be done here, I have every reason to believe. We have the assurances of the Administrator, the able Administrator, who is in charge here. I have every reason to believe he would keep any agreement he makes with you or makes with us.

The chairman has a question he would like to propound to you.

Chairman RIVERS. I would like to ask this question: You produce this acid-grade fluorspar, this commodity we talked about?

Mr. MONTGOMERY. Yes, sir.

Chairman RIVERS. We have 236,000 tons we don't need in the stockpile. What do you think we ought to do with it? This committee is not in the price-fixing business, but here is what worries us: We have the responsibility. For instance, we paid 36 cents for copper, now it is between 70 and 80 in the world market. Now, we have to consider currency balances, the outflow of capital.

Now, is your prime concern—here is what I am getting to—is your prime concern the state of health of your industry here, or is your concern equally divided by the producers to the welfare of the producers away from America?

Mr. MONTGOMERY. My primary concern is the health of the domestic industry, and also the health of the country as a whole.

Chairman RIVERS. What about the exporters from some other country?

Mr. MONTGOMERY. The exporters from the other countries have the bulk of the market at the present time. I think we have to watch for their welfare to the extent that if they are hurt they are going to break the price structure, and then that will hurt us.

Chairman RIVERS. Well, we cannot anticipate everything, and we cannot have concern for everybody. If you always look for a way—I would rather hear you make your case on the welfare of the domestic industry. If we got 236,000 tons—you have two eloquent Congressmen there; they are eloquent; they are effective.

Mr. MONTGOMERY. They put a good idea in my mind.

Mr. RIVERS. We have affection for these gentlemen. We want to hear your side. Certainly we are not going to be a party to anything that would destroy the local industry. But the overall currency flow from this country in these 20-odd bills we have—for instance, take bauxite, we use an awful lot of aluminum in our airplanes. If we can work out some kind of agreement with the aluminum industry to use some aluminum we have which we don't need, it just looks like commonsense to me to do it. I don't care where France likes it, Haiti, or whoever says that now. This is the detail for that man sitting down there to do, and he better do it.

me way with copper. Mr. Arends is quite concerned about We want copper to go to the people who are producing the or this world, and we don't want anybody else to get it who al part of this, keeping a strong base, so we can keep these s, just like yours. We want to protect your industry. So e welfare of the foreign people—I do not share the same ap-on you do. I would rather look after you here, and tell these ot to dump it on the market because we are not in the price

We are not going to be a party to using these stockpiles to any market, but we must fulfill our responsibility now and ur defense industries, and everybody that is in it, get the ey need without paying through the nose to some people like

France has been a conscious party to destroying our cur- They came down here and made a demand on Fort Knox for n in gold, to try to bankrupt America. I do not have any in France—very little, very little. And, less than that, in sent President, the way he goes carrying on to this country. ONTOMERY. Amen.

nan RIVERS. I want to help you, and we want to protect your , and Mr. Philbin is the most knowledgeable man I know on ect. He is a scholar and a student in this area. I would like ou address yourself to that, because we welcome people like ing up here. We like to have a practical man from industry up here and tell us what you are up against. That is why ou the question.

o ahead and tell me anything you want, sir.

ONTOMERY. I will try to answer the several points.

nan RIVERS. You see, I have to make a little speech.

ONTOMERY. Yes.

to compare acid-grade fluorspar with copper, we have just pletely opposite situations. Here we see a runaway price throughout the world, on the world market copper selling o two and a half times the domestic price, and we have an runaway, uncontrolled price problem to the extent that the producers of copper themselves have come out in favor of se of this material.

nan RIVERS. That is right, sir.

ONTOMERY. This is just completely the opposite situation.

nan RIVERS. That is just the other side of the coin?

ONTOMERY. Yes. Here we have a situation where most of estic producers are either out of business or their production etely in abeyance waiting for such time as a price exists under ey can operate and produce again. And there are large d reserves of fluorspar in our Western States, for instance, e completely idle, most of them owned by the Ozark Mahon- which would like very much to participate in the present acid-arket, but cannot because of the depressed price structure.

nan RIVERS. You think now is not the time to turn any of it that right?

ONTOMERY. Sir?

nan RIVERS. You think now is not the time to turn any of it s this your position?

ONTOMERY. That is correct.

Chairman RIVERS. Don't you realize there will come a time when we must dispose of some of this?

Mr. MONTGOMERY. I think there are plenty of other commodities, such as mercury, tin, copper, and important dollarwise things in the stockpile, that can be released at this time with a benefit, rather than damage, to the domestic economy, without picking on poor old domestic fluorspar.

Chairman RIVERS. Do you think you will ever be in a position where you can recommend we get rid of any of it?

Mr. MONTGOMERY. Yes, sir. I believe we would be very glad to step aside and say the time of a shortage and the time of a need is here, and we anticipate in 1 year, 2 years, or 3 years, the situation may be stable enough to where an orderly program of disposal could be gone into, and at that time we will have no objection. In fact, we would even help, if possible, to implement through GSA such a disposal.

Chairman RIVERS. Well, for my part, I am impressed with your testimony. I welcome your coming. But you see what the overall picture is with us. We must think about all of these things. But you have two eloquent advocates sitting to your right, and Mr. Philbin and I will weigh these matters as he does all of them.

I am sure his decisions out of this committee will be decisions that will be in the interest of everybody concerned.

Mr. MONTGOMERY. I have just one more point I would like to make, sir.

I believe it is seven times that the domestic industry has come before the U.S. Tariff Commission seeking various forms of relief in the form of a tariff increase of this \$1.87½ per short ton tariff structure on acid grade which does not give us any perceptible protection against the low wage structures and subsidized situations in foreign countries. And the absence of this tariff protection has been a very serious deterrent to the production and health of the domestic industry. This has been a factor that is still interwoven in this whole problem that we have today.

Chairman RIVERS. Thank you, Mr. Philbin.

Mr. PHILBIN. Thank you very much, Mr. Chairman; you have been very helpful in developing the points you mentioned.

Mr. GRAY. May I have the opportunity of thanking both the subcommittee chairman and the full committee chairman for a very precise and concise understanding of this problem.

There is one point I would like to elaborate upon for just a moment, if I may. Mr. Montgomery did not touch this, and that is two-thirds of all of the fluorspar consumed in this country is coming from foreign producers. As far as our outflow of cash is concerned, we are buying a lot of this fluorspar from foreign producers, over two-thirds of it now, which is certainly not helping our balance-of-payments problem.

The second thing I want to point out is—

Chairman RIVERS. We should release some of this to our local consumers, it looks to me like that would be a wise thing to do.

Mr. GRAY. Well, if you do, it will drive the last nail in the last coffin, or, as the distinguished gentleman pointed out, almost all of the fluorspar producers are down, their mines are filled with water. This would be a very practical thing for a short period of time, but

if we have a national emergency, God forbid, it would take years to get some of these abandoned mines back into operation. We do not want to be pennywise and dollar foolish, of causing the last mine to close, and then need this stockpile that is now available, that might not be available if we dispose of it.

That is the first thing. The second thing is, the market has been so glutted with overproduction and the foreign imports that we are selling fluorspar today for less than what it sold for when I came to Congress in 1954, and yet they have had probably 15 pay increases by labor. So the management just absolutely have stretched themselves as far as they can possibly go. If it were not for the fact some of the land was very cheap in these areas, to buy these deposits, they probably wouldn't be operating now. That is why in some of the higher mine areas the mines are completely closed.

This is a very critical situation if we do not want to completely eliminate a domestic industry.

Chairman RIVERS. Making the stockpile available to this gentleman wouldn't help the situation?

Mr. GRAY. Unless at a price he could afford to buy it and market it and make a profit. Knowing GSA, they are not about to do that, with all due respect, gentlemen.

Chairman RIVERS. Why cannot you work out some way of staying in business without giving this to the foreigners?

Mr. GRAY. This would be good if it could be worked out. I want to compliment the subcommittee chairman, and the full committee chairman, also, of their assurance to the domestic industry if this bill should pass it will be an orderly disposal. I appreciate that. I deeply appreciate your feeling in that regard.

Mr. PHILBIN. The agency has given that assurance also, for the record.

Mr. GRAY. With all due respect to the kind gentleman, he used the words "practically no damage."

Mr. PHILBIN. Up to this point, and I am sure we never will. I hope we never will, that the word the agency has given us has never been broken. When they say they are going to provide for orderly disposal, that is a rule that is followed. That has been our experience. That is why I suggested perhaps here in this situation, where Mr. Montgomery and where you, Congressman Gray, and those who appear before you and with you, made such a strong showing here, and have indicated you are caught here between two situations.

First, the imports that are coming in the country, and putting you in a very unenviable position, and now you feel large quantities of, substantial quantities of this material, you fear are being released. Of course, the latter fear, as I pointed out, I think the chairman touched upon this, is not necessarily realizable. I think when you have conferences with the agency that you can come to some kind of an agreement on an orderly disposition, an orderly disposal, and you can more or less, through agreement, come to some final plan that will not result in any impairment or any injury to your industry. That is the way we hope this is going to work out, and I think that is the way it will work out.

I think you made a very strong case for your point of view, and I want to compliment our friend and distinguished colleague, Mr. Gray, for his excellent observation.

Mr. Gubser has a question he would like to ask Mr. Montgomery.

Mr. GUBSER. Thank you, Mr. Chairman.

Mr. Montgomery, is it your considered judgment any disposals of the stockpile of this material at the present time would create an adverse effect upon the domestic industry?

Mr. MONTGOMERY. Yes, sir.

Mr. GUBSER. Is it your considered judgment that any disposal during the next year would constitute—would probably constitute an adverse effect upon the domestic industry?

Mr. MONTGOMERY. Yes, sir; that is what I meant, in 1966.

Mr. GUBSER. Can you give any considered prediction as to when you think this situation might change?

Mr. MONTGOMERY. That is rather difficult.

Mr. GUBSER. Can you set a limit on it, the earliest you think it is possible the situation may change?

Mr. MONTGOMERY. This is purely a personal opinion, but I think within 3 years the situation, the supply and demand, will permit the orderly disposal of the tonnage that we have under consideration.

Mr. GUBSER. Are you personally willing to go so far as to say you cannot foresee any possibility of a disposal within the next year which would not create an adverse effect upon your industry?

Mr. MONTGOMERY. That is my opinion. That is in my statement.

Mr. GUBSER. Do you believe the other members of the industry share your opinion?

Mr. MONTGOMERY. I will say this, the other members of the industry are much more fearful than I am. Some of them are possibly not as conversant with the international types of movement of acid grade as I am, and they are even more fearful than I am.

Mr. GUBSER. Well, in assuming you are correct, and the others—and your opinion is shared by other members of the industry—what we would in effect be doing is passing a blanket standby authority to dispose of this material, and we would presume that the assurances given here this morning by the representatives of GSA would apply, and that there probably, since there would be an adverse effect on the industry, there would be no disposal for the next year.

Mr. MONTGOMERY. I think this would be very reassuring if they know there would be no disposal in 1966.

Mr. GUBSER. In other words, what I am trying to say is, if we were to pass this bill, with these assurances made here this morning, and taking into account the facts which you have just revealed to us; namely, that it would take at least a year before you could dispose of anything without an adverse effect, then what we are doing is passing a standby authority that would probably not be utilized.

Are you familiar with the provisions of a Senate bill called S. 28?

Mr. MONTGOMERY. Not offhand, I don't recognize it.

Mr. GUBSER. Well, I might say that the provisions of S. 28, amongst the many other things, provide standby authority for the administration to dispose of stockpile material without coming to Congress, and I would like to make the point here that if we are going to stand by here in this committee this morning and pass legislation which we know is not going to be utilized for another year, and we know that this Congress is going to be in session for another year, all we are doing is passing S. 28, on a piecemeal basis, and I am opposed to it.

I don't see any sense at all of coming up here asking for standby legislation which does nothing more than give you S. 28 on the installment plan, and I am strongly opposed to it, and I will fight it all the way.

Mr. ARENDS. Mr. Gubser took the words out of my mouth. With all due respect to the gentlemen from GSA, and they do try to do an honest job, I do not know why we should put in their hands any instrument to make a mistake, and so when the proper time comes, then this committee can properly approach this question, and since this is to be delayed, why give them the implement at this particular time?

I am like Mr. Gubser, this business of Congress just giving away our rights, well, we shouldn't do it. When the time comes, when it is necessary, then we will think about it again.

Mr. MONTGOMERY. The domestic industry will praise you.

Mr. GUBSER. I want the record to clearly show I agree with Mr. Arends. My statement is in no way an expression of a lack of confidence in the General Services Administration. They have done a magnificent job. But I just don't want to surrender our authority.

Mr. ARENDS. I think what probably prompts some of my statements is what happened to copper. We will go into that a little later on as the mistakes made in the disposal of the copper program. This is the kind of think they want to avert, and so do we. This is the position I take at this time in regard to your presentation at this time.

Mr. PHILBIN. Thank you, gentlemen. The questions will be carefully considered by this committee, and the full committee.

Mr. MONTGOMERY. Thank you very much.

Mr. PHILBIN. Thank you very much, gentlemen.

Mr. GRAY. Thank you, I appreciate it.

Mr. PHILBIN. Does that conclude the witnesses on this bill, Mr. Cook?

Mr. COOK. We have Mr. Mugdan, vice president of the Ore & Chemical Corp., New York City.

Mr. PHILBIN. Come forward and be seated.

Give your name and address, and the company you represent to the reporter, for our record.

Mr. PHILBIN. You may proceed now, sir.

Mr. MUGDAN. Thank you.

STATEMENT OF ERNEST MUGDAN, VICE PRESIDENT OF THE ORE & CHEMICAL CORP.

Mr. MUGDAN. I am Ernest Mugdan, vice president, the Ore & Chemical Corp., 235 East 42d Street, New York, N.Y.

Mr. Chairman, members of the subcommittee, my company, incorporated under the laws of the State of New York, is the sales agent in the United States of Minerales y Productos Derivados S.A. (Minersa) of Bilbao, Spain, which operates a number of fluorspar mines and mills in various parts of Spain. With a yearly production of approximately 100,000 short tons wet weight, Minersa belongs to the large fluorspar producers of the world. It markets a small quantity in Spain, the rest in other European countries, the United States, and little in Japan.

I would like to submit for your consideration our reservations concerning the disposal of acid-grade fluorspar at this time and in the form proposed in H.R. 13367. We believe that it is too early to authorize this disposal and that the quantity is too large.

We respectfully request that the passage of this bill be postponed and that the quantity authorized initially for disposal be eventually reduced to 100,000 to 125,000 short dry tons.

(1) TIMING

We do not disagree with the basic policy that materials which are in excess in the U.S. stockpiles should be disposed of in view of the urgent need for additional funds which our country now has and in an effort to stem inflation. However, for a number of reasons, the time for the disposal of acid-grade fluorspar does not seem ripe.

(a) The disposal at this time would not be in the best interest of the U.S. Government.

Most, if not all, of the quantities in the national stockpile were acquired at much higher prices than presently obtainable. The Government would suffer a great loss if any of these quantities were now sold. The material in the supplemental stockpile was mainly acquired through Commodity Credit Corporation barter transaction and the average cost of acquisition is also higher than the value at present market prices.

If the United States waited with the disposal of acid-grade fluorspar until the market price has properly recovered from a recent slump, the Government's loss could be substantially reduced. The cost of maintaining fluorspar in its present storage facilities is relatively small; so are the carrying charges in view of the rather low per-ton value of fluorspar.

(b) The disposal at this time would not be in the best interest of the producers here and abroad.

Just now, the independent producers are trying to recover from the effects of the worst depression of prices experienced in recent times. While H.R. 13367 provides that producers and processors shall be protected against avoidable disruption of their usual markets, we fear that the passage of this bill, at this time, would promptly terminate the gradual restoration of more normal prices and cause new selling at distressed prices on the part of some producers.

The independent producers here and abroad have not been able to earn a fair return on their investments in recent years and, consequently, it was difficult to plan ahead, explore, and develop new deposits. A continuation of the slow rise in prices which started about 18 months ago is needed in order to return the fluorspar-producing community to a healthy and vigorous state.

In spite of much higher costs, the present price for European acid-grade fluorspar of approximately \$40 per short dry ton f.o.b. carrier's conveyance, U.S. east coast ports, duty paid, is considerably lower than the price paid by U.S. consumers 8 years ago when the effects of the Korean war had been completely overcome and the United States was not involved in any other war.

This country needs the foreign producers as much as the domestic producers, as it does not have sufficient fluorspar reserves to fill the

consuming industry's requirements. For many, many years, Minersa has been a faithful supplier of the large chemical industry here. It presently exports about one-half of its production of acid-grade fluorspar to the United States.

Minersa did not participate in the deliveries to the national stockpile at the high prices granted by the U.S. Government in the early years of the stockpiling program but, instead, furnished its product at lower prices to its U.S. clients. Only a small tonnage of 15,000 tons was delivered by Minersa in 1961 through a barter arrangement to the Commodity Credit Corporation at a price scarcely higher than today's price.

Not having benefited from this country's former stockpiling program, our Spanish principals, and we, wish to avoid that our vested interests in the United States now suffer from a premature disposal program.

Should the present price further recover, then, we feel, a careful disposal of stockpiled acid grade fluorspar could be considered.

(c) The disposal at this time would not be in the best interest of the U.S. consumers.

While it is true that a consumer looks for a low price, it is known that the large, responsible fluorspar consuming community of this country was quite concerned about the economic health of the producers during the period of extremely depressed prices. They felt that their long-term interests were better served if the producers could mine profitably and, consequently, could plan intelligently for the future, than if they suffered through very low prices.

For reasons of stability and proper development of new resources of a very much needed raw material here and abroad, the U.S. consumers would not wish to see the present recovery trend in the producing industry disrupted and possibly reversed by premature stockpile disposals.

(2) QUANTITY

Once the time is ripe for stockpile sales, the disposal bill should initially authorize the disposal of only a relatively small tonnage, both for psychological and for practical reasons—236,773 short dry tons represent approximately 60 percent of this year's total consumption of acid grade fluorspar in the United States which we estimate to be approximately 390,000 short dry tons. If this tonnage were offered for sale in a relatively short period of time, it would have a tremendously damaging effect on prices. In order to avoid damage, the total tonnage would have to be sold over a period of, say 10 years.

As this is a very long period of time, indeed, and in view of the inherent sensitivity of the fluorspar market it will be much safer to authorize in the first bill (which should have an experimental character) the sale of only 100,000 to 125,000 short dry tons to be disposed of slowly and carefully. The reaction of the market to such a bill would be cooler, the prices obtainable by the U.S. Government would consequently be higher, and Congress would have the opportunity to review the situation after a few years and make revisions, if necessary.

In any case, quantities required by the U.S. consumers in the foreseeable future can be supplied by the producers here and abroad. In recognition of a projected rise in consumption, Minersa—like other producers—plans to expand its production facilities in future years.

In connection with these plans, Minersa is presently in touch with U.S. manufacturers of modern equipment. These expansion plans and possible benefits to U.S. exporters of machinery and the U.S. consumers of fluorspar could be in jeopardy if stockpile disposals were authorized too early or in too large quantities.

I thank you very much for the opportunity to express our concern in this matter before you.

Mr. PHILBIN. You made a very fine statement. Now perhaps you want to tell us something about the present situation of your market. Are you having sales right along now from day to day?

Mr. MUGDAN. That is right, Mr. Chairman.

Mr. PHILBIN. Are you in a position where you are doing business all the time?

Mr. MUGDAN. We do.

Mr. PHILBIN. There is some demand for this substance?

Mr. MUGDAN. That is correct; yes.

Mr. PHILBIN. You don't have any trouble on that.

What do you think will be the future state of demand of the industry over a period of, say, the next 6 months?

Mr. MUGDAN. If there were no interference from outside sources, the market in my opinion should continue to gradually recover to a normal state.

Mr. PHILBIN. Yes. How would you describe the market at the present time? Is the market depressed at the present time?

Mr. MUGDAN. It has been very much depressed, and as I stated it has, in the last 12 to 18 months, gradually recovered to more normal prices, but the industry, both here and abroad, feels that it would still need a further rise to mine profitably, and particularly to have the financial resources to explore and develop new mines which is so very important in our industry.

Chairman RIVERS. Could I ask the gentleman a question?

Mr. PHILBIN. Surely, Mr. Chairman.

Chairman RIVERS. Are you telling this committee all grades, all classes, all kinds of fluorspar is in surplus supply? Are you making that statement?

Mr. MUGDAN. No, sir. I do not make that statement. If you talk about metallurgical fluorspar I would not say it is presently in surplus, and if you talk about acid-grade fluorspar I would say at this point we approach the moment where supply and demand gradually again get into a good balance.

Chairman RIVERS. My understanding is that some was sold to a previous witness the other day that was in short supply that he needed. Is that a fact? Have you bought any that was needed?

Mr. MUGDAN. No, sir.

Chairman RIVERS. You heard about it though, didn't you?

Mr. MUGDAN. No, sir.

Chairman RIVERS. If you would permit me, Mr. Chairman, I would like to ask the representative of the GSA: Do you understand what I am talking about?

Mr. HARLAN. Yes, sir.

Chairman RIVERS. Would you straighten out the committee and tell us whether or not there are certain grades or classes or kinds of fluorspar in your stockpile that this depressed industry needs, and who, if

any, has bought it; because the previous witness gave me the impression it is in surplus supply and that it was injurious to the market if you turned loose any of it.

This was the impression I got. Was this the impression you got?

Mr. HARLAN. Yes, sir; that was the impression.

Chairman RIVERS. Tell the committee what the truth is.

Mr. HARLAN. I am glad for this opportunity to straighten it out, Mr. Chairman.

At the rate we figure our material can be disposed of without disruption, we have approximately a 3-year supply of material which I am advised the steel industry actually really needs at this moment. It is a lumpy material, which will not be competitive with the type of material that is either produced domestically or the type of material this gentleman is talking about.

This material can be released into the market today and is actually needed by industry. This means we could work this program on that material for 2½ or 3 years before we would even have to give any consideration to the type of material that is concerning these people.

Chairman RIVERS. Did the previous witness buy some of that from you?

Mr. HARLAN. The previous witness bought some contaminated material, Mr. Chairman, which we had for sale under an earlier authorization.

Chairman RIVERS. It all comes from the same stockpile though?

Mr. HARLAN. Yes, sir, it does.

Chairman RIVERS. That is what I am talking about, Mr. Chairman. We are in charge of all of this.

Mr. MUGDAN. Mr. Chairman, I did not have a chance to see the statement of the GSA which was mailed in the last few days, because I'd left New York already yesterday. That is why I did not know in detail what lumpy material and what off-grade material was offered.

I am restraining my statement strictly to what is called acid grade fluorspar, which can be used in the chemical industry for the production of hydrofluoric acid.

Mr. GUBSER. Where is the bill?

Mr. COOK. You have a copy of it.

Mr. GUBSER. I know, but I have a lot of stuff here. It says "acid grade" right on it, doesn't it?

Mr. PHILBIN. Have you finished?

Mr. MUGDAN. I have the bill here, Mr. Chairman.

Mr. PHILBIN. Mr. Bennett wants to ask a question.

Mr. BENNETT. When you speak of this industry being a depressed industry, I wondered what your criteria for it being a depressed industry was. Are you basing that on the past performance of the sale of the product, or are you basing it on whether or not the companies make a profit, or just how do you arrive at this?

Mr. MUGDAN. I base it strictly on whether a company makes a profit.

Mr. BENNETT. You are telling me, then, in the overall picture of the production of fluorspar, the companies are not making a profit in 1966?

Mr. MUGDAN. I stated, sir, that it is not to be considered a fair return on the investment that would permit the mining industry to go

ahead with exploration and development of new deposits, which is of prime importance in the mining industry.

The mining industry has to plan many, many years ahead, and a mine can only be developed in 3 or 4 years, while in a manufacturing business you can make decisions rather fast and have a plant in a relatively shorter time.

Mr. BENNETT. You don't expect to lose money on the goods you have on hand, do you?

Mr. MUGDAN. No, sir, we do not.

Mr. BENNETT. It is just that you feel if a large quantity of this material went into the market you would be discouraged from making new explorations?

Mr. MUGDAN. That is very true. And I feel if the GSA had 233,000 tons of fluorspar on the shelf, psychologically that would discourage the mining industry to a certain extent from going ahead with the program that they must go ahead with if this country should happen to need fluorspar at reasonable prices in 5, 6, 7 or 8 years from now.

Mr. BENNETT. It would look like the Administration could cooperate with you and see that there would be proper balance there so you wouldn't be so heavily discouraged. I admit if you dumped it all on the market at one time it would seem to me to be a disturbing thing to do.

Mr. MUGDAN. Sir, it is my experience any such bill, if it is passed, would be having what I call an overhanging effect——

Mr. BENNETT. Overhanging what?

Mr. MUGDAN. An overhanging effect, inasmuch as anybody would look toward this store of 233,000 tons and say, "Well, that is enough material available here. I don't have to pay the price. I will wait." And that would be what I called in my statement a termination of the present trend to a restoration of reasonable prices for fluorspar.

Mr. BENNETT. I would like to ask Mr. Harlan, a question, and then that will conclude my questioning.

You said just a minute ago that you could go ahead with this program for a year or two, without ever getting into the field that this last witness has been testifying about. If that is so, why don't we limit this law to the type of stuff you could dispose of without interfering with them? And wouldn't everybody be happy, because you could come back here next year or the following year and take care of the other type things.

Mr. HARLAN. Mr. Bennett, when I assured the committee I was certain we could work out these problems with the industry people I was aware of the reservations, both on the part of the importing people and the domestic producers, but I was aware of the types of material we had for disposal and at the time of our meeting they were not thoroughly aware of it.

I have sent to them a complete breakdown of the types of material we do have for disposal and it does include a sufficient quantity of a type of material classified as acid grade fluorspar, but more generally used by the steel industry than even the chemical industry, because of its lumpy characteristic.

Mr. BENNETT. I yield to the chairman.

Chairman RIVERS. You make that a point of record now. We are not talking about metallurgical fluorspar, we are talking about acid.

Mr. HARLAN. That is right.

Chairman RIVERS. This component about which you speak is a part of that acid fluorspar which is of interest and of concern and need to the industry; is this a fact?

Mr. HARLAN. This is a fact.

Chairman RIVERS. Did the previous witness know this?

Mr. HARLAN. He had been advised of this this morning, sir.

Chairman RIVERS. Come up, Mr. Montgomery, because we want to get the facts here. We don't want to hurt anybody.

Don't you have confidence in this man sitting at your right? Have you found him to be a pretty good fellow under certain conditions?

Mr. MONTGOMERY. Yes, sir.

Chairman RIVERS. (Take that off the record.)

Mr. MONTGOMERY. I found when I arrived here this morning, and I just obtained this list upon arrival in Washington, that a few thousand tons of this list constituted what we call acid grade lump; that is, in gravel form; and, as such, is not suitable for use by the chemical industry or the aluminum industry where they have to make it into hydrofluoric acid first. As such, this gravel lump is in world short supply, and would be used by the steel industry. This is not what I was talking about in any of my testimony at all.

Chairman RIVERS. So if this bill relates to that, and if it permits the disposal of that, you would have no objection?

Mr. MONTGOMERY. No objection to these few thousand tons of acid lump which are included in this list.

Mr. GUBSER. Why can't we say that in the bill? What terminology would you use to finitely describe this material that the industry has no objection to?

Mr. BATES. This legislative history I suggest ought to take care of it.

Mr. GUBSER. Yes, I think so.

Mr. MONTGOMERY. You would call it acid-lump fluorspar, as differentiated from acid-flotation concentrates.

Chairman RIVERS. Is there any other kind of fluorspar over which he has possession that he can be trusted in the disposal of, in your opinion?

Mr. MONTGOMERY. Yes. While I have the stand, may I state in the record I am a little bit on the——

Chairman RIVERS. That is why I wanted you to come back.

Mr. MONTGOMERY (continuing). On the matter of contaminated acid fluorspar which was recently offered for sale. I believe our company bought 1,835 tons of this material, which was stored at Granite City, Ill.; and this is not to be used for the same purposes as any other acid grade is used. We are going to take this stuff back to our mill and clean it up. It is badly contaminated. Instead of 97 percent calcium fluoride, it is something like 83 or 85 percent calcium fluoride, full of cinders, rocks, sticks, and other trash. And then this will be made into a product sold to the metallurgical industry, not the regular acid-grade consuming industry, as such.

Mr. BATES. That takes care of that.

Mr. PHILBIN. Do you have any questions, Mr. Stratton?

Mr. STRATTON. No.

Chairman RIVERS. Thank you.

Mr. PHILBIN. Any questions on this side?

All right. Thank you very much.

Mr. MUGDAN. Thank you, Mr. Chairman.

Mr. PHILBIN. That was a very good presentation.

Will you give your name and your address and the concern you represent to the reporter?

STATEMENT OF BENJAMIN BUSCH, INTERCOMMON ORE & TRADING CORP.

Mr. BUSCH. My name is Benjamin Busch. I am an attorney at law, and general counsel to the Intercommon Ore & Trading Co. and a vice president of the company.

Intercommon Ore & Trading Corp. essentially is an importer of the ore that is now under discussion from Spain.

I would like to take advantage of my prerogative as an attorney to support the statements made by Congressman Gubser, and to state that both as an attorney and as a citizen I have been greatly impressed with the testimony that has been given by the last two witnesses, which in my opinion, if I were to sit here only as a private citizen, would impress me with the sensitivity of the area that is confronting Congress in disposing of this stockpile; not only a sensitivity which approaches the needs and the welfare of miners in our own domestic mines in the areas that have been covered by Congressmen who have been sitting here, but also in other sensitive areas.

Foreign exporters are not all of the country named by the chairman, whose remarks I do applaud when confined to one country, but we have other foreign countries that are here involved, countries like Spain that have supported the United States in every effort, monetary, military, cultural, every effort that makes for good will that will support the bulwarks against communism.

Countries like Spain are not in an economic position where they can see a definite threat to the few products which they export, which keep its economy in balance. The destruction of the economy in balance of countries like Spain, and others upon whom we rely as allies and friends, is a threat to the welfare of the United States.

In addition, it must be pointed out, as it was to the GSA, that if these countries like Spain and others cannot export their products in a measured and deliberate fashion to the United States, the economic tendency will be to cause a diversion, possibly to countries that we would not like to have or obtain possession of these strategic elements or ores. We refer to Iron Curtain countries.

There is a distinct possibility that unless there is a delay, unless there is a measured delay in the sale of these strategic ores, countries that should not get control of these products may get control of these products.

We have been talking now of 1 year, a year which marks a danger to domestic sources and a year which marks a danger to foreign sources. But the project which is before this subcommittee is a present authorization. There is no limitation which does not make it an immediate authorization for the disposal of all of the ore which is measured and referred to in the report of Mr. Harlan.

Mr. BENNETT. Is Spain and the other countries you referred to that are friendly to our country, are they involved in this lump type?

Mr. BUSCH. No, sir.

Mr. BENNETT. If we are back to the acid type, we are not in a position we can't solve, by amending this legislation, it looks like to me. We might be able to amend it to take care of the acid type.

Mr. BUSCH. I think definitely that legislation could be amended. My purpose in speaking here is to urge the delay.

Mr. BENNETT. Particularly with regard to the acid type?

Mr. BUSCH. Correct.

I point out, as Congressman Gubser did, however much trust and reliance one may have in the GSA, and I certainly have a great deal of trust and confidence in them, the question that is here today is the approach that Congress takes.

The Supreme Court of the United States has had occasion to say when there is too much delegation by Congress to the administration, it becomes an illegal delegation. And this subcommittee ought to be warned of a delegation which approaches excess delegation.

Mr. BATES. What is that citation?

Mr. BUSCH. That is the citation of Mr. Justice Cardozo in the NRA case, immediately after the chicken case, the *Schafter* case.

Mr. BATES. There has been a lot of water over the dam since then—a lot of it muddy.

Mr. BUSCH. There has been a lot of water.

Mr. PHILBIN. It is good law. It hasn't been changed in any way; it is good law, but it may not have bearing on the particular legal questions we are dealing with here.

We are glad to have your mention of it. We understand, of course, what his point of view is, he doesn't want us to approve the bill. We understand that.

Now I want to ask you one question along that line. How are we going to dispose of surplus materials that we have in the stockpile, excess surplus stockpile materials, that the Government doesn't need, and that are in the stockpile to the tune of several billions of dollars? As a businessman, how would you handle that matter differently than the way we are approaching it?

Mr. BUSCH. I would say the approach should be made both as businessmen and as legislators who have every little sensitive element of the Government at heart.

Mr. PHILBIN. That is just exactly what this committee is trying to do. We are acting more or less as an umpire here. We give certain power to GSA to make these disposals. Before we give that power, we always make sure there has been an industry conference with businessmen, that there has been a consensus in the trade concerning these measures, and that we are constantly informed as to what is being done, that assurances are given that the law will be observed, there will be no disruption of price or market, and conforming with the stockpile laws, and in every way trying to make sure that there is going to be no distribution, no disposal of these materials, that is going to be harmful to business.

Mr. BUSCH. I point out to the chairman—

Mr. PHILBIN. You have that procedure, don't you?

Mr. BUSCH. Yes, and I say the conclusion shows exactly why this bill should not be passed now, for the reasons the chairman has stated.

Mr. PHILBIN. Have you had an opportunity to confer with GSA on this bill?

Mr. BUSCH. I attended the January meeting with the members of the industry, and it seemed to be the consensus of opinion, as stated today, as given in answer to the question by Congressman Gubser, at least 1 year ought to elapse before we approach the problem of disposal.

Mr. PHILBIN. So rather than passing legislation now and having the GSA look into the situation, formulate plans, consult with industry, try to come up with some solid plan of disposal, you think we should wait for another year?

Mr. BUSCH. I definitely do.

Mr. PHILBIN. Or another 2 or 3 years, until perhaps the industry itself is more willing than it is today to support legislation?

Mr. BUSCH. I most definitely do.

Mr. PHILBIN. I want to point out to you actually we are arriving at the same result, except we are getting a little headstart on this. I think we can definitely say here, and you heard the assurances of the Commissioner given, that there will be no disposal of this material so long as the market conditions don't permit it, and so long as there would be any disruption of your price structure, or anything to upset or impair your conditions of your industry. I think there can be no question about that.

We have had this here 100 times. We haven't had any problem. The agency has always carried out the mandate of the act, and the commitments that are made here, and there is a complete followup on everything that is done. If the bill were passed now, it wouldn't be effectuated for 1, 2, or 3 years—it couldn't be, under the circumstances, until such time as the market conditions are right.

Mr. BUSCH. I would reiterate the question asked by Congressman Gubser: Why pass legislation now which would not go into effect for a year?

Mr. PHILBIN. Do you have any answer to that?

Mr. BUSCH. I think the question should be raised again in a year, then a consensus should be taken both of the industry here and abroad and of the world situation.

Mr. PHILBIN. We understand your views.

Mr. BUSCH. Times might certainly change. A year from hence, if the condition is not ripe for disposal, you might have a report from GSA that in its opinion it is.

Mr. PHILBIN. You understand now no disposals will be made now, and no one knows whether it will be made necessarily within a year, or 2 or 3 years perhaps?

Mr. BUSCH. There is nothing in the legislation to indicate that, sir.

Mr. PHILBIN. You heard the statements made here by the Commissioner.

Mr. BUSCH. It has congressional approval, if it obtains it, which requires or permits immediate sale and disposal, in its discretion.

Mr. PHILBIN. That is not true.

Mr. BUSCH. There is nothing in the bill which limits the disposal.

Mr. PHILBIN. Yes, there is. The bill and the relationship of the agency to this committee, and the way this law has been administered since the time it was enacted, all negate the statement you just made and bear out the statement I made that this disposal will be made only when it can be made in an orderly way without disrupting price or

markets or conditions in your industry. That is the way we do, the procedure followed here, and that would be the inevitable result which would follow here if this bill is enacted.

By passing this bill now, I will say this, it will give the agency an opportunity to continue with these conferences, which are desirable to you. Don't you think that is helpful to your industry?

Mr. BUSCH. I think the conferences are desirable, but not the passage of the legislation.

Mr. PHILBIN. If they are going to do it 1, 2, or 3 years from now, don't you think it is important for you to know what the thinking of this agency is on a commodity that is so important to you, that is your business, in fact? Don't you like to be in a position where you can go and consult, where you are called upon from time to time, to consult with the agency that has charge of disposal?

Mr. BUSCH. I should like to point out the last conference was held without a bill.

Mr. PHILBIN. They never will be made in my judgment, now—I speak with all deference to the views you have expressed and some others have expressed—they will never be made in my judgment unless they are done in an orderly way and without disrupting prices and markets in your industry. That is in accordance with the law. Not the bill you referred to, but the existing stockpile law, under which this committee must operate, and under which GSA must operate.

Do you understand?

Mr. BUSCH. I understand everything you said, Mr. Chairman, but it seems to me nothing said militates to the passage of legislation now.

Mr. PHILBIN. You may be sure we will consider the views you have expressed, and we will consider them very carefully, because the last thing that anybody on this committee would want to do would be to cause any disruption of your prices or your business in any way. That is why we welcome you here to give your testimony.

We are glad to have your testimony. We commend you for coming here and giving us the benefit of your view. That is what we are here for, to find out the merits and demerits of this legislation, and then pass upon them, as we are charged to do by law, and do the best we can to make sure nothing is going to happen that will be disruptive to your business.

Mr. BUSCH. I thank you for the gracious attention and courtesy you have extended. I simply repeat everything the chairman has said which is consistent with what I have said, is not inconsistent with the deferment of this bill for 1 year, and a rehearing at that time as to what the situation then presents.

Mr. PHILBIN. As I stated, we will carefully consider your views.

Mr. Bennett has a question.

Mr. BENNETT. You are an antiacid man instead of an antilump man, and therefore there shouldn't be any great controversy between you and the committee if we brought out legislation that dealt with the lumps instead of the acid. I think there is more consensus here than appears.

Mr. BUSCH. That is the only consensus which seems to be uniform for sale now. If the legislation that was recommended by this committee were limited to that one small item, then I don't think industry would have any objection at all.

Mr. BENNETT. You have been a significant witness because you have been the only witness who has brought to our attention not only the domestic situation but the international implications with our friends, and apparently they are in the same position as are the domestic industry in this field.

I thank you very much.

Mr. PHILBIN. Just one moment. I hold in my hand now the bill we are discussing here, H.R. 13367. I direct your attention to page 2 of that bill, beginning on the third line, after the word "Provided," and I read, "that the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual market."

Mr. BUSCH. May I comment on that? This language is not helpful because it is too vague and it permits the substitution of the decision at the discretion of the GSA as to what is avoidable loss and protection and substitutes for the discretion of this honorable body. In that regard it is not good legislation.

Mr. PHILBIN. I can understand that last statement, we will accept it, but I think it is a little legalistic.

Mr. GUBSER. Would the witness not say it is giving a blank, unsigned check to someone on the promise he would not cash it?

Mr. BUSCH. I answer it in the affirmative.

Mr. PHILBIN. We have done that so many times with the approval of my beloved friend, I think that is more or less academic, too. However, we appreciate your appearance and views. Let me assure you again we will take very careful consideration of your statement.

Mr. GUBSER. Just one quick question.

You would have no objection to the disposal, however, of this particular type of fluorspar to the metallurgical industry; you would have no objection to that type of disposal?

Mr. BUSCH. No objection.

Mr. GUBSER. Again, I don't think we have any argument here, or any kind that is in short supply.

Mr. BUSCH. Or any kind that is in short supply.

Mr. ARENDS. Yesterday we considered a number of these bills, and on three of them we found no controversy whatsoever in appearances before the committee, in relation to 13368, 13578, and 13662, bismuth, rhodium, and refractory grade bauxite, and I move, Mr. Chairman, favorable consideration of these three bills.

Mr. BENNETT. I second.

Mr. PHILBIN. Without objection, the bills will be reported to the committee for action.

Do you have another witness?

Mr. COOK. That is all on this subject.

There is a telegram that should be inserted in the record.

Mr. PHILBIN. Well, this is a telegram directed to this committee by Samincorp, South American Minerals & Merchandise Corp., 425 Park Avenue, New York, N.Y., 10022, E. Herz, assistant vice president.

(The telegram above referred to is as follows:)

NEW YORK, N.Y., March 21, 1966.

HOUSE ARMED SERVICES STOCKPILE SUBCOMMITTEE,
Rayburn Building, Washington, D.C.
(Attention: Mr. William H. Cook, Counsel.)

With reference to the hearings scheduled to take place before the House Armed Services Stockpile Subcommittee on March 22, 1966, in connection with proposed releases of stockpile acid grade fluorspar (H.R. 13367), we hereby respectfully request that the following statement be included in the record of these proceedings:

The undersigned, a U.S. corporation domiciled in New York City, is the sole representative of two Italian producers of acid grade fluorspar, Mineraria Silius and Societa Monreale, both located in Sardinia and considered among the largest European producers of this material. For many years these producers have serviced, on a continuing basis, requirements of important U.S. industrial consumers, having invested substantial time, money, and energy to keep up with the needs of their customers in this country, despite the adversity of depressed prices, having always looked upon the U.S. market as a permanent outlet for their productions.

We firmly believe that a decision to release substantial tonnages of surplus stockpile acid grade fluorspar within a short period of time would represent an extremely damaging blow to both the domestic and foreign fluorspar producing industry. Such releases unless handled with utmost caution would result in immediate precipitous price drops which, in our opinion, would force a large majority of domestic as well as foreign producers to close down their operations and cease production at a time when it is the consensus of opinion of consumers that there will be an increasing demand for acid grade fluorspar, which is supported by the willingness of many consumers to purchase considerable quantities of this material for delivery as late as 1968 and possible beyond. Alternatively, if the U.S. market is closed off to them by sudden releases of large stockpile tonnages, many producers may find it necessary to attempt diversion of their output to other, possibly undesirable, destinations.

We, therefore, respectfully plead that if a release of surplus tonnages from stockpile is found unavoidable, this be done over a period of 10 years or more. We understand that it is the intention to release an approximate metal of 250,000 tons, and we feel that a release of about 25,000 tons per year, possibly in quarterly installments of around 6,000 tons, can be absorbed by the U.S. market without causing a noticeable disruption which would be damaging to both producers and consumers and thus, in the end, to the U.S. economy.

We know that the administration has authorized long-range planning of disposals from the stockpile and that it is not the intention of the Government to engage in dumping of large surplus tonnages within a short time. We, therefore, earnestly repeat our plea that these disposals be handled in a gradual and nondisruptive fashion.

SAMINORP, SOUTH AMERICAN MINERALS &
MERCHANDISE CORP.,

E. HERZ, Assistant Vice President.

MR. PHILBIN. Does that close the testimony on this bill?

MR. COOK. Yes, sir.

(Whereupon, the subcommittee then proceeded to further business.)
(The following material was received for the record:)

SHEPARD CHEMICAL INDUSTRIES, INC.,
New York, N.Y., March 18, 1966.

Re stockpile hearings March 22, 1966—Item 10, acid grade fluorspar, H.R. 13367.

WILLIAM H. COOK,
Counsel, House Armed Services Stockpile Subcommittee,
Rayburn Building, Washington, D.C.

DEAR SIR: Please take notice that our company, which has been active in the sale of imported fluorspar in this country, is submitting for the record, that we do not oppose the orderly disposal of some 236,000 tons of acid grade filtercake fluorspar from the stockpile, provided that the action of General Services Administration is conducted on an orderly basis with the cooperation of industry in

the United States concerned with the sale and consumption of acid grade filtercake fluorspar, and provided that the disposal of this enormous stockpile would be spread over at least a 10-year period, whereby the maximum to be disposed of during any one year shall be 25,000 tons.

The substance of these opinions were covered at a meeting on January 28, 1966, before the GSA, John G. Harlan, Jr., Commissioner, and his staff, which was attended by about 50 participants interested in the subject, and at which the Commissioner expressed that the intent of GSA in the disposal of the stockpile would be in close cooperation with American industry and importers, who may be affected by any precipitous disposal of said filtercake fluorspar.

Upon the adjournment of that meeting on January 28, GSA stated that they would furnish all interested parties a list of the quantities stockpiled in various parts of the United States, together with present analyses of chemical and mesh specifications, so that the industry could evaluate the quality of the material and whether it could be applicable for the respective uses for which it was intended.

To date, this information has not as yet been furnished by GSA, and it was expressed at that meeting that after the details have been given to the interested parties attending that hearing, a second hearing would be called for a meeting of the industry and interested parties, and their opinions and recommendations as to the orderly disposal of the said stockpile during a period of at least 10 years, so as not to affect the long-range stabilization of the market and the long-range requirements of industry for this very important raw material.

In view of the close cooperation of GSA and industry, we do not oppose congressional authorization being given to GSA on H.R. 13367.

Respectfully submitted.

B. JOHN SHEPARD, *President.*

[H.R. 13371, 89th Cong., 2d sess.]

A BILL To authorize the disposal of phlogopite mica from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately three million seven hundred and sixty-five thousand pounds of phlogopite mica splittings and approximately two hundred and five thousand six hundred and forty pounds of phlogopite block mica now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

[H.R. 13373, 89th Cong., 2d sess.]

A BILL To authorize the disposal of muscovite mica from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately six million seven hundred and seventy-two thousand pounds of muscovite block mica, approximately five hundred and twenty-eight thousand pounds of muscovite flm mica, and approximately twenty-two million six hundred and sixty-six thousand pounds of muscovite mica splittings now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. PHILBIN. What is the next bill?

Mr. COOK. The next bill is H.R. 13371, phlogopite mica.

(The statement of Mr. Philbin on phlogopite mica is as follows:)

**OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN,
SUBCOMMITTEE NO. 1**

Mr. PHILBIN. The administration sent us a legislative proposal authorizing the disposition of 3,765,000 pounds of phlogopite mica splittings. There are approximately 223,239 pounds of phlogopite block mica now held in the national stockpile.

While we have an inventory of 223,239 pounds of block phlogopite mica, we have a stockpile objective of only 17,000 pounds. Thus, we have a total of 206,239 pounds of excess block mica.

For mica splittings, we have a stockpile objective of 1,300,000 pounds and a total in our two stockpiles of 5,065,000 pounds or an excess of 3,765,000 pounds.

The principal free world producer of phlogopite mica is the Malagasy Republic.

In 1963, U.S. imports for phlogopite mica totaled 587,496 pounds, including 313,000 pounds obtained for the Government account by barter. In 1963, consumption of this mica totaled 212,261 pounds.

The average acquisition cost of the mica for disposal was \$1.36 for block and \$1.06 for the splittings. The approximate current prices for Malagasy "high heat" sheet (block) mica range from \$0.50 to \$1.90 per pound, and there is no published price for mica splittings.

Mica, phlogopite block, differs from muscovite block, in that it withstands high temperatures with less deterioration, while less resistant to abrasion across the edge of the laminae. It may be classified as "high heat" quality if it withstands a certain high temperature for a stated period of time. This type of mica is used as insulating material in soldering irons and high temperature coils, liners in proximity fuses, transformers, and heater elements.

Phlogopite mica; block and splittings, H.R. 13371

Sales through Dec. 31, 1965:	Pounds
Block.....	None
Splittings.....	None
Current inventory:	
National stockpile:	
Block.....	223,239
Splittings.....	3,079,000
Total.....	3,302,239
Supplemental stockpile:	
Splittings.....	1,986,000
Total.....	5,288,239
Stockpile objective:	
Block.....	17,000
Splittings.....	1,300,000
Total.....	1,317,000

Phlogopite mica; block and splittings, H.R. 13371—Continued

Surplus:	<i>Pounds</i>
Block-----	206, 239
Splittings-----	3, 765, 000
Total-----	3, 971, 239
Requested disposal:	
Block-----	205, 640
Splittings-----	3, 765, 000
Total-----	3, 970, 640
Remaining surplus if bill is approved:	
National stockpile, block-----	599
Supplemental stockpile-----	None
Unit acquisition cost:	<i>Dollars</i>
Block-----	<i>per pound</i>
Splittings-----	1.36
Present unit market value:	
Block-----	\$0.50-1.90
Splittings-----	Various

Disposal plan: 5,000 pounds of block and 20,000 pounds of splittings will be offered for sale during the first year. This figure is expected to be adjusted upward based upon experience. If no change is made, disposal of block and splittings will require approximately 41 and 200 years, respectively.

Mr. Lawrence.

Mr. LAWRENCE. Mr. Chairman, I was going to suggest you might like to consider both 13371 and 13373 together. Both of these bills pertain to mica. One is phlogopite mica and the other is muscovite.

Mr. PHILBIN. Would you briefly describe the difference between these two types of mica?

Mr. LAWRENCE. Well, the muscovite mica is a little bit harder than the phlogopite. Phlogopite has an ability to withstand higher heat than the muscovite. But they have many interchangeable uses. But if you prefer, I can proceed on the muscovite and then go to the phlogopite.

(The statement of Mr. Philbin on muscovite mica is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. This is another one of the package of bills sent to us by the General Services Administration, and provides for the disposal of 6,772,000 pounds of muscovite block mica, approximately 528,000 pounds of muscovite film mica, and approximately 22,666,000 pounds of muscovite mica splittings from the national stockpile.

The stockpile objective for muscovite block mica is 6 million pounds, and we have an excess of 13,187,069 pounds in the national and supplemental stockpiles and DPA inventory.

For muscovite film mica, we have a stockpile objective of 2 million pounds, and a total inventory in the two stockpiles and DPA inventory of 2,527,786 pounds.

For muscovite mica splittings, the stockpile objective is 22,200,000 pounds, and an inventory in the national and supplemental stockpiles of 44,866,426 pounds.

We obtain block and film mica from India, Brazil, and the United States. We obtain mica splittings only from India.

The approximate acquisition cost per pound of muscovite block mica was \$2.60; the average cost per pound for film was \$5.60, and \$1.04 for splittings.

The present market value per pound for muscovite mica, depending upon quality and grade, are as follows: block, \$2 through \$9; film, \$1 through \$12; and splittings, \$1.20.

Muscovite mica—Block, film and splittings (H.R. 13373)

Sales through Dec. 31, 1965:

	Pounds
Block.....	237,083
Film.....	None
Splittings.....	None

Total..... 237,083

Current inventory:

National stockpile:

	Pounds
Block.....	10,811,778
Film.....	2,308,549
Splittings.....	40,040,169

Total..... 53,160,496

Supplemental stockpile:

Block.....	1,960,711
Film.....	116,556
Splittings.....	4,826,257

Total..... 6,903,524

DPA inventory:

Block.....	6,414,580
Film.....	102,681

Total..... 6,517,261

Total inventory..... 66,581,281

Stockpile objectives:

Block.....	6,000,000
Film.....	2,000,000
Splittings.....	22,200,000

Total..... 30,200,000

Surplus:

Block.....	13,187,069
Film.....	527,786
Splittings.....	22,666,426

Total..... 36,381,281

Requested disposal:

Block.....	6,722,000
Film.....	528,000
Splittings.....	22,666,000

Total..... 29,916,000

Remaining surplus if bill is approved:

National stockpile.....	None
Supplemental stockpile.....	None
DPA inventory.....	6,414,580

Unit acquisition cost:

	Dollars per pound
Block.....	2.60
Film.....	5.60
Splittings.....	1.04

Present unit market value:

Block.....	2.00- 9.00
Film.....	1.00-12.00
Splittings.....	1.20

Disposal plan: A starting rate of 750,000 pounds semiannually. Should this rate prove realistic the program will require approximately 20 years for completion. It is stated, however, that the DPA inventory, over which Congress has no control, will be disposed of under a separate plan, no details furnished, and the total disposals will be coordinated.

Comment: H.R. 13373 authorizes the disposal of all of the surplus material in the national stockpile and the supplemental stockpile over which Congress exercises control. The present stockpile objectives for these materials will remain in these two stockpiles. The disposal of the remaining surplus materials in the DPA inventory, totaling 6,414,580 pounds is controlled by the OEP and Congress has no voice in the matter.

You may proceed.

Mr. LAWRENCE. H.R. 13373 is authorizing the disposal of approximately 6,772,000 pounds of muscovite block mica, 528,000 pounds of muscovite film mica, and 22,666,000 pounds of muscovite mica splittings from the national and supplemental stockpiles.

Mica tape and cloth made from mica splittings are used as insulation for field coils, armature windings, transformers, and other electrical coils and devices operating at elevated temperatures. Built-up mica is used as insulation between copper commutator segments, around armature shafts, and as rigid insulation plates. In recent years there have been developed a number of substitutes for mica applications.

Free world production of mica comes mainly from India. Brazil produces small amounts. Production in the United States has been negligible since the termination of the Government purchase program in mid-1962.

Domestic consumption of muscovite mica is about 9 million pounds annually. The GSA disposal program must therefore be spread over a number of years.

We also support H.R. 13371, a bill to authorize the disposal of 3,765,000 pounds of phlogopite mica splittings and 205,640 pounds of phlogopite block mica from the national and supplemental stockpiles.

Phlogopite mica splittings are required as support and insulation for electrical heating elements and many other applications where higher temperatures are encountered.

Phlogopite block mica can withstand higher temperatures with less deterioration than muscovite mica. High-heat phlogopite block mica is used as interlayer insulation for high-temperature coils, thermal batteries, as a liner in proximity fuses, transformers, and heater elements. It was formerly used in spark plugs, but a ceramic was developed for this purpose.

The principal commercial source of this type of mica is the Malagasy Republic.

U.S. consumption of phlogopite mica block has been increasing in recent years. However, the quantities covered by this legislation will require a number of years for their disposal.

This disposal action has been coordinated with all the Government departments and agencies.

Mr. PHILBIN. You followed the usual procedure in that regard, and they are all in agreement?

Mr. LAWRENCE. That is right. The consultation has been carried forward on muscovite mica, now, for a period of almost 2 years, because of the problem of India.

Mr. PHILBIN. That was the point I raised just a moment ago, the importance of having some authority in standby to consider the dis-

posals, consider materials in the stockpile with a view to disposal, and have the authority to be ready when legislation is presented, or when the time comes to make proper disposal.

Mr. LAWRENCE. That is right.

We favor the passage of this legislation.

Mr. PHILBIN. Thank you very much.

Are there any questions?

If there are no questions, then we thank you.

We call Mr. Harlan.

Mr. Harlan, you have your prepared statement on this; we will take it for the record, and then you can interpolate.

(The prepared statements of Mr. Harlan on phlogopite mica and muscovite mica are as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13371.

This bill would authorize the disposal of approximately 3,765,000 pounds of phlogopite mica splittings and approximately 205,640 pounds of phlogopite block mica now held in the national and supplemental stockpiles. The Office of Emergency Planning has determined these quantities to be in excess of stockpile requirements.

Mica is a group name for a number of minerals which have a characteristic structure permitting easy separation into thin tough sheets. Phlogopite mica is softer than muscovite but will withstand higher temperatures.

Special uses for phlogopite block mica include insulating material in soldering irons and high temperature coils, liners in proximity fuses, transformers, and heater elements. Phlogopite mica is obtained primarily from the Malagasy Republic.

The total inventory of phlogopite mica (block and splittings) held by GSA is 5,288,239 pounds. The present stockpile objective is 1,317,000 pounds. The excess of approximately 3,971,000 pounds is covered by H.R. 13371.

The average acquisition cost of the phlogopite mica planned for disposal was \$1.36 per pound for the block and \$1.06 per pound for the splittings. The approximate current prices for the block range from \$0.50 to \$1.90 per pound, duty paid. The average market price for the various grades of splittings is about \$1.60 per pound.

Industry representatives and affected Government agencies were consulted in the development of the disposal program on the excess. At the present time there is no domestic production of this type of mica. On January 28 we held an industry meeting with the major consumers and traders in the mica industry.

Industry representatives had reservations against disposal at this time, because of present supply-demand conditions and the uncertainty

of the types of mica which would be made available. We are preparing a detailed listing of all types of mica which are available and will forward that listing to the industry representatives shortly. We will continue our discussions with industry and feel confident that an orderly program can be developed to the mutual interests of all concerned.

This agency strongly recommends the enactment of H.R. 13371.

This concludes my prepared statement Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13373.

This bill would authorize the disposal of approximately 6,772,000 pounds of muscovite block mica, approximately 528,000 pounds of muscovite film mica, and approximately 22,666,000 pounds of muscovite mica splittings now held in the national and supplemental stockpiles. The Office of Emergency Planning has determined these quantities to be in excess of stockpile requirements.

Mica is a group name for a number of minerals which have a characteristic structure permitting easy separation into thin, tough sheets. Muscovite mica, covered by this bill, has the best electrical insulation properties. Phlogopite mica, covered by H.R. 13371, is best for heat insulation purposes. Block mica is the thicker sections ranging from seven-thousandths of an inch upward. Film is split from block to a variety of predetermined thickness ranges. Mica splittings are thin layers of mica with a maximum thickness of twelve ten-thousandths of an inch, split by hand from block mica. Within these three principal forms (block, film, and splittings) there are a number of qualities and grades.

Muscovite Mica is used as dielectric supporting elements in electronic tubes, mica capacitors, as insulation in motors and other electrical apparatus. Splittings are easily bonded to cloth and glass fabric or built up into plates of any desired thickness or dimensions. Tape and cloth made from mica splittings are used as insulation for field coils and transformers and other electrical coils and devices operating at elevated temperatures.

The principal sources of mica are India and Brazil.

The total inventory of muscovite mica (block, film, and splittings) held by GSA is 66,581,281 pounds. The present stockpile objective is 30,200,000 pounds. The total excess is thus 36,381,281 pounds of which 29,966,701 pounds are in the national and supplemental stockpiles and are covered by H.R. 13373. The remaining excess of 6,414,580 pounds is in the Defense Production Act inventory.

The approximate acquisition cost per pound of muscovite block mica in the national and supplemental stockpiles was \$2.60; for film, \$5.60; and for splittings, \$1.04. The present market value per pound, depending on quality and grade, ranges from \$2 to \$9 for block, \$1 to \$12 for film, and is \$1.20 for splittings.

Industry representatives and affected Government agencies were consulted in the development of the disposal program on the excess.

At the present time there is no domestic production of this type of mica. On January 28 we held an industry meeting with the major consumers and traders in the mica industry.

Industry representatives had reservations against disposal at this time because of present supply-demand conditions and the uncertainty of the types of mica which would be made available. We are preparing a detailed listing of all types of mica which are available and will forward that listing to the industry representatives shortly. We will continue our discussions with industry and feel confident that an orderly program can be developed to the mutual interests of all concerned.

This agency strongly recommends the enactment of H.R. 13373.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

On January 20, we had a meeting with the industry. You will note from the figures which Mr. Lawrence has just given you that we have a huge excess situation on this material.

When we met with the industry, we found that the industry has reservations about going forward with the disposal program, their feeling being a disposal program will be disruptive of imports, all of this material being imported excepting a very small quantity which is mined domestically.

Mr. Chairman, we also agreed with the industry to supply them with some additional facts about the material and to continue working with them to work out a reasonable program to get started with the disposal of the mica.

Mr. PHILBIN. So you have industry consensus here?

Mr. HARLAN. Yes, sir; we have had a meeting with the industry.

Mr. PHILBIN. There is no opposition of any kind you know of?

Mr. HARLAN. Yes, sir; they do have reservations about the disposal, particularly the importers, but we have agreed to continue working with them to attempt to work out some sort of a reasonable program to get started with it.

Mr. PHILBIN. They are not opposing the bill at this time?

Mr. HARLAN. I don't believe so; no, sir.

Mr. COOK. We have no industry opposition. We have no witnesses that have asked to be here.

Mr. PHILBIN. We don't have any industry opposition. But you do know there are some, if not opposition to these bills, some reservations on the part of the industry?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. They will get in touch with you again and you will be in touch with them?

Mr. HARLAN. We have submitted information they asked for. We have plans to meet with them again, until we work out an agreeable program, yes.

Mr. PHILBIN. Thank you very much.

No additional witnesses this morning, Mr. Cook?

Mr. COOK. No, sir.

Mr. PHILBIN. There are no additional witnesses on this bill. There are no additional witnesses on any bill.

Mr. Cook, I think under the circumstances, then, we can conclude these hearings now, and we can meet tomorrow at 10 o'clock.

Mr. COOK. Yes sir.

Mr. PHILBIN. The committee is adjourned until 10 o'clock tomorrow morning.

(Whereupon, at 11:52 a.m., the subcommittee adjourned, to reconvene at 10 a.m., Wednesday, March 23, 1966.)

H.R. 13579—THORIUM

[H.R. 13579, 89th Cong., 2d sess.]

A BILL To authorize the disposal of thorium from the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately three million five hundred thousand pounds (thorium oxide content) of thorium nitrate now held in the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b): *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES.

SUBCOMMITTEE No. 1,
Washington, D.C., Wednesday, March 23, 1966.

The subcommittee met at 10:12 a.m., Hon. Philip J. Philbin, chairman of the subcommittee, presiding.

Mr. PHILBIN. The committee will come to order.

We will first take up H.R. 13579—thorium.

(The statement of Hon. Philip J. Philbin, on thorium, H.R. 13579, is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. This bill would authorize disposal of 3,500,000 pounds—thorium oxide content—of thorium nitrate now held in the supplemental stockpile.

Currently, we have 3,965,461 pounds of thorium in the stockpile and a stockpile objective of 500,000.

Thorium is obtained from India, Brazil, and South Africa.

The average acquisition cost of thorium was \$4.54 per pound.

Thorium is a gray powder or a heavy malleable metal changing from silvery white to dark gray or black in air. It is used with tungsten or nickel in electrodes in gas-discharge lamps and in conversion of fissionable uranium. Used to make the incandescent—Welsback—type gas-light mantle. Some of its compounds are used in luminous paints and in flashlight powders. Compounds with nickel to produce a high-temperature alloy.

We have Mr. Lawrence here who is prepared to testify on this bill. You may proceed, Mr. Lawrence.

Mr. LAWRENCE. Mr. Chairman, members of the committee.

Mr. PHILBIN. Let us have your views. Proceed with your testimony.

(The statement of Mr. William N. Lawrence on thorium—H.R. 13579—is as follows:)

STATEMENT OF WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. Mr. Chairman and members of the subcommittee, I appreciate the opportunity of appearing before you to support H.R. 13579, a bill to authorize the disposal of approximately 3,500,000 pounds—thorium oxide content—of thorium nitrate from the supplemental stockpile.

On March 13, 1964, thorium was added to the objective list of stockpile materials in the amount of 500,000 pounds, leaving an inventory of about 3.5 million pounds determined to be excess to stockpile needs.

Thorium nitrate is obtained in the form of monasite, chiefly from Canada, India, Brazil, east Africa, and to some extent as a byproduct from Florida beach sands.

Thorium is radioactive and is used as a source of fissionable uranium 233 in the breeder reactor. The principal nonenergy uses of thorium and its compounds are in recently developed magnesium and nickel alloys which are estimated to account for 50 percent of present consumption. Other uses are in the manufacturing of gas mantles, refractories, luminous paints, vacuum tubes, and flashlight powders.

Because of its radioactive properties, the release of thorium oxide from the supplemental stockpile is subject to the licensing procedures and requirements established by the Atomic Energy Commission.

All interested departments and agencies have consulted industry and foreign governments on this disposal action.

The Office of Emergency Planning is in favor of the enactment of this legislation.

There is no objection to the disposal.

Mr. PHILBIN. You made the proper inquiries of the agencies?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Thank you very much.

Do you have any questions?

No questions.

Mr. Harlan, let us have your views on this thorium.

Mr. HARLAN. Mr. Chairman, since the factual data in my statement has already been presented by yourself and Mr. Lawrence with your permission I will submit the formal statement for the record.

Mr. PHILBIN. We will take your statement for the record. You can make comments in elaboration as you desire.

(The statement of Mr. John G. Harlan, Jr., on H.R. 13579, disposal of thorium, is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff mem-

bers of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13579.

This bill would authorize the disposal of approximately 3,500,000 pounds—thorium oxide content—of thorium nitrate now held in the supplemental stockpile. The Office of Emergency Planning has determined this quantity to be in excess of stockpile requirements.

Thorium is used commercially with tungsten or nickel in electrodes in gas-discharge lamps. Some of its compounds are used in luminous paints and in flashlight powders. It is also compounded with nickel to produce high-temperature alloys. The Atomic Energy Commission is a significant user of thorium in the conversion of fissionable uranium. The chief sources of thorium nitrate are Brazil, India, South Africa, and to some extent, in the United States.

The total inventory of thorium nitrate—oxide content—held by GSA is 3,965,461 pounds. The present stockpile objective is 500,000 pounds. The excess of approximately 3.5 million pounds is covered by H.R. 13579.

The average acquisition cost of the thorium inventory was \$2.08 per pound of thorium nitrate. The current market price is about \$2 per pound.

Affected Government agencies were consulted in the development of the program for the disposal of the excess. The Department of Commerce has consulted with major segments of industry on the matter. It appears that at the present time market conditions for thorium are "soft." GSA has arranged for an industry meeting with the major segments of the thorium industry on March 24 so that we may thoroughly review the situation with the industry before we firm up the details of specific disposal action. We are confident we will be able to work out a mutually agreeable program which will protect the interests of all concerned.

It is probable that the Atomic Energy Commission may have a requirement for some of this excess thorium. Authorizing legislation is needed to satisfy these needs as well as to begin a commercial disposal program under the arrangements which we will work out with industry.

This agency, therefore, strongly recommends enactment of H.R. 13579.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. Chairman, this is a huge excess of this material, and it is a material which is currently available in the market.

We have a meeting scheduled with the industry to discuss what might be done about disposing of these excesses. At the very best it is going to be a long-drawn-out program. We have had discussions with the industry individually, not on an organized basis yet.

Mr. PHILBIN. What was the reaction you received?

Mr. HARLAN. The reaction is, there is plenty of this material around, and, they want to know, what are we going to do with it? But there

is a very distinct possibility that the Atomic Energy Commission will have a need for some of this material, and for this reason we are seeking authority to make it available to them and to any commercial uses which we may be able to develop.

Mr. PHILBIN. Has the Atomic Energy Commission yet made a request for any specific amount of it?

Mr. HARLAN. No, sir; they are studying some new program which they have underway, and have alerted us to the effect they may have a need for some fairly substantial quantities.

Mr. PHILBIN. They will advise you?

Mr. HARLAN. That is correct, sir.

Mr. PHILBIN. They have not stated what the amount would be?

Mr. HARLAN. That is right; yes, sir.

Mr. PHILBIN. You will have industry conferences, and you will report on those conferences, in regard to the bill?

Mr. HARLAN. Yes, sir; this is so. I feel pretty confident that when we get together with the industry we are going to discover it is going to be an extremely difficult job to market the material, simply because there is plenty of the material around. Probably its principal use, and the reason it was acquired for the stockpile, was as a fuel element in reactors. To the extent that additional uses can be developed for the material we may be able to move it.

Mr. PHILBIN. You will dispose of it in an orderly way, as you always try to do, without disrupting the market, as required under the terms of the act?

Mr. HARLAN. That is correct.

Mr. PHILBIN. The procedures you follow will be submitted to the committee?

Mr. HARLAN. All right, sir.

Mr. PHILBIN. There are no questions. Thank you very much.

Do we have any industry witnesses present this morning to testify on thorium?

Mr. COOK. No, sir.

Mr. PHILBIN. The bill is disposed of at this time.

H.R. 12412, H.R. 13364, H.R. 13569, H.R. 13570—PLATINUM

[H.R. 13364, 89th Cong., 2d sess.]

A BILL To authorize the disposal of platinum from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately three hundred and sixteen thousand three hundred troy ounces of platinum now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

[H.R. 12412, 89th Cong., 2d sess.]

A BILL To authorize the release of platinum from the national stockpile, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately three hundred sixteen thousand three hundred ounces of platinum from the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

SEC. 2. The platinum covered by this Act, materials in the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061-2166), and materials in the national stockpile and the supplemental stockpile (7 U.S.C. 1704(b)) the disposition of which has been or may hereafter be authorized pursuant to law, shall be available, without reimbursement, for transfer at fair market value in payment of the purchase price and other expenses of acquisition (including transportation and other accessorial expenses) of palladium for the national stockpile.

[H.R. 13569, 89th Cong., 2d sess.]

A BILL To authorize the disposal of platinum from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately three hundred and sixteen thousand three hundred troy ounces of platinum now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

[H.R. 13570, 89th Cong., 2d sess.]

A BILL To authorize the release of platinum from the national stockpile, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately three hundred and sixteen thousand three hundred ounces of platinum from the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

SEC. 2. The platinum covered by this Act, materials in the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061-2166), and materials in the national stockpile and the supplemental stockpile (7 U.S.C. 1704(b)) the disposition of which has been or may hereafter be authorized pursuant to law, shall be available, without reimbursement, for transfer at fair market value in payment of the purchase price and other expenses of acquisition (including transportation and other accessorial expenses) of palladium for the national stockpile.

MR. PHILBIN. The next bill we will consider this morning—we will start on platinum now.

Mr. Lawrence, will you come forward? Do you have a prepared statement, Mr. Lawrence?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Mr. Lawrence, before you start your testimony I have a brief statement I want to add for the record.

This is another legislative proposal submitted by General Services Administration, and I think we will proceed with your statement now, and I will introduce my brief statement for the record without reading it further.

(The statement of Hon. Philip J. Philbin on platinum is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. In taking up platinum this morning, we have four bills before us: One, which our good friend and distinguished colleague, the Honorable Richard H. Ichord, of Missouri, has introduced; an administration proposal which I introduced; and an identical bill to each of those above introduced by our colleague, the Honorable Alton Lennon, of South Carolina.

The bills introduced by Mr. Ichord and myself each authorize the disposal of 316,300 troy ounces of surplus platinum. But they differ in the following respects: Mr. Ichord's bill provides that surplus platinum shall be disposed of from the national stockpile only. The administration bill authorizes the disposal from both the national stockpile and the supplemental stockpile.

Mr. Ichord's bill provides that the funds realized from the sale of surplus platinum will be retained by the General Services Administration and used for the purpose of acquiring palladium, which is in a deficit position in the stockpile.

It is my understanding that the Senate Armed Services Committee reported out Senator Dirksen's bill, which is similar, if not identical, to the bill introduced by Mr. Ichord.

The administration proposal calls for the outright release of platinum. But the administration also has given a favorable report on Mr. Ichord's bill.

Naturally, the committee must determine what the position of the administration is in this matter. While the two positions do not necessarily conflict, they are not completely in harmony either.

This committee obviously is interested in protecting the integrity of the stockpile. Before we would be able to authorize disposal of platinum, we would have to know the plans to acquire palladium. We are cognizant, too, that to follow the procedure of Mr. Ichord's bill would be establishing a precedent which we might regret at some future date because this really is a back-door way of financing purchases for the stockpile. Ordinarily, to purchase materials for the stockpile, GSA is required to request appropriations for such purchases.

The stockpile objective for platinum is 450,000 troy ounces and the total in our inventory is 766,304 troy ounces. The unit acquisition cost is \$79.47 per troy ounce and from previous disposals the average unit recovery is \$62.87 per troy ounce. I understand the present unit market value is \$97 to \$100 per troy ounce.

Platinum is obtained from Canada, the United States, South Africa, Colombia, and the U.S.S.R.

Platinum is a heavy grayish-white noncorroding precious metal. It is very soft, ductile, and malleable. It does not tarnish at elevated temperatures. It is inert to the common strong acids, including nitric acid, but aqua regia slowly reacts with it. Alkali-metal hydroxides, especially with oxidizing agents, attack platinum. Chlorine and fluorine react with platinum.

The platinum group metals are used separately and in alloys or combinations with each other and other metals. The electrical uses are principally contacts, electrodes, filaments, resistance thermometers, and resistors and thermocouples. In the chemical field, it is used for crucibles and other heat and corrosion resistant vessels, cathodes, spinnerettes for organic filaments as rayon and for Fiberglas, burner nozzles, and catalysts. Other sundry uses are dentistry, jewelry, purification of hydrogen, and precision instruments.

Platinum—H.R. 12412 (Mr. Ichord), H.R. 13364 (Mr. Philbin), H.R. 13569 (Mr. Lennon), H.R. 13570 (Mr. Lennon)

Each of the four bills referred to the subcommittee for consideration authorize the disposal of the same amount of surplus platinum, i.e., 316,300 troy ounces. H.R. 13364 (Mr. Philbin) and H.R. 13569 (Mr. Lennon) are identical. This is also true with respect to H.R. 12412 (Mr. Ichord) and H.R. 13570 (Mr. Lennon). The latter two bills, however, contain a provision that the funds realized from the sale of surplus platinum will be available for the purchase of palladium for the national stockpile. This provision, if accepted, would establish a precedent. Under previous disposal authorizations, the amounts recovered from the sale of surplus materials have been deposited in the Treasury.

Palladium, generally speaking, is interchangeable with platinum from a usage standpoint. It is presently in short supply. The stockpile objective is 1,300,000 troy ounces. The current inventory is 737,935 troy ounces. Under present authorizations, it is expected that 100,000 troy ounces will be procured through barter transactions.

	Troy ounce
Sales through Dec. 31, 1965.....	4, 471
Current inventory :	
National stockpile.....	716, 305
Supplemental stockpile.....	49, 999
Total.....	766, 304
Stockpile objective.....	450, 000
Surplus.....	316, 304
Requested disposal.....	316, 300
Remaining surplus if bill is approved.....	None
Unit acquisition cost.....	\$79. 47
Present unit market value.....	97-100

DISPOSAL PLAN

Entire surplus to be made available for sale as early as possible.
You go ahead with your testimony.

(The statement of Mr. William N. Lawrence on platinum is as follows:)

STATEMENT OF WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. Mr. Chairman and members of the subcommittee, the Office of Emergency Planning appreciates this opportunity of appearing before this committee to support H.R. 13364, a bill, "to authorize the disposal of 316,300 troy ounces of platinum from the national and supplemental stockpiles."

The OEP also favors the passage of H.R. 12412, which also authorizes the disposal of 316,300 troy ounces of excess platinum. H.R. 12412 differs from H.R. 13364 in that, in addition to authorizing the disposal of the 316,300-ounce surplus of platinum, H.R. 12412 includes a provision in section 2 which would permit the use of excess platinum, as well as other excess stockpile materials, in payment of the purchase price and other expenses of acquiring palladium for the national stockpile.

We have authorized the Department of Agriculture to engage in a barter program to obtain the deficit—562,000 troy ounces. To date, 100,000 ounces have been contracted for and 50,000 ounces delivered. The Department of Agriculture will also seek bids to contract for another 100,000 ounces prior to the end of this fiscal year. The balance will be sought in fiscal 1967. This stretchout of procurement on the part of OEP is deliberate in order that no extraordinary demand will be placed upon the market which will enhance the price of palladium.

There is ample palladium on the market today. This is evident by the number of offers received by the Department of Agriculture and the General Services Administration to barter or exchange for agricultural products or excess stockpile materials. Moreover, the price of this member of the platinum family has been remarkably stable over the last year.

On the other hand, the supply of platinum has tightened drastically in the past 6 months, and the shortfall is now estimated to be more than 300,000 ounces in calendar year 1966. Many industries, but particularly the petroleum and chemical industries, have been forced to delay expansions of capacity for lack of platinum. In addition, defense industries have been forced to pay premium prices for platinum in order to meet advanced delivery dates.

In view of these problems, OEP has determined that the excess platinum can be sold before we obtain all the palladium deficit. We do not feel that this impairs our national security because of the ready availability of palladium by open-market purchases or barter, or both.

However, since passage of H.R. 12412 would provide a broad authorization enabling us to channel vitally needed excess platinum into the consuming industry and, at the same time, provide standby authority to acquire palladium through the exchange of excess strategic and critical materials should this later prove desirable, either concurrently with or in lieu of acquisition through the barter of agricultural excesses, enactment of H.R. 12412, or an identical bill S. 2642 passed by the Senate on March 21, 1966, would enable accomplishment of the purposes of the administration's legislative proposal.

Mr. PHILBIN. Does that finish your statement?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. You are not concerned about the stockpile requirement problem here?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. When was the stockpile requirement evaluated last?

Mr. LAWRENCE. It was evaluated in January of this year.

Mr. PHILBIN. With full concurrence of all the cooperating agencies, including the Joint Chiefs?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. With respect to the participation of the Joint Chiefs, how was that handled? Who represented the Joint Chiefs in this proceeding?

First, describe the proceedings that take place on his particular evaluation, which I take it was a standard evaluation.

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Then the participants, what your procedure is, and in general the principal factors on which you based the evaluation. I would like to have that briefly for the record.

Mr. LAWRENCE. All right, sir.

When we go into the supply requirements data, we send to the Department of Defense a request for their actual requirement for platinum. In addition, we ask other agencies, like the Department of Commerce, to supply the requirements for the rest of the economy. When these figures are obtained and put together, then we have a group known as the Interdepartmental Materials Advisory Committee, which is composed of a number of Government agencies, including Defense, State, Interior, Commerce, GSA, and several others, which go over the data, and they approve it. This establishes the objectives.

Mr. PHILBIN. Is this a regular standing committee now?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Comprised of the same members? They may be replaced from time to time, but generally the same members participate?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. Who participates for the Department of Defense?

Mr. LAWRENCE. The man who has been participating is Mr. Carl Rolle, who acts for the Assistant Secretary of Defense for Installations and Logistics. He is also the one through whom the Joint Chiefs participate in the decision.

Mr. PHILBIN. Prior to the time that he consults with you does he consult with the Joint Chiefs?

Mr. LAWRENCE. Yes, sir; as well as all of the three services.

Mr. PHILBIN. How does he consult with the Joint Chiefs? Do they participate in these discussions? They, of course, are very knowledgeable in matters of strategy and tactics, but they probably presumably wouldn't have the same knowledge in matters affecting industrial mobilization, or needs for industry that should be retained in the stockpile.

Now, through whom do they convey their opinions?

Mr. LAWRENCE. They have members of one of their staff—I am not familiar with whom Mr. Rolle does contact there, other than the fact we are given the knowledge.

Mr. PHILBIN. Could you furnish us for our record the person or persons who are knowledgeable in industrial mobilization and industrial problems, that represent the Joint Chiefs and speaks for the

Joint Chiefs, and negotiates for the Joint Chiefs, and attended the conferences with Mr. Rolle in these matters?

Mr. LAWRENCE. Yes.

Mr. PHILBIN. We would like very much to have that information.

Mr. LAWRENCE. I will furnish the information.

Mr. PHILBIN. You, yourself, as a result of all your evaluations, you are retaining enough of the stockpile at the present time, even if we do make the disposals that are provided by the pending bills?

Mr. LAWRENCE. I feel we will be adequately covered for all of our defense needs, with the present stockpile objective.

Mr. PHILBIN. That opinion is based on the information that you derived from your contacts with all of the participating and cooperating agencies?

Mr. LAWRENCE. That is correct, sir.

Mr. PHILBIN. Do you have some questions, Mr. Gubser?

Mr. GUBSER. It is obvious on its face, but I would like to tie it down and get it in some specific words in the record.

Is the reason for this barter authority—you are seeking this barter authority, is that you would save time by bartering platinum for palladium? You wouldn't be required to go through an authorization and possibly an appropriation process to acquire the palladium?

Mr. LAWRENCE. Well, that is true. If we get the authority contained in section 2 here, we would not require any appropriation.

Mr. GUBSER. Without section 2 what would be the time element involved and what process would you have to go through? Could you describe it for me briefly, please?

Mr. LAWRENCE. Without section 2, we would use the barter route rather than ask for an appropriation, because we have found it is readily available so far.

Mr. GUBSER. Without section 2?

Mr. LAWRENCE. Without section 2.

Mr. GUBSER. I got it backward.

Mr. LAWRENCE. I am sure we can acquire the palladium within the next 2 years or 2½ years, so it will all be delivered into the stockpile within that time.

Mr. GUBSER. Those are all the questions.

Mr. PHILBIN. Mr. Clancy?

Mr. CLANCY. No questions.

Mr. PHILBIN. Does the distinguished chairman have a question he would like to ask?

Chairman RIVERS. Thank you, Mr. Chairman.

Mr. Lawrence, how long have you been with the OEP?

Mr. LAWRENCE. Well, I have been with it and its predecessor agencies for about 30 years.

Chairman RIVERS. That is too long.

Now, the OEP favors the bill that Mr. Ichord introduced as against the one that the GSA sent over here. Why didn't you think of that?

Mr. LAWRENCE. I didn't understand you, Mr. Chairman.

Chairman RIVERS. You said you would favor the one the Senate passed, where you have the authority to buy the palladium, the stockpile palladium, on a barter basis as well as—is this a barter basis?

Mr. LAWRENCE. This provides you can pay for palladium with the platinum or other excess stockpile material.

Chairman RIVERS. Either from the money realized from the 316,000 troy ounces of platinum—does it take care of the barter? You don't need any authority for the barter?

Mr. LAWRENCE. No, sir.

Chairman RIVERS. And you do that from your excess agriculture products?

Mr. LAWRENCE. That is correct.

Chairman RIVERS. With whom will you barter to get this palladium?

Mr. LAWRENCE. The Department of Agriculture sends out offers or asks for tenders to bid. It usually comes from those companies which handle palladium regularly, or with other traders who happen to have palladium available.

Chairman RIVERS. They take agriculture products?

Mr. LAWRENCE. Yes, sir.

Chairman RIVERS. Domestic companies?

Mr. LAWRENCE. Yes, sir. What they do is they sell the agriculture products not on the American market, but outside. They regain the cash in that manner.

Chairman RIVERS. That is a kind of an unusual way to handle it. I cannot imagine the United States Steel Co. selling 100 boatloads of wheat, for instance, or the Pittsburgh Glass Co. selling a million bushels of soybeans, for instance. That is kind of out of their character, wouldn't it be?

Mr. LAWRENCE. The barter program has been a very successful one, Mr. Chairman. It has been used not only to acquire critical materials for us from time to time, but it has been most successfully used for the offshore procurement of the Department of Defense.

Chairman RIVERS. I thought the DOD—they don't do like that in the DOD?

Mr. LAWRENCE. No, they handle that through the Department of Agriculture.

Chairman RIVERS. They let the Government handle the industry. We built some houses that way. We built some houses in England called Tobacco Houses, they took the tobacco and converted it into pounds in their way of doing it. This way looks like kind of unusual. But if you say you can do it, that is the first time I have experienced it.

Mr. LAWRENCE. I think it would be a nice thing to have. Either bill would be satisfactory to us.

Chairman RIVERS. I think the one the Senate passed is a good bill, because it commits you to buying this palladium. Now, that gets to my other question.

Do you plan to substitute palladium for platinum?

Mr. LAWRENCE. No, sir; you cannot do that. I do not know of any application where you can substitute palladium for platinum. Platinum can be substituted for palladium; it is a rather expensive substitution, but it can be done.

Chairman RIVERS. Palladium is one of the platinum group?

Mr. LAWRENCE. Yes, sir.

Chairman RIVERS. That is the reason for it, is that it?

Mr. LAWRENCE. Yes, sir.

Chairman RIVERS. There is a shortage now of 300,000 troy ounces?

Mr. LAWRENCE. Yes, sir.

Chairman RIVERS. You are going to release 316,000?

Mr. LAWRENCE. Yes, sir.

Chairman RIVERS. You will just take up the slack, and you will be right where you started, won't you? You will probably start off even, but you will not have supplied the market yet. You may be back here in a very short time wanting some more.

Mr. LAWRENCE. No; I believe the 300,000 ounces, this 316,000 will satisfy the demand. There is coming from South Africa, in 1967, an increased supply of platinum, which I think will take care of the market from then on.

Chairman RIVERS. You are sure of that, are you?

Mr. LAWRENCE. That program is underway; yes, sir.

Chairman RIVERS. Despite this country's policy of fighting South Africa, you think you can get them to cooperate with you? You know what they are doing in South Africa, in Rhodesia, don't you?

Mr. LAWRENCE. Yes.

Chairman RIVERS. You don't think we are a bunch of fools sitting up here having you tell us we can be assured of those people's cooperation when it is the policy of this Government to oppose both of those governments, for one excuse or another?

Mr. LAWRENCE. The platinum has been coming forward all the time, in regular quantities, from the Union of South Africa.

Chairman RIVERS. I just hope so. You are talking about the Republic of South Africa, aren't you?

Mr. LAWRENCE. Yes, sir.

Chairman RIVERS. I just wanted to be sure, because you know we cannot always take the word of you people, because some things we may know you don't know.

Mr. LAWRENCE. I am sure that is quite true.

Chairman RIVERS. This platinum is kind of short, and Mr. Philbin is quite knowledgeable on this, and he keeps me well informed on it. We have a responsibility.

Mr. LAWRENCE. Yes, sir.

Chairman RIVERS. We don't plan to give you a blank check, you know.

Mr. LAWRENCE. I know that, sir.

Chairman RIVERS. For your information, we don't plan to pass S. 28, you know.

Mr. LAWRENCE. That is my understanding, sir.

Chairman RIVERS. You work for Mr. Bryant now, don't you?

Mr. LAWRENCE. Yes, sir.

Chairman RIVERS. You are doing a good job, Mr. Lawrence, we are glad to have you. All of you are doing a good job.

Mr. BENNETT. Before you leave, I thought I understood you until we got further into it, now I am not quite sure.

Why are palladium and platinum tied together in the same bill if they are not interchangeable, if you are selling one and buying the other? Why do you have two bills, why are they tied together in the same legislation?

Mr. LAWRENCE. This bill was introduced in the Senate last year by Senator Dirksen. It provides a means for filling the palladium objective, which is always one of our desires, and I am sure it is the desire of this committee that we fill all objectives as rapidly as possible.

Mr. BENNETT. You require legislation to fill deficits—do you have to have legislation introduced?

Mr. LAWRENCE. No, we don't; we can acquire it through the barter route or ask for an appropriation to buy it through legislation.

Mr. BENNETT. All I am in doubt about is why the two metals are tied together, because apparently you do not need any legislation to buy some, and you are in excess in the other. It looks like to me the simple thing to do is get rid of the excess, and use your standing authority to acquire whatever you need in the other metal. I do not understand why they are tied together.

Mr. LAWRENCE. That would be perfectly acceptable to us.

Mr. BENNETT. I am not arguing with you, I am trying to find out why it happened this way.

Mr. LAWRENCE. Actually, the GSA had offers last year, palladium, in exchange for not platinum but tin or nickel. In other words, the people who had palladium were interested in other excess materials. GSA, of course, is interested in selling or disposing of all of these excesses, so this would have been a very nice way for us to acquire palladium, and then pass on and get rid of the tin and nickel which are excess to our needs.

Mr. BENNETT. Tin and nickel are not in this legislation at all, are they?

Mr. LAWRENCE. You passed bills on those last year, which permitted us to dispose of them.

Mr. BENNETT. You don't need legislation to acquire palladium at all?

Mr. LAWRENCE. No, sir.

Mr. BENNETT. It just happens it was drawn this way. It looks like a good way to draw it.

Mr. LAWRENCE. That is right.

Mr. BENNETT. Thank you.

Mr. COOK. But has it not been the administration's position you would not release platinum until you reach the level of stockpile requirements for palladium?

Mr. LAWRENCE. This has been, but after we acquired the first 100,000 ounces of palladium, and found that we could obtain the other readily, we have receded from that position. We feel that the platinum need is so urgent that we should go ahead and take this risk for a temporary period.

Chairman RIVERS. Did you check that thing through the Joint Chiefs, or your authority, on what is the health of the stockpiles in general?

Mr. PHILBIN. They cooperate with the Joint Chiefs.

Chairman RIVERS. What is that?

Mr. PHILBIN. The Joint Chiefs participated in determining the stockpile requirements.

Chairman RIVERS. The Joint Chiefs' opinions have a lot to do with this.

Mr. LAWRENCE. Well, they provide us with the intelligence and assumptions, and that type of thing, that we use as a basis for computing our requirements.

Mr. BENNETT. You kind of confused me when you answered the question a moment ago, when you said it would be all right to have this

short period of time of danger of not having the palladium. I do not see any connection between the two at all. That is what I am trying to get at. I thought in our conversation of 5 minutes ago you developed you had one thing in excess, another in short supply, and you are trying to get the one in excess sold, and you are trying to get the one in short supply bought. But you are testifying they are not interchangeable. So I do not understand why any conversation about a period of danger—you are in a period of danger any way whether you sell the platinum or not.

Mr. LAWRENCE. You can use platinum for palladium applications. You cannot use palladium for platinum applications.

Mr. BENNETT. I thought you said that was impractical?

Mr. LAWRENCE. No. You can use platinum, for example, you can use it, for example, for electrical contact points made usually out of palladium, but it is a darned expensive way to do it. You cannot use palladium in lieu of platinum.

Mr. BENNETT. There is a shortage of platinum.

Mr. LAWRENCE. That is right.

Mr. PHILBIN. Mr. Clancy.

Mr. CLANCY. How many domestic concerns handle palladium?

Mr. LAWRENCE. You have two principal ones. Englehard Industries and Johnson Matthey, which is a U.S. subsidiary of the English company of Johnson Matthey. In addition, there are a number of trading firms in New York and other places which handle palladium on a regular basis.

Mr. CLANCY. On a regular basis, do they have this on hand at all times?

Mr. LAWRENCE. That is my understanding.

Mr. CLANCY. How would you purchase palladium if you were called upon to purchase it?

Mr. LAWRENCE. We would ask GSA to buy it, and they would make an offer and anybody who offered palladium at a price considered reasonable by the Government we would do it that way; I mean if we had the cash.

Mr. CLANCY. Do you approve the price paid by the Government?

Mr. LAWRENCE. The GSA has that responsibility.

Mr. CLANCY. Do they consult with you on the price?

Mr. LAWRENCE. Not usually on prices. We leave that to their judgment.

Mr. PHILBIN. I think those questions could be addressed to Mr. Harlan, who will give us an elaboration on how the purchasing is accomplished.

Do you have a question?

Mr. GUBSER. One more question.

I am like Mr. Bennett, the further I get into this the more confused I get.

Am I to understand the advantage of accepting this second section—

Mr. LAWRENCE. I am sorry, I didn't hear.

Mr. GUBSER. Am I to understand the advantage to you of this additional section, which allows you to use the proceeds to purchase palladium, is that you might be able to make a package deal with some dealer?

Mr. LAWRENCE. Yes; and we would, with this section 2, acquire it faster than we can through the barter route.

Mr. GUBSER. In other words, it is speed, and also the fact that you might be able to get a better price, and make a better deal for the Government?

Mr. LAWRENCE. That is right.

Chairman RIVERS. May I ask one question?

You can substitute platinum for any of the platinum group, but you cannot substitute any one of the platinum group for platinum. That is a fair statement, is it?

Mr. LAWRENCE. I think so.

Chairman RIVERS. The platinum group is a group of hard metals with different degrees of the alloy in it, of the platinum in it—the alloy is such it is just a percentagewise situation, isn't it? Isn't that what you mean by the group? You can substitute the parent for any of the children, but none of the children for the parent?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. There are no further questions. We thank you, Mr. Lawrence.

Mr. Harlan, will you please come forward and let us have your views on these bills?

Before you start, I would like to read into the record a letter which the committee has received from the Department of Defense, which states:

The Department of Defense has reviewed the two bills, H.R. 12412 and H.R. 13364, both of which authorize the disposal of approximately 316,300 ounces of excess platinum from the national stockpile. The Department of Defense favors the enactment of either bill. H.R. 12412 provides a means whereby the stockpile objective for palladium can be met.

Although we understand that the Office of Emergency Planning and the General Services Administration are developing plans for meeting the palladium objective through exchange of agricultural surpluses, H.R. 12412 would provide additional permissive authority for meeting the palladium objective.

That letter is signed by Mr. Cyrus Vance for the Department of Defense, and we will take this for the record.

Proceed with your statement, Mr. Harlan.

Mr. HARLAN. Mr. Chairman, with your permission I will not read the actual parts of this statement, and I ask your permission to have it placed in the record.

Mr. PHILBIN. It is so ordered.

(The statement of Mr. John G. Harlan, Jr., on platinum is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the

purpose of expressing the views of GSA on the bill for the disposal of platinum.

This bill would authorize the disposal of approximately 316,300 troy ounces of platinum from the national and supplemental stockpiles. The Office of Emergency Planning has determined this quantity to be in excess to stockpile requirements for platinum.

Platinum is stockpiled for a variety of industrial uses. Its greatest use is in the chemical field, with electrical uses making the second heaviest demand. It is used in heating elements for furnaces and is wound into resistance coils for precision instruments.

U.S. production of platinum is inconsequential. The principal sources of supply are the Republic of South Africa, Canada, and Russia.

The total inventory of platinum held by GSA now stands at 766,304 troy ounces. The present stockpile objective is 450,000 troy ounces. The excess of 316,300 troy ounces is covered by this bill.

The average acquisition cost of the platinum in the stockpiles was \$79.47 per troy ounce. The current market price quoted by major suppliers is \$97 to \$100 per troy ounce.

GSA has consulted with the effected Government agencies in the development of the disposal program on the excess of 316,300 troy ounces. These agencies in turn consulted with consumers, producers, and refiners and there was no opposition expressed by those consulted insofar as the release of platinum is concerned.

We have arranged a meeting with industry for March 23 to review details regarding the methods through which the excess should be released, subject to authorizing legislation.

This agency strongly recommends the enactment of this bill.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. Chairman, as in the case of ruthenium, which we discussed a few minutes ago, we are meeting as I explained with the industry at 2 o'clock this afternoon. We expect to have a large meeting, over 100 people, from industry, from all parts of the industry, the producing industry, the distributing people, and the consumers. As Mr. Lawrence explained, this material is badly needed by the industry; for better than a year now I have been in almost constant discussions with the industry about what might be done to help relieve the tight supply situation.

I know there is no problem as far as the industry is concerned in the release of this material. This afternoon we will discuss the details of how this should be done. In the event this committee agrees to authorize this disposal we will do that.

Mr. PHILBIN. You will keep us fully informed of the developments of these conferences. I take it from what you say up to this time, as a result of the evidence you received during your conferences with the industry, that you feel there is no problem involved here, that the industry is agreeable to these bills. Do they reflect any preference for one or the other of the bills? Have they expressed any views about that?

Mr. HARLAN. No, they have not.

Mr. PHILBIN. What are your views about that? Do you have any preference as to which of the bills should be considered favorably?

Mr. HARLAN. No, Mr. Chairman. When we prepared the administration bills, we prepared them in a uniform fashion and submitted them in a uniform way. The difference in this particular case would give us no problem. It would give us some added authority which might prove to be useful.

Mr. PHILBIN. Now, the Senate bill, so-called, which has already been enacted by the Senate, provides for giving you the authority to purchase from the funds that they receive from the disposal of platinum, to purchase palladium?

Mr. HARLAN. That is right.

Mr. PHILBIN. Is there any precedent for that procedure, in the acquisition of stockpile materials?

Mr. HARLAN. No.

Mr. PHILBIN. You can get the stockpile materials by barter, you can get it in the stockpile by having a bill adopted and an appropriation given by the Congress, but have you ever before got the materials into the stockpile in this particular way by passing one bill providing for the disposal, and then receiving the funds in your agency and purchasing other materials for the stockpile? Is there any precedent for that procedure?

Mr. HARLAN. I am not aware of any such precedent; no, sir.

Mr. PHILBIN. I didn't think there was. I am not aware of any precedent. I couldn't understand what the reasoning or rationale would be. Do you have any information on that?

Mr. HARLAN. I think the rationale was this added authority might broaden our abilities to barter. In other words, not be limited to agricultural surpluses, but to provide the authority that we could also use the stockpile surpluses in attempting to arrange for barter.

Mr. PHILBIN. You could do that if you had appropriated funds just as well. There wouldn't be any difference. Only in one instance you would have to come through the Congress, and in the other instance you could bypass the Congress?

Mr. HARLAN. That is correct.

Mr. PHILBIN. That would be about the situation?

Mr. HARLAN. That is correct.

Mr. PHILBIN. I know you didn't introduce the original bill, but I wondered what the thinking was, why that method was followed?

Mr. HARLAN. In the discussions I participated in about this legislation, it has been my understanding the thinking was it would give us a broader scope of materials which we might use to barter for palladium.

Mr. PHILBIN. Of course, as you know, the bill adopted by the other party was identical to the bill introduced by Mr. Ichord. Since the Senate has acted first in this matter it will be necessary for us to consider their bill. We are nevertheless free to write whatever amendments we desire into it. I wondered if you had any suggestion along that line.

Mr. HARLAN. Mr. Chairman, I think there are other advantages from the Government's point of view in acquiring materials in exchange for surpluses, rather than cash. And for that reason, to the extent that a broader range of surplus materials would be available

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Mr. HARLAN. Mr. Chairman, I think there are other advantages from the Government's point of view in acquiring materials in exchange for surpluses, rather than cash. And for that reason, to the extent that a broader range of surplus materials would be available

for such purpose, I can see where there would be an advantage from the Government's point of view in having this added authority.

Mr. PHILBIN. You think it would be a more flexible situation?

Mr. HARLAN. I believe it would; yes, sir.

Mr. PHILBIN. But here in this instance you would have cash. You would have cash proceeds from the sale of platinum.

Mr. HARLAN. Since all of this—

Mr. PHILBIN. You would presumably purchase palladium with that cash?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. That is what the bill provides.

Mr. HARLAN. Since all of this material comes from off-shore sources, I would think to the extent the Government could obtain the material by relieving itself of surpluses, rather than allowing the cash flow from the country, that this is an added advantage.

Mr. PHILBIN. Yes. You, in any event, would have the cash under your control. You could use that in any way you saw fit to purchase that one particular material though, only the palladium?

Mr. HARLAN. That is correct.

Mr. PHILBIN. But you couldn't engage in what the Government does engage in, when they enter into a barter agreement through the Department of Agriculture. That is a different thing altogether, isn't it?

Mr. HARLAN. Mr. Philbin, counsel has just reminded me this is not a cash transaction in any way. It would be an exchange of one material for another.

Mr. PHILBIN. That is the way the counsel interprets the bill, the cash, wouldn't flow into the coffers of GSA? Does the counsel construe this bill as adopted by the Senate, which I haven't had an opportunity to read in its entirety as yet, though I have some information about it, does counsel construe that bill does not provide for giving authority to the GSA, to sell platinum, and with the funds that are received purchase palladium?

Mr. HARDING. That is correct. The bill provides that the excess platinum or other excess materials, the disposal of which is authorized, may be used in kind to pay for the acquisition of palladium, but there would be no cash—any cash received would not be—

Mr. PHILBIN. Not received by GSA. That is what I wanted to get. The cash, then, that is received will go into the coffers of the Treasury, not GSA?

Mr. HARDING. If there was any cash received it would go into miscellaneous receipts.

Mr. PHILBIN. I wanted to clarify that point. That is the very information.

Mr. Machen.

Mr. MACHEN. No questions.

Mr. PHILBIN. No questions.

You will keep us fully advised about the results of your industry conference. As you know, we are very much interested in that.

Mr. HARLAN. I will advise you immediately.

Mr. PHILBIN. We are always glad to get the clearances from you. You also in your testimony stated, and you always do, you stated these disposals will be carried on in a normal fashion without disrupting the

market, and generally complying with the requirements of the Stock Piling Act, and the principles that have been agreed upon here between your agency and this committee with respect to the disposal under the laws that are passed here.

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. Thank you very much.

Do we have any other witnesses?

Mr. COOK. Congressman Ichord is here, who introduced an identical bill to Senator Dirksen's.

Mr. PHILBIN. Would you like to be heard on the bill Mr. Ichord?

Mr. ICHORD. Mr. Chairman, I have a statement.

Mr. PHILBIN. Since the Congressman is one of the outstanding and most valuable members of this committee, we would be very glad to hear him on his own bill if he desires to be heard or if he desires to present his views in any way or make any comments on this pending legislation.

Mr. ICHORD. Yes, Mr. Chairman, I would appreciate the opportunity.

I have a statement which I would request the permission of the chairman to file with the committee in order to conserve time.

(The statement of Hon. Richard H. Ichord on platinum is as follows:)

STATEMENT OF HON. RICHARD H. ICHORD, OF MISSOURI

Mr. ICHORD. Mr. Chairman, I welcome this opportunity to express my views on the merits of H.R. 12412 and H.R. 13364, bills to authorize the release of 316,300 ounces of platinum from the national stockpile. This bill was introduced by me early in this session because of my conviction that something had to be done—and quickly—to satisfy the growing need for platinum in many of our industries. This is a need which cannot be met in the foreseeable future by standard supply sources at a reasonable price.

I was most pleased to receive the favorable comments from the General Services Administration on the merits of H.R. 12412. GSA, with the concurrence of the Office of Emergency planning, is equally concerned about the imbalance between the supply and demand for platinum and favors enactment of the bill as it is now written.

H.R. 12412, in brief, contains two sections for dealing with this problem. Section 1 of the bill authorizes the Administrator of General Services to dispose of approximately 316,300 ounces of platinum from the national stockpiles established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). This amount is in excess of the stockpiling objective for platinum established by the Office of Emergency Planning.

Section 2 of H.R. 12412 provides for the use of materials which have been authorized for disposition in the acquisition of palladium which is below the stockpile objective. Palladium is available in exchange for platinum or other materials if GSA should choose to acquire it.

In order to emphasize the need for legislation to release platinum from the national stockpile, and to outline the basis for the wide industry support that exists for H.R. 12412, I have developed some background information on the major industrial uses of platinum.

The regular U.S. sellers of platinum, Englehard Industries, who market the Canadian production, and Johnson Mathey, who sell South African platinum, are currently unable to meet the demand for the platinum needed by the oil, chemical, glass, and electrical industries. Russian material has to be bought, through brokers, to make up the substantial shortfall in platinum. In recent months the prices paid for Russian platinum has ranged from \$135 to \$175 per troy ounce, compared to \$97 to \$100 per ounce from regular U.S. suppliers. This added cost to industry, and the dollar outflow that results, could be corrected by the provisions of H.R. 12412.

The most important industrial uses for platinum are in the oil, chemical, glass, and electrical industries. In the first two instances, platinum is used mainly as a catalyst. In the second two cases it has the necessary mechanical and electrical properties, respectively, that are needed to do these jobs. Replacement of platinum by other materials is very difficult and uneconomic. In many instances there is no substitute. Finally, in the first three of these four applications, the platinum is not used up at any appreciable rate, and is available for recovery and reuse.

The oil industry has become the largest user of platinum, taking an estimated 150,000 ounces in 1965. Continued increases in octane demand, in requirements for aromatics for explosives and chemical manufacture, and in the growth of a new process—hydrocracking—that is making it possible to get even more gasoline per barrel of crude oil, have led platinum use in this industry to a high level. Even more platinum will be needed in the future by our oil industry.

Our chemical industry uses platinum primarily as a catalyst in the manufacture of nitric acid from ammonia. The demand for nitric acid for fertilizer and for military explosives is at an alltime high, and the platinum requirement of the chemical industry is accordingly increased.

Our glass industry relies on platinum to line glass furnaces and similar melting and refining devices and for dies and fixtures required for glass fiber production. There is no known substitute for platinum in regard to this application. One major firm in this field is reported to be particularly troubled by their inability to obtain, at competitive costs, the platinum needed for a large new glass fiber mill. This bill will assure their ability to provide needed additions to the capacity of this industry.

Our electrical industry uses platinum for contact points and for spark plug tips. While desirable progress is being made in substituting palladium for platinum in some of these applications, the demand for special platinum-tipped spark plugs for defense uses has tended to offset the effect of this substitution.

I think the committee has already heard of the variants between the two bills, 12412 and 13364; namely, section 2 of 12412. As stated before, 12412 is identical to the bill introduced by Mr. Dirksen.

I would say, Mr. Chairman, I think this bill, 12412, is in the interest of the Nation. Certainly I wouldn't ask this committee to approve the disposal of one dime's worth of platinum if I thought it would hurt our national defense capabilities. But we do have the surplus of 316,300 ounces of platinum. I think it can be disposed of and bring some money into the Treasury and help the balance-of-payments situation, and not injure in any way our defense capabilities.

I introduced this bill, Mr. Chairman, after a conference with one of the major glass producers, which happens to be located in my district. There is a great need, in order to obtain supply sources at a reasonable price. In order to emphasize the need for legislation to release the platinum from the national stockpile, I have developed some background information on the major industrial uses of platinum.

The regular United States sellers of platinum, Englehard Industries, who market the Canadian production, and Johnson Mathey, who sells South African platinum, are currently unable to meet the demand for the platinum needed by the oil, chemical, glass, and electrical industries.

Russian material has to be brought through brokers to make up the substantial shortfall in platinum. In recent months the prices paid for Russian platinum has ranged from \$135 to \$175 per troy ounce, compared to \$97 to \$100 per ounce from regular U.S. suppliers.

The reason why I have in my statement, Mr. Chairman, the uses to which the oil, chemical, glass, and other industries put platinum—one of the reasons why the glass industry has such a great need for platinum, in that it is used in the manufacture of fiberglass, in the bushings, and molds, and the making of fiberglass.

I would point out to the committee that this is a nonconsuming use. That is, if the Government has any need in the future for additional platinum it can commendeer or condemn under the power of eminent domain, or use the proper procedures in order to get this platinum back for defense purposes. So I do not think, since it is a nonconsuming use, I do not think there would be any danger in disposing of the surplus that we have.

In regard to section 2, Mr. Chairman, I would prevail upon the committee to adopt that provision in the bill because, as has been pointed out, there is a shortage of palladium. I, too, construe the language to mean that GSA only can use the platinum for barter. This will provide a means by which we can build up our palladium stockpile. So I do hope that the committee does see fit to read that provision into the bill.

Thank you, Mr. Chairman.

Mr. PHILBIN. Thank you, you made a very fine statement.

Do you understand the Senate bill was introduced by Mr. Dirksen? Did Mr. Douglas also have a bill? It seems to me I had some information that Mr. Douglas' bill was the bill that was adopted by the Senate.

Mr. ICHORD. I am not familiar with the bill by Mr. Douglas, Mr. Chairman. The Dirksen bill is the only one that I had seen.

Mr. PHILBIN. Well, that clarifies that situation.

You think Senator Dirksen's bill and your bill is identical, as I pointed out before?

Mr. ICHORD. Yes; they are identical bills.

Mr. PHILBIN. So if this bill is adopted there would be no need for amendments of any kind?

Mr. ICHORD. And I understand the Senate committee has voted this bill out, without amendments. There was no amendment to the bill.

Mr. PHILBIN. You don't propose any amendments? You have no amendments?

Mr. ICHORD. No, sir.

Mr. PHILBIN. Your bill is to stand, it is just as agreeable to you as you submitted it?

Mr. ICHORD. Yes, sir. With the understanding, I do feel like the chairman indicated, that GSA should not have the authority to sell the platinum and use the platinum to purchase palladium. I think it should be barter authority alone.

Mr. PHILBIN. That matter has been very well cited by Mr. Harlan and his able counsel. We have it on the record.

Mr. Clancy.

Mr. CLANCY. Is this palladium available today, Mr. Harlan?

Mr. HARLAN. Yes, sir.

Mr. CLANCY. How much would we acquire if we decided to purchase some today?

Mr. HARLAN. It is our estimate, Mr. Clancy, we could take about 200,000 ounces from the market without upsetting the market. This is the rate at which the Department of Agriculture plans to acquire it.

Mr. CLANCY. Over what period of time?

Mr. HARLAN. It would take $2\frac{1}{2}$ years at that rate.

Mr. CLANCY. I am speaking as of today. How much could we acquire today if the need occurred? How much could we put into our inventory within a reasonable time?

Mr. HARLAN. Oh, I would say about 200,000 ounces, unless, of course, we took drastic action and required the industry to turn over more palladium to the Government. It would depend on the degree of emergency.

Mr. CLANCY. It could be acquired within a reasonable time?

Mr. HARLAN. I believe so; yes, sir.

Mr. PHILBIN. You were satisfied about the need in the industry?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. That was conveyed to you in no uncertain terms, the need the industry has for platinum?

Mr. HARLAN. That is correct.

Mr. GUBSER. But we are faced with a deficit as far as the stockpile of palladium is concerned for 2 years at the procurement rate?

Mr. HARLAN. That is right.

I would like to point out if the total amount of platinum were held against that deficit, it would only take care of about one hundred and seventy-some thousand ounces of the palladium deficit, because of the difference in the weight of the two materials.

Mr. GUBSER. You don't think there is any danger to the national security that we are going to accept a deficiency for the next 2 years?

Mr. HARLAN. We have a quite substantial supply of palladium on hand, as it is, Mr. Gubser. I believe with that material on hand we would be able, as I explained to Mr. Clancy, to obtain the material sufficiently to take care of it.

Mr. GUBSER. Thank you.

Mr. PHILBIN. Thank you very much, Mr. Harlan.

Do we have any additional witnesses on this bill?

Mr. COOK. No additional witnesses, sir, but we have an additional statement to put in the record.

Mr. PHILBIN. That may be put in.

Mr. COOK. Mr. Lennon, who has a bill identical to yours, and also Mr. Ichord, in support of this, and also we have a letter from Mr. Lawson B. Knott, Jr., Administrator, GSA.

Mr. PHILBIN. They may be taken for the record, without objection. (The statement of Mr. Alton Lennon, re platinum, and the letter from Mr. Lawson B. Knott, Jr., re platinum, are as follows:)

GENERAL SERVICES ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., March 18, 1966.

Hon. L. MENDEL RIVERS,
Chairman, Committee on Armed Services, House of Representatives,
Washington D.C.

DEAR MR. CHAIRMAN: By letter of January 19, 1966, we forwarded a draft bill to Hon. John W. McCormack, Speaker of the House of Representatives, which would authorize the disposal of approximately 316,300 troy ounces of excess platinum from the national stockpile. This proposal has since been introduced as H.R. 13364 and referred to your committee.

By letter dated February 8, 1966, to you, we commented favorably on H.R. 12412, which also authorizes the disposal of 316,300 troy ounces of excess platinum. H.R. 12412 differs from H.R. 13364 in that, in addition to authorizing disposal of 316,300 troy ounces of platinum, the former bill includes a provision in section 2 which would permit the use of excess platinum, as well as other excess stockpile materials, in payment of the purchase price and other expenses of acquiring palladium for the national stockpile.

In our report of February 8, 1966, to you, we indicated that while the legislative proposal which we had sent to the Speaker of the House of Representatives on January 19 (since introduced as H.R. 13364) did not include provisions comparable to section 2 of H.R. 12412, it would authorize disposal of the same quantity of excess platinum as our proposal, and that since H.R. 12412 would enable accomplishment of the purposes of our legislative proposal, we favored enactment of H.R. 12412.

The inventory for palladium is presently 562,065 troy ounces below the stockpile objective of 1,300,000 troy ounces. Platinum is substitutable for some palladium uses. Therefore, for some time past, the excess quantities of platinum have been held and applied against the shortfall in the palladium objective.

Because of differences in density of the two materials, 2 ounces of platinum are required to do the job of 1 ounce of palladium. However, on the basis of current quoted producers' prices, platinum, at approximately \$100 per ounce, is worth three times more than palladium at \$33 per ounce. It seems quite clear, therefore, that retention of platinum valued at approximately \$31.6 million against an unfilled objective for substitute material valued at \$5.2 million is economically unsound.

The Office of Emergency Planning has determined that needed palladium should be acquired through exchange of agricultural excesses under the Agricultural Trade Development and Assistance Act of 1954 and that the rate of acquisition of palladium in fiscal year 1966 should be limited to no more than 200,000 ounces. The quantity to be procured this year was arrived at after careful consideration of supply-demand factors for palladium, and a conclusion that acquisition of quantities in excess of 200,000 ounces for stockpiling might place disruptive pressures on the palladium market. The Commodity Credit Corporation already has entered into a firm contract for the first 100,000 ounces of palladium under the current year's directive, and deliveries of the material to the stockpile have already started. The existing inventory of palladium together with that which is being acquired this year through barter, constitutes about a 2-year supply in an emergency.

The supply of platinum to domestic consumers in recent months has been drastically curtailed. The shortfall has been estimated at well above 300,000 troy ounces. Industries constituting a vital segment of our national economy, such as the chemical and petroleum industries, have reportedly been forced to set aside plans for expansion of their operations because of the lack of adequate supplies of platinum. In view of the steps which have been taken to acquire palladium and the critical shortage of platinum in the domestic market, OEP determined that the uneconomic application of excess platinum to the unfilled palladium objective was no longer warranted and that national defense interests would not be impaired by disposal of the excess platinum.

However, since passage of H.R. 12412 would provide a broad authorization enabling us to channel vitally needed excess platinum into the consuming industry and, at the same time, provide standby authority to acquire palladium

through the exchange of excess strategic and critical materials should this later prove desirable: either concurrently with or in lieu of acquisition through the barter of agricultural excess, enactment of H.R. 12412, or an identical bill S. 2642 reported by the Senate Committee on Armed Services on March 17, 1966, would enable accomplishment of the purposes of the administration's legislative proposal.

Sincerely yours,

LAWSON B. KNOTT, JR., *Administrator.*

STATEMENT OF ALTON LENNON, OF NORTH CAROLINA

Mr. LENNON. Mr. Chairman and members of Subcommittee No. 1, I have introduced H.R. 13569 and H.R. 13570, identical to H.R. 13364 and H.R. 12412, to authorize the disposal or release of platinum from the national stockpile. Either one of these measures will be satisfactory to my interest in the subject.

Two major glass companies requiring substantial quantities of platinum have recently advised me of their urgent need for this metallic element. The Corning Glass Works last week announced the building of a plant in my congressional district for the manufacture of electrical resistors. These electronic components are used in television sets, computers, and in the worldwide Gemini tracking network. The Pittsburgh Plate Glass Co. is planning to build a plant at Lexington, N.C., but a company official has reported to me that their proposed plant for the manufacture of fiber glass cannot be constructed unless some platinum can be obtained.

With availability of platinum now limited, there is critical operational requisite by industry for any excess in the Government's stockpile.

I urge that any platinum surplus to our country's defense needs be released to alleviate the current industrial shortage.

Mr. PHILBIN. That completes the record on the four bills on platinum, and we will now take up the next item on the agenda.

(The following material was received for the record:)

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., March 29, 1966.

HON. PHILIP J. PHILBIN,
*Chairman, Subcommittee No. 1,
Committee on Armed Services,
House of Representatives,
Washington, D.C.*

DEAR Mr. PHILBIN: At the time we discussed the legislative proposals authorizing the disposal of the platinum group metals (rhodium, ruthenium, and platinum), it was agreed that we would report to you on the results of the March 23 meeting with the industry.

The meeting, attended by 75 persons representing all segments of the platinum group metals industry, was held as scheduled. Commissioner John G. Harlan, Jr. of the Defense Materials Service chaired the session.

Mr. Harlan explained to the group that the material which would be released upon congressional approval would be for U.S. consumption only and that the Government's objective was to formulate as soon as possible a program that would most equitably relieve the current shortage of platinum.

There was no indication of any reservation on the part of industry regarding the need for the disposal of this material. It was unanimously agreed that the material is in short supply and is urgently needed by the industry.

The industry representatives stressed the matter of timing and the importance of relieving the critical shortage as soon as possible. After discussing the various ways of implementing the disposal program, it was determined by a unanimous show of hands that the best and quickest method for disposal of these materials would be through the normal channels of distribution. Based

on this consensus, the General Services Administration agreed to contact those firms normally distributing platinum to work out arrangements for the equitable distribution of this material on a nonprofit basis, under firm guidelines to be determined by GSA. These guidelines would include provision for the handling of defense-rated priorities and hardship cases, and also a special consideration for small business in addition to the above-mentioned restriction to domestic consumption.

We believe that on the basis of the agreement reached at this meeting, we will have little difficulty in developing a workable, orderly program to insure the proper distribution of these materials in a manner most beneficial to the interests of the industry and the Government.

Sincerely yours,

LAWSON B. KNOTT, Jr., *Administrator.*

UNIVERSAL OIL PRODUCTS Co.,
Des Plaines, Ill., March 25, 1966.

Hon. PHILIP J. PHILBIN,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. PHILBIN: We were privileged to attend the public hearing held by your subcommittee regarding H.R. 12412 and H.R. 13364 and a subsequent industry meeting called by Mr. John G. Harlan, Jr., Commissioner of Defense Materials of GSA.

As expressed in our letter of March 24, 1966, to Mr. Harlan, copy of which is enclosed, Universal is vitally interested in the method to be used in distributing the excess platinum which may be authorized. We feel that section 2 of H.R. 12412, even though it may be permissive rather than restrictive, would introduce an element of inequity and disadvantage to the platinum users and primary producers who have little or no palladium to exchange for platinum, unless they bought it for cash solely for use in the exchange.

We strongly urge a favorable report on H.R. 13364 and its passage by the House of Representatives despite the additional time that might be required for joint conference action to resolve the difference between it and S. 2642.

If there is any other information or assistance that we may provide to your subcommittee for its consideration, we remain at your disposal.

Very truly yours,

GEORGE ORESCAN, *Vice President.*

PITTSBURGH PLATE GLASS Co.,
Pittsburgh, Pa., March 4, 1966.

Hon. PHILIP J. PHILBIN,
Chairman, House Armed Services Committee,
Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN PHILBIN: My company and I appreciate the interest you have shown in H.R. 12412 to authorize release of surplus platinum from the national stockpile. I know that with the assistance such as you will give us, this bill should come to a successful conclusion.

If there is any further information I can give you regarding this situation I will be most happy to do so.

Sincerely yours,

R. A. McLAUGHLIN.

H.R. 13663—RUTHENIUM

[H.R. 13663, 89th Cong., 2d sess.]

A BILL To authorize the disposal of ruthenium from the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately fifteen thousand troy ounces of ruthenium now held in the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic

and Critical Materials Stock Piling Act (50 U.S.C. 96b): *Provided, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.*

Mr. PHILBIN. We will take up the next bill, 13663.

(The statement of Hon. Philip J. Philbin on Ruthenium, H.R. 13663, is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. Again, this is another legislative proposal submitted by the General Services Administration.

Ruthenium is one of the platinum group metals, and there has never been a stockpile objective for this metal.

In 1959, 51 troy ounces were approved for disposal.

While the average acquisition cost of the commodity was \$37.298 per troy ounce, the average return to the Government based on all sales made under the disposal, was \$35.18 per troy ounce.

Currently, we have in our inventory 15,001 troy ounces. The bill provides for the disposal of approximately 15,000 troy ounces.

Ruthenium is obtained from Canada, South Africa, the U.S.S.R. and the United States.

Ruthenium is a gray or silverlike, brittle, nonductile metal of the platinum group. It is brittle at high temperatures. Ruthenium is insoluble in acids, but is attacked by fused alkalis.

Ruthenium is alloyed with platinum and palladium for a hard corrosion-resistant metal. The alloy is used for jewelry, contact points, and catalysts. Ruthenium alloys are not used at elevated temperatures under oxidizing conditions. Ruthenium has been used for the nibs of pens, phonograph needles, and pivots in instruments. The high melting point, hardness, and brittleness limit the satisfactory working of ruthenium mechanically.

Mr. Lawrence, will you give us your views on that bill?

(The statement of Mr. William N. Lawrence on ruthenium, H.R. 13663, is as follows:)

STATEMENT OF WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. Mr. Chairman and members of the subcommittee, I wish to thank you for the opportunity of appearing before you to support H.R. 13663, 89th Congress, a bill to authorize the sale of approximately 15,000 troy ounces of ruthenium from the supplemental stockpile.

Ruthenium occurs, together with other metals of the platinum group, in various ores, notably the nickel-copper ores of Canada and deposits of South Africa. When alloyed with platinum and palladium, ruthenium is effective in creating a hard, corrosion-resistant metal. The alloy is used principally for jewelry, electrical contact points, and catalysts.

There is no stockpile objective for ruthenium, and the total inventory consisting of 15,000 troy ounces is determined to be excess to defense needs. The proposed disposal program for this material has

the concurrence of all interested Government agencies, processors, domestic consumers, and foreign governments.

The Office of Emergency Planning favors the passage of this measure.

Mr. PHILBIN. When was this stockpile requirement fixed? You don't have any stockpile requirement?

Mr. LAWRENCE. No, sir; there is no defense stockpile for ruthenium. The last study was made only about last fall, and the Department of Defense could not identify any need for it, as far as they were concerned.

Mr. PHILBIN. Have you had any further conferences on that? You have not had conferences since last fall about it?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. Nothing has been done about it since last fall?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. All you have now is the information about the inventory that you have?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. And the fact there is no stockpile requirement. There is no stockpile requirement at this time?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. Do you have some questions?

Mr. ARENDS. No.

Mr. PHILBIN. No questions. Thank you very much.

Mr. Harlan.

Mr. HARLAN. Mr. Chairman, may I submit this prepared statement for the record?

Mr. PHILBIN. Yes; we will insert your statement in the record and then you can give us your own views.

(The statement of Mr. Harlan on H.R. 13663 is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13663.

This bill would authorize the disposal of approximately 15,000 troy ounces of ruthenium now held in the supplemental stockpile.

The Office of Emergency Planning has determined this quantity, which is the total inventory of ruthenium in the stockpile, to be in excess of stockpile requirements.

Ruthenium is a gray or silverlike, nonductile metal of the platinum group. It is alloyed with platinum and palladium to produce a hard corrosion-resistant metal. The high melting point, hardness, and brittleness limit the satisfactory working of ruthenium mechanically.

U.S. production of ruthenium is limited. The primary sources of the material are the Republic of South Africa, Canada, and Russia.

The approximate acquisition cost of the ruthenium in the inventory was about \$37.50 per troy ounce. The present market value is \$55 to \$60 per troy ounce.

We have consulted with the affected Government agencies in the development of the disposal program on the excess. The Department of Commerce consulted with the principal dealers and processors of ruthenium.

We have arranged a meeting with the major segments of the platinum industry on March 23 to review details regarding the methods through which the excess should be released, subject to authorizing legislation.

This agency strongly recommends the enactment of H.R. 13663.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. HARLAN. Mr. Chairman, we are meeting with the industry this afternoon at 2 o'clock to discuss the platinum group metals. We will discuss this along with platinum and rhodium, which we discussed with this committee earlier this week.

I have been in close touch with the platinum group metals people. Ruthenium is probably the hardest of the platinum groups, and it is used as a hardening alloy primarily with platinum. Because of its extreme hardness, its uses are somewhat limited.

The industry seems to feel there will be no problem in working out a schedule for disposing of this material through the regular channels, and I expect no problem on this at all.

Mr. PHILBIN. Have you had industry conferences as such with the industry, or have you just polled the industry informally?

Mr. HARLAN. I polled the industry informally, but we do have a meeting this afternoon at which I expect about 100 different representatives of the industry present.

Mr. PHILBIN. You keep us advised of the outcome of that meeting?

Mr. HARLAN. I certainly will, sir.

Mr. PHILBIN. The views expressed, and whether you have had a consensus with the industry, and the other information we usually like to have in this committee with which you are so thoroughly familiar.

Mr. HARLAN. I will furnish you with a report promptly.

Mr. PHILBIN. Are there any questions, Mr. Chairman?

Chairman RIVERS. No.

Mr. PHILBIN. We again have our distinguished chairman of the full committee here this morning. I thought perhaps he might have some questions.

Chairman RIVERS. Like yesterday, I came to learn something, I don't know anybody I would rather learn from than you.

As I said yesterday, he is the most knowledgeable man in Congress on the subject. I am privileged to be here. I want to again congratulate your subcommittee for your leadership in the job you are doing in this entire field. I am glad to be here.

Mr. PHILBIN. Thank you very much, Mr. Chairman; you always add so much to our meetings.

H.R. 13774—VANADIUM

[H.R. 13774, 89th Cong., 2d sess.]

A BILL To authorize the disposal of vanadium from the national stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately six thousand four hundred and fifty short tons of vanadium (V content) now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,

SUBCOMMITTEE NO. 1,

Washington, D.C., Thursday, March 24, 1966.

The subcommittee met at 10:30 a.m., Hon. Philip J. Philbin (chairman of the subcommittee) presiding.

Mr. PHILBIN. The committee will now come to order.

The first bill that we will consider today will be H.R. 13774.

(The statement of Hon. Philip J. Philbin on vanadium, H.R. 13774, is as follows:)

**OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN,
SUBCOMMITTEE NO. 1**

Mr. PHILBIN. This is another part of the administration package for stockpile disposals and calls for the disposal of approximately 6,450 short tons of vanadium (V content) now held in the national stockpile.

At the present time, we have in our inventory 7,865 short tons and our stockpile objective is 1,400 short tons. Thus, we have an excess of 6,465 short tons.

Vanadium is a pale-gray metal with a silvery luster and readily alloys with iron and other metals.

Vanadium is used primarily by the steel industry as an alloy in the production of high-strength structural steels, tool steels, and related products requiring toughness and strength at high temperatures. The average acquisition cost of the commodity was \$4,013.72 per short ton.

In 1962, Congress authorized the disposal of 33 short tons, and the average return to the Government was \$1,350 per short ton. There is indication now, however, that the present market value is about \$4,100 per ton of contained vanadium.

Vanadium is obtained in Peru and the United States. Other major producing areas are South-West Africa, Finland, and the Republic of South Africa.

With that preliminary statement on the record, I would like to have Mr. Lawrence come forward and give us his testimony on the bill.

Mr. LAWRENCE. Thank you, Mr. Chairman.

(The statement of Mr. William N. Lawrence on vanadium is as follows:)

STATEMENT BY WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. Mr. Chairman and members of the subcommittee, I wish to thank you for the opportunity to appear before you to support H.R. 13774, 89th Congress, a bill to authorize the sale of approximately 6,450 short tons of vanadium (V content) from the national stockpile.

On the basis of the current stockpile objective amended July 22, 1964, the remaining quantity totaling 6,450 short tons is determined to be excess to stockpile needs and available for disposal. In addition, the Atomic Energy Commission carries an inventory of vanadium pentoxide and is currently disposing of its surplus stock through the facilities of the General Services Administration.

The principal sources of foreign supply are Peru, Northern Rhodesia, and South-West Africa. However, the United States accounts for more than 50 percent of the world production as a coproduct of uranium.

Approximately 95 percent of all vanadium is consumed by the steel industry in the manufacture of high strength structural steels, tool steels, and related products requiring toughness and strength at high temperatures. It is also used in combination with other alloying materials such as nickel, aluminum, boron, and manganese.

In the preparation of the disposal plan, discussions have been held with interested agencies who have concurred after holding consultations with processors, traders, consumers, and foreign governments.

The Office of Emergency Planning favors the enactment of the legislation under consideration.

Vanadium has been in somewhat of a shortage of supply recently. The sales we have been carrying on, or GSA has been carrying on, have been vanadium turned over to them by the Atomic Energy Commission as surplus stock. I think the sales have been going very well, they have been very helpful to industry.

Mr. PHILBIN. What is the top price the Government is getting for these sales? Do you have the price per ton of the most recent sales?

Mr. HARLAN. About \$1.22 a pound, on the average, per pound. That would be \$4,300 per ton.

Mr. PHILBIN. About \$4,300. We had some information to the effect that the present market price might be above \$4,100. Do you have anything to confirm that?

Mr. HARLAN. Sir?

Mr. PHILBIN. Would you be able to confirm some information we have to the effect the present market value is about \$4,100?

Mr. HARLAN. Yes, sir. One of the problems here, Mr. Chairman, is that if we talk about the contained vanadium that would be about right. If you are talking about—

Mr. PHILBIN. Was this contained vanadium which you are disposing of?

Mr. HARLAN. It was vanadium—

Mr. PHILBIN. The most recent sales of vanadium. If it was contained vanadium there would be no reason why that wouldn't be sold at the market price. If you sold it at \$2,300 you sold it substantially below the market price. If that be so, what is the explanation of that?

Mr. HARLAN. I was speaking about vanadium pentoxide. If I get in line with you and talking about vanadium contained in——

Mr. PHILBIN. I asked if it was vanadium contained; you replied it was.

Mr. HARLAN. That is correct.

Mr. PHILBIN. If it was, you sold it at \$2,300 at the top. Could you give any explanation why there should be that disparity between what you sold it for and the market price?

Mr. HARLAN. We are both talking about the same thing, Mr. Chairman.

Mr. PHILBIN. I just want to have the explanation.

Mr. HARLAN. Yes; the vanadium we sold was sold at the price we quoted, about \$4,300 a ton.

Mr. PHILBIN. You sold it for about \$4,300, not \$2,300?

Mr. HARLAN. That is right.

Mr. PHILBIN. I must have misunderstood you, then.

Mr. HARLAN. I am afraid I was talking about another type of vanadium.

Mr. PHILBIN. Has there been some other type you have been selling?

Mr. HARLAN. No, sir.

Mr. PHILBIN. Have you been selling all vanadium contained or other types of vanadium?

Mr. HARLAN. We have been selling vanadium pentoxide. The content of the vanadium in the vanadium pentoxide is relatively one-half of the volume of the pentoxide. When I was giving you the price of the pentoxide I was giving you only half of the price you were talking about.

Mr. PHILBIN. Now, that we have an understanding on that, you didn't sell below the market price?

Mr. HARLAN. No, sir; we did not sell below the market price.

Mr. PHILBIN. Did you ever make a practice of selling below the market price?

Mr. HARLAN. No, sir.

Mr. PHILBIN. In this case did some of this vanadium go overseas?

Mr. HARLAN. No, almost all of this vanadium was sold for domestic consumption.

Mr. PHILBIN. For domestic consumption?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. There has been no instance you know of where any increment of the vanadium that you disposed of has been sold overseas?

Mr. HARLAN. Mr. Chairman, in the first sale of the vanadium, the AEC vanadium we held, we permitted 25 percent of the materials sold to be available for export. I have no information as to how much of it actually did get into export.

In the second sale, because of the increasingly critical supply situation, we confined the entire sale for domestic consumption.

Mr. PHILBIN. That is your practice?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. If you have a critical supply situation here you mark it for domestic consumption?

Mr. HARLAN. That is right.

Mr. PHILBIN. Otherwise, where you can you may sell a certain portion or percentage of it overseas?

Mr. HARLAN. That is correct, sir.

Mr. PHILBIN. Mr. Arends, do you have any questions?

Mr. ARENDS. Not yet.

Mr. PHILBIN. Not yet. We will come back to you a little later.

Mr. Clancy.

Mr. CLANCY. Yes, Mr. Chairman.

In 1951 our stated objective here was 6,500 short tons, and that was true also in 1952. Now, April 2, 1964, which is current, our objective is 1,400. How do you account for an adjustment downward of this extent?

Mr. LAWRENCE. We are just not doing what—

Mr. CLANCY. Our objective was 6,500 short tons in 1951 and 1952.

Mr. HARLAN. He wants to know why you decreased it.

Mr. LAWRENCE. This is due to the fact there is an increasing supply being developed within the United States, itself, of this material. In fact, there is a very large mine operation coming into being, it may be in operation right now, in Arkansas, producing vanadium ore.

Mr. CLANCY. What does that have to do with our objective? In other words, if we acquire 6,500 short tons because we feel it is necessary, and we have adjusted this downward to 1,400 short tons, does this mean we have adjusted it downward due to the fact we may be able to secure the tonnage?

Mr. LAWRENCE. That is correct. When the supply becomes available to us, in the United States, in North America, or countries immediately adjacent to North America, increased supplies, the objective will go down. This has happened in quite a number of materials.

Mr. CLANCY. All right. You say this mine is about to be opened?

Mr. LAWRENCE. It is about to be opened. It is a very large operation by the Union Carbide Co. in Arkansas.

Mr. PHILBIN. Does the gentleman yield?

Mr. CLANCY. Yes.

Mr. PHILBIN. What production do you expect to get annually with this mine?

Mr. LAWRENCE. I do not know. The gentleman is here, maybe he can answer it.

Mr. Moroso, Union Carbide.

How much production?

Mr. MOROSO. I couldn't answer the question because it goes up every day. I haven't been there for 2 days.

Mr. PHILBIN. How high up has it gone now?

Mr. MOROSO. We haven't gone into production.

Mr. PHILBIN. You haven't gone into production. These are just estimates. Did you base your stockpile requirements on estimates?

Mr. LAWRENCE. Yes, sir; but I will have to check in and find out exactly what this is. I can supply it for the record as to what we have got in there.

Mr. PHILBIN. Give us the supply and the background, and how you arrived at your evaluation.

Mr. LAWRENCE. Yes.

Mr. PHILBIN. What your analyses of the evaluation was, so the committee will have an idea of what your thinking was, and what facts you considered.

Mr. LAWRENCE. On any stockpile objectives, it is projected over a period of years in the future, usually 2 or 3 years from the time we establish the objective. It is based on a mobilization period of 3 years. We take into account the requirements for the material as they are known to industry at the present time, and we also get estimates from the Bureau of Mines as to the available supply, and that which is planned, to come in in the particular period we are speaking of.

Mr. PHILBIN. When you find you are below stockpile requirements for any reason, what action do you take about that?

Mr. LAWRENCE. I am sorry, I didn't follow you.

Mr. PHILBIN. If you find for any reason yourself below stockpile requirements, what action do you take about that?

Mr. LAWRENCE. Then we proceed to increase the objectives. Of course, if the inventories don't meet the objectives, then we try to take some steps to cure it.

Mr. PHILBIN. Do you have any outstanding or conspicuous instances now with respect to the stockpile where you have critical materials that you anticipate aren't really truly critical materials that are under the stockpile objectives?

Mr. LAWRENCE. We have about 11 or 12 materials where we haven't met the objectives completely, but I do not consider any one of them in what you might call a critical situation. In other words, we have sufficient material available so that in most instances we could carry on for the first 1 or 2 years with the mobilization period. The other will be acquired toward the third year. In other words, we are moving, for example, one of the items where we haven't met the objective is jewel bearings. Here we have deliberately been slow in the procurement because all of this procurement comes from this Government-owned facility out at Rolla, N. Dak. We are trying to, spread our production over the longest period of years so that this facility can keep in operation. It is on an Indian reservation, and they employ all Indians there. It is a source of income that would not be available otherwise to them.

In the other items, like in the palladium, as I explained to you yesterday, we intend to procure what we think in the next 1, 2 or 2½ years. We have a shortage in iodine—no, that one has been made up. All the shortage on this one is now under a barter contract, so it is completed.

Some of the others that are here, we have Quinidine, we have a deficit, but we are making no attempt to get this because the Quinidine situation for the civilian population in the United States is very critical. The price of the Quinidine, which is a heart medicine, has gone up from about, I think the prescription about 2 years ago used to cost about \$3, now it is between \$12 and \$14, which is prohibitive.

Mr. PHILBIN. What is it used for, heart conditions?

Mr. LAWRENCE. That is right. This is one that we may have to take some action with the stockpile, because we have got to do something to make this drug available to the U.S. population. All of the bark, from which you make this—Quinidine is actually made from quinine, which in turn comes from the cinchona bark. All the cinchona bark, the majority of it, is from Indonesia.

Mr. PHILBIN. Is the supply being stepped up at the present time? Is the production being stepped up?

Mr. HARLAN. That is correct, sir.

Mr. PHILBIN. Mr. Arends, do you have any questions?

Mr. ARENDS. Not yet.

Mr. PHILBIN. Not yet. We will come back to you a little later.

Mr. Clancy.

Mr. CLANCY. Yes, Mr. Chairman.

In 1951 our stated objective here was 6,500 short tons, and that was true also in 1952. Now, April 2, 1964, which is current, our objective is 1,400. How do you account for an adjustment downward of this extent?

Mr. LAWRENCE. We are just not doing what——

Mr. CLANCY. Our objective was 6,500 short tons in 1951 and 1952.

Mr. HARLAN. He wants to know why you decreased it.

Mr. LAWRENCE. This is due to the fact there is an increasing supply being developed within the United States, itself, of this material. In fact, there is a very large mine operation coming into being, it may be in operation right now, in Arkansas, producing vanadium ore.

Mr. CLANCY. What does that have to do with our objective? In other words, if we acquire 6,500 short tons because we feel it is necessary, and we have adjusted this downward to 1,400 short tons, does this mean we have adjusted it downward due to the fact we may be able to secure the tonnage?

Mr. LAWRENCE. That is correct. When the supply becomes available to us, in the United States, in North America, or countries immediately adjacent to North America, increased supplies, the objective will go down. This has happened in quite a number of materials.

Mr. CLANCY. All right. You say this mine is about to be opened?

Mr. LAWRENCE. It is about to be opened. It is a very large operation by the Union Carbide Co. in Arkansas.

Mr. PHILBIN. Does the gentleman yield?

Mr. CLANCY. Yes.

Mr. PHILBIN. What production do you expect to get annually with this mine?

Mr. LAWRENCE. I do not know. The gentleman is here, maybe he can answer it.

Mr. Moroso, Union Carbide.

How much production?

Mr. MOROSO. I couldn't answer the question because it goes up every day. I haven't been there for 2 days.

Mr. PHILBIN. How high up has it gone now?

Mr. MOROSO. We haven't gone into production.

Mr. PHILBIN. You haven't gone into production. These are just estimates. Did you base your stockpile requirements on estimates?

Mr. LAWRENCE. Yes, sir; but I will have to check in and find out exactly what this is. I can supply it for the record as to what we have got in there.

Mr. PHILBIN. Give us the supply and the background, and how you arrived at your evaluation.

Mr. LAWRENCE. Yes.

Mr. PHILBIN. What your analyses of the evaluation was, so the committee will have an idea of what your thinking was, and what facts you considered.

Mr. LAWRENCE. On any stockpile objectives, it is projected over a period of years in the future, usually 2 or 3 years from the time we establish the objective. It is based on a mobilization period of 3 years. We take into account the requirements for the material as they are known to industry at the present time, and we also get estimates from the Bureau of Mines as to the available supply, and that which is planned, to come in in the particular period we are speaking of.

Mr. PHILBIN. When you find you are below stockpile requirements for any reason, what action do you take about that?

Mr. LAWRENCE. I am sorry, I didn't follow you.

Mr. PHILBIN. If you find for any reason yourself below stockpile requirements, what action do you take about that?

Mr. LAWRENCE. Then we proceed to increase the objectives. Of course, if the inventories don't meet the objectives, then we try to take some steps to cure it.

Mr. PHILBIN. Do you have any outstanding or conspicuous instances now with respect to the stockpile where you have critical materials that you anticipate aren't really truly critical materials that are under the stockpile objectives?

Mr. LAWRENCE. We have about 11 or 12 materials where we haven't met the objectives completely, but I do not consider any one of them in what you might call a critical situation. In other words, we have sufficient material available so that in most instances we could carry on for the first 1 or 2 years with the mobilization period. The other will be acquired toward the third year. In other words, we are moving, for example, one of the items where we haven't met the objective is jewel bearings. Here we have deliberately been slow in the procurement because all of this procurement comes from this Government-owned facility out at Rolla, N. Dak. We are trying to, spread our production over the longest period of years so that this facility can keep in operation. It is on an Indian reservation, and they employ all Indians there. It is a source of income that would not be available otherwise to them.

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Mr. PHILBIN. Is the supply being stepped up at the present time? Is the production being stepped up?

Mr. LAWRENCE. No, sir. We have all kinds of difficulty getting it out of Indonesia. They put an embargo on the bark, the quinine, and everything else.

Mr. PHILBIN. You cannot get the bark, is that the problem?

Mr. LAWRENCE. They divert their supplies to China or other places. I don't know, this may be remedied in time.

Mr. PHILBIN. We are not getting enough of it to step up our supply; is that right?

Mr. LAWRENCE. That is right. A lot of it has gotten into the hands of speculators around the world, and they have put the prices up to prohibitive levels.

Mr. PHILBIN. What is the next one of the materials in short supply?

Mr. LAWRENCE. We have rutile ore; this is a minor one, where we have a deficit of only about 4,000 tons of a total objective of 51,000 tons. We are making no effort to obtain that.

Sapphire and ruby. This is the artificial jewel that is used for making jewel bearings. This is a very small deficit of about 2,000 carats out of a total of 18,000.

We have a small deficit in selenium, where the objective is 475,000 pounds and we have an inventory of 404,000 pounds. Asbestos, we have a small deficit of about 4,000 tons out of a total of 13,000.

Refractory chromite, we have an objective of 1,425,000 tons. We have available 1,227,000 tons in inventory.

So I think we could safely say we are very close to our objectives in most everything that we have.

Mr. PHILBIN. Your list probably contains 13 or 15 materials.

Mr. LAWRENCE. Yes.

Mr. PHILBIN. Is that all you have? Aren't you omitting some?

Mr. LAWRENCE. That is all we have where we have deficits.

Mr. PHILBIN. Would you have a deficit in copper at the present time?

Mr. LAWRENCE. We have a deficit in copper now. We are about 370,000 tons below the objective.

Mr. PHILBIN. 370,000 tons below the objective at present?

Mr. LAWRENCE. Yes, sir. That will be so after we have sold the 200,000 tons which was released by the President.

Mr. PHILBIN. What are we doing about making that up, about bringing that up, eliminating that deficit?

Mr. LAWRENCE. We haven't made any effort—

Mr. PHILBIN. Has any attempt been made to try to step up the supply, or cut down the deficit, or eliminate it?

Mr. LAWRENCE. We are at the present time in OEP with the co-operation of a number of other agencies developing a subsidy program for an increased production of copper in the United States and its territories. We are going to use the Defense Production Act Borrowing Fund where we have available about \$100 million for this program. I do not know whether that is enough money, but we are going to attempt to expand production around 120,000 tons over a period of the next 3 or 4 years.

We may have to pay considerably more than 36 cents for some of this production, because it is going to have to come from high-cost mines which are not now operating. Any copper purchased under this program will be available to put in the stockpile, or for resale

to consumers—it depends on whether the copper situation improves any.

Mr. PHILBIN. Do you have pending plans to purchase from overseas sources, too?

Mr. LAWRENCE. None at the present time; no sir. I mean, the copper price overseas is 42 cents. That is what the producers price is. Of course, it sells up to 70 and 80 cents on the London metal exchange. We have no plans at the present time for procurement of copper. We would have to request an appropriation for this purpose.

Mr. PHILBIN. Are you informed concerning the present negotiations of the Government with Chile to purchase 100,000 tons of copper?

Mr. LAWRENCE. These are regular supplies that are coming in and have been coming in all along to the American companies who are mining in Chile. These are not Government purchases.

Mr. PHILBIN. This would not be allocated for Government purchases?

Mr. LAWRENCE. No.

Mr. PHILBIN. Are negotiations been conducted by the Government?

Mr. LAWRENCE. As far as I know, yes. What they did, there was an agreement made, it is my understanding—I may not be completely clear on the facts here—that they agreed to sell to the United States 90,000 tons of copper at 36 cents rather than their own world price, which is 42 cents. In return for this, we loaned them \$10 million to the Chilean Government. But the copper will be distributed through the regular sales channels of the two American companies who mine the copper in Chile.

Mr. PHILBIN. So none of it would come into the stockpile?

Mr. LAWRENCE. None of it.

Mr. PHILBIN. It is not being purchased for the stockpile, it is being purchased for private consumption?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. But the Government negotiated the deal and made some sort of arrangement with Chile that was satisfactory?

Mr. LAWRENCE. That is right, sir.

Mr. PHILBIN. That is being purchased at 36 cents plus whatever quid pro quo is being paid by the U.S. Government in the form of laws of favorable terms, or other benefits?

Mr. LAWRENCE. That is correct, sir.

Mr. PHILBIN. Do you know of any plans that are in being to balance or eliminate the deficit of this material, to get it in the stockpile?

Mr. LAWRENCE. The 200,000 tons of copper we propose to sell will be sold, we hear, with two options in the contracts. One will be that the Government will have an option to rebuy this copper, or the amounts of copper that are allocated to individual producers at 36 cents, or less, if the price of copper decreases. But the 36 cents is the ceiling that the Government will have to pay for it.

We also have another option which is—

Mr. PHILBIN. Where are you going to buy copper today for 36 cents?

Mr. LAWRENCE. Well, this is going to be in the contract. In other words, we are going to sell this copper to the producers for 36 cents, with the option to repurchase it at some time in the future at the same price, or less.

Mr. PHILBIN. If these producers were buying it outside would they be able to buy it for 36 cents?

Mr. LAWRENCE. I do not know, but I don't think so.

Mr. PHILBIN. What is your agency, or any of the agencies that are involved here, doing about eliminating the deficit that exists, or will exist, in this supply?

Mr. LAWRENCE. We will have to lay plans at some time in the future when copper becomes plentiful again, to replenish the stockpile, and I am sure we will do that, but at the present time, with the grave shortage that we have, it has always been the policy of stockpile procurement to never go into a tight market and create an additional impact where the shortage already exists.

Certainly we wouldn't make any effort whatsoever at the present time to procure copper for the stockpile. We think every pound of copper we can make available, we have such a large defense requirement for copper now, should go to relieve the current U.S. shortage. Requirements for copper are now beyond the productive capacity of the United States.

Mr. PHILBIN. If we have such a large defense need for copper at the present time I suppose when we do make disposals for one reason or another, you would normally expect that that copper would be allocated to defense-rated orders?

Mr. LAWRENCE. Defense-rated orders receive first priority on all of it.

Mr. PHILBIN. Is that the case on all of these materials?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. So any reports to the contrary are not verified and not accurate?

Mr. LAWRENCE. No, sir; they are not.

Mr. PHILBIN. I take it that you might be concerned, or I ask you whether you are concerned about what possible action is open to us in the event we should have hostilities at any time, or in the future, and we find ourselves in the rather difficult position of having shortages in this stockpile?

Mr. LAWRENCE. I can say this. If we got even further into—if we have an increased defense production load there is only one course of action the Government can take: we will have to start allocating copper. We will issue limitation orders which will forbid the use of copper in many applications that are being used in today. I don't think we would have the slightest hesitancy in doing this.

Mr. PHILBIN. You believe by channeling copper away from less urgent uses to urgent uses that in that way you might be able to tide over any emergency?

Mr. LAWRENCE. Yes, sir; we have that authority under the Defense Production Act. I don't hesitate to say we would use it if it became necessary.

Mr. PHILBIN. Mr. Arends, do you have some questions?

Mr. ARENDS. We have gotten off on copper this morning and I might follow that a little bit, if I might.

On these defense-rated orders, approximately 200,000 pounds of copper are going to be released. Would you say every pound of this is going because of the need of defense orders?

Mr. LAWRENCE. I couldn't say that; no, sir.

Mr. ARENDS. Approximately all of it?

Mr. LAWRENCE. Well, let me answer it this way: The last time we made a release of copper, about 40 percent of it went for defense-rated orders.

Mr. ARENDS. Forty percent?

Mr. LAWRENCE. Yes.

Mr. ARENDS. And we had a rather sad tale about what happened to some of it, as you know.

Mr. LAWRENCE. Yes, sir.

Mr. ARENDS. We are going to get rid of 200,000. Then you say you have a clause in the contract that you can buy it back. Why are we selling it in the first place, or why are we asking these fellows to buy it back? Why are they buying it in the first place if they don't need it?

Mr. LAWRENCE. They need it badly.

Mr. ARENDS. What is the use of putting the clause in there? If they need it badly, you can't buy it back.

Mr. LAWRENCE. We would like to buy it back and refill the stock-pile objective at some time in the future when copper becomes more plentiful.

Mr. ARENDS. But it won't. If they need it so badly now, they will use the 200,000 tons.

Mr. LAWRENCE. There is privately financed expansion of copper underway at the present time in the United States. We hope by 1970 we will have at least 400,000 tons more than we have this year, 300,000 more than we will have in 1966, because approximately 100,000 tons new capacity came into being in 1965.

Mr. ARENDS. I am not quite clear, as developed by the chairman a moment ago, what happened in Chile with the \$10 million loan. In other words, without the \$10 million loan to that country, we possibly could not have bought the copper at 36 cents, we would have had to pay on the market, the world market?

Mr. LAWRENCE. Forty-two cents; yes.

Mr. ARENDS. In other words, we say we give you 10 million bucks if you sell it to us for 36 cents a pound; is that right?

Mr. LAWRENCE. I don't say "give." It was loaned, as I understood it.

Mr. ARENDS. The loans have a funny way of ending up something else—I don't know how to put it. But anyhow, the loan part had to come into being in order to effectuate the purchase at 36 cents?

Mr. LAWRENCE. That was the consideration, as I understand it, yes, sir.

Mr. PHILBIN. That was part of the consideration.

Mr. ARENDS. That was part of the consideration?

Mr. LAWRENCE. Part of it.

Mr. PHILBIN. The basic price, as I understood it from the press, was 36 cents a pound. That was the contract price. And then according to the press there was an understanding that the loan, or perhaps some other benefits, might be furnished to Chile that would sort of make them willing to continue to go into the deal.

Is that what your understanding was?

Mr. LAWRENCE. That is my understanding. But I have to confess I don't know any more about the other considerations than you do; I only know what I read in the paper.

Mr. PHILBIN. I only know what I read in the press, too. I take it the press maybe is accurate in this instance, from what you say, and what your knowledge is.

Of course, if we do get this 100,000 tons, and it is channeled into industry here, it would greatly lessen the pressure we have here for a transfer out of stockpile?

Mr. LAWRENCE. We certainly hope so.

Mr. PHILBIN. That would in that sense be something that we could feel was moving in the direction of lessening pressures and take care of shortages?

Mr. LAWRENCE. Yes, sir; that is exactly why we are doing it at this time.

Mr. PHILBIN. Do you have some further questions?

Mr. ARENDS. Except in the final analysis, I would have to say there is an awful lot of hanky-panky gets involved in some of this maneuvering. I don't know how we do these things, but we seem to do it.

Mr. LAWRENCE. Well, copper is a commodity that seems to move around quite a bit in the United States, and the people's desire to get hold of it, I'm sure, there is plenty of what you call hanky-panky going on.

Mr. ARENDS. Yes. I am not pointing a finger at anyone. The only thing is, I hope we do a much improved job over what we did in the original release when this time comes, and we do it really for the defense purpose, and nothing else.

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Mr. Clancy.

Mr. CLANCY. No questions.

Mr. COOK. Mr. Chairman, I would like to ask one or two questions.

Did I understand the copper from Chile was going into private industry, going to private American producers who have plants or mines in Chile?

Mr. LAWRENCE. That is correct.

Mr. COOK. And it will be sold.

Now, will it be sold at 36 cents or 42 cents, or at the world market price in this country? In essence, are we subsidizing these two private companies?

Mr. LAWRENCE. It will be sold at 36 cents in this country. These copper companies, the three that have mines there, are very good. They don't try to gouge on the prices. They have held the price to 36 cents all along.

Mr. COOK. The second question, Mr. Lawrence: What are we selling the copper for? At what price are we selling the copper from the national stockpile?

Mr. LAWRENCE. It will be sold at 36 cents.

Mr. COOK. What do you estimate we will be paying in 1970, when these additional mines are opened? What price do you estimate the price will be at that time when we buy it back?

Mr. LAWRENCE. Thirty-six cents, under the option, going into these contracts.

Mr. COOK. But we won't be making contracts necessarily with people that will be in the mining business; will we?

Mr. LAWRENCE. That is right.

Mr. COOK. We are only selling the copper to producers?

Mr. LAWRENCE. I don't think the final decision has been made as to how this would be allocated. I can't give you that detail, because it was undecided as of last night as to exactly the method which will be used in distributing of this 200,000 tons.

Mr. COOK. We don't know whether it is going to be distributed to consumers or producers at this stage?

Mr. LAWRENCE. Well, if this option clause goes in, it will have to go through the producers. Now, whether we make a further allocation—I mean tell the producers who to allocate it to—I don't know whether we could do that or not. This is under discussion.

Mr. PHILBIN. Have you finished, Mr. Cook?

Mr. COOK. Yes, sir.

Mr. PHILBIN. How would you explain the different prices you find for copper in the market today? How do you explain the different prices that we have in the market today; you have an American market, which is apparently 36 cents, and then you have another American market that ranges up around 42 cents to 50 cents, and then you have a world price that is set to range from 70 to 80 cents. How do you account for such a wide spread?

Mr. LAWRENCE. Well, you have 36 cents as the producer price, primary copper in the United States.

Mr. PHILBIN. That is the producer price?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. You don't anticipate that is going to be raised?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. You think they will observe the guidelines?

Mr. LAWRENCE. That is right. The scrap dealers on the other hand are getting anywhere from 40 to 60 cents for that copper.

This is something where you can't control it. I mean when the primary producer of copper, when the copper leaves his control, there is no—it is whatever the market will bear as far as the scrap dealer is concerned. This price is reflected in the New York Commodity Exchange.

Mr. PHILBIN. Based on the demands and the supplies?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. Like everything else.

And the world market is the same?

Mr. LAWRENCE. I think that—

Mr. PHILBIN. I don't want to belabor the point, but I wanted to have something for the record in view of the fact the question was raised here today regarding the copper disposal. We ought to have some explanation concerning it.

I agree with you that the price normally would be—I think everybody would agree—that the price would be normally established by the supply and demand, but it is more difficult to ascertain or to understand the reason why, in the light of this demand, the fact that copper is selling at such a much higher price both in the domestic market and in the world market, why the production, the price at the production level should be apparently pegged at 36 cents a pound. Can you explain that in any way?

Mr. LAWRENCE. Well, I think I can, and it is one given to me by a copper producer. They don't want to go above 36 cents because once they do they are going to lose a large part, some good portion of their market to aluminum.

Mr. PHILBIN. I understand.

Are there any further questions on this bill?

Mr. ARENDS. No. We will talk more about copper later on.

Mr. PHILBIN. We will try to get all the information we can about copper, and every other material we have in the stockpile. The gentleman understands that.

Mr. ARENDS. With your cooperation—

Mr. PHILBIN. So far as the Chair wants, he wants all the information he can possibly get on any bill presently under consideration, and what is present in the overall stockpile situation.

I think it was understood these gentlemen are always very frank with us, and candid, and they give us the best of their information, from anything they have available, and it is expert information, because Mr. Lawrence has been in the Government for a long time. He is an outstanding public servant. He always gives us very candid, frank, complete answers to our questions here.

Mr. LAWRENCE. Thank you, sir.

Mr. PHILBIN. Mr. Harlan is virtually in the same position. I think we don't have any trouble getting all the information we require to take any action on bills pending before us.

Now, Mr. Harlan, perhaps you will testify now.

Thank you, Mr. Lawrence.

Perhaps you will testify on this bill.

Mr. HARLAN. Mr. Chairman, with your permission I will submit my prepared statement for the record.

Mr. PHILBIN. We will take your statement for the record, and we would like to have your views.

(The prepared statement of Mr. John G. Harlan, Jr., on vanadium is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13774.

This bill would authorize the disposal of approximately 6,450 short tons of vanadium (V content) now held in the national stockpile. The Office of Emergency Planning has determined this quantity to be in excess of stockpile requirements.

Vanadium is a pale-gray metal with a silvery luster. It occurs in combination with other minerals or metals, including uranium and phosphate rock. It readily alloys with steel. When added to steel it toughens and strengthens it—forming hard carbides which are retained at high temperatures. Vanadium increases tensile strength without lowering ductility. The greatest percentage of all vanadium is consumed by the steel industry in the manufacture of high-strength structural steels, tool steels, and wear-resistant cast iron. It is also

used in combination with other alloying materials such as nickel and aluminum.

U.S. vanadium ore is mined principally in the Colorado Plateau as a coproduct of uranium. Other sources in the United States are South Dakota, New Mexico, Idaho, and Utah. Foreign sources of supply are Finland, Republic of South Africa, and South-West Africa.

The total inventory of vanadium (V content) held by GSA is 7,865 short tons. The present stockpile objective is 1,400 short tons. The excess of approximately 6,450 short tons is covered by H.R. 13774.

The vanadium for disposal is stockpile quality material in the form of vanadium pentoxide. The approximate acquisition cost of the vanadium pentoxide inventory was \$1.18 per pound. The average price received for similar vanadium pentoxide sold by GSA in February of this year was approximately \$1.22 per pound.

Industry representatives and affected Government agencies were consulted in the development of the program for the disposal of the excess. On March 3, we held a vanadium industry meeting with producers, consumers, and traders in the industry to discuss the proposed disposal. It was the opinion of the majority that the release of the vanadium would relieve a tight supply situation.

This agency strongly recommends the enactment of H.R. 13774.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. Chairman, as explained earlier, we have been disposing of vanadium declared excess by the Atomic Energy Commission, and since last October have disposed of quite a substantial amount of this material.

In the course of our disposal programs we have discovered beyond a doubt the material is badly needed by industry, particularly by the steel industry; that the consumption of this material is increasing. I assume it is increasing along with the growth of the economy generally, but also with the discovery of new uses for the material in alloying it with steel.

Mr. PHILBIN. Have these sales that you made shown a profit or a loss to the Government?

Mr. HARLAN. We are about breaking even, Mr. Chairman, on the sales. In this case, it is pretty much of a Mexican standoff.

We held a meeting, Mr. Chairman, on the 3d of March, with the representatives of various segments of the industry, and arrived at a majority agreement to release of the vanadium. I think I should say for the record that although there was agreement, no objection raised at the meeting, one of the small producers who participated in the meeting did write us a letter after the meeting raising some objection about the releases of the material.

Mr. PHILBIN. You have strong demand from some other places, haven't you, from the steel industry?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. There are serious shortages in several places. Could you give us some illustration of the character and scope of these demands which you received from industry?

Mr. HARLAN. Yes, sir. I have been in almost daily touch with representatives of the steel industry, and the ferroalloy industry, and

everyone is of the unanimous opinion that there is a short supply situation for this material, which probably will go on for 2 or 3 years. And I believe the material we are releasing here will help that situation over that period.

Mr. PHILBIN. We have several letters and communications and wires regarding this bill that we will insert in the record.

(The material above referred to is as follows:)

PITTSBURGH, PA., March 23, 1966.

HON. PHILIP J. PHILBIN,
Chairman, House Armed Services Subcommittee, Stockpile Disposals, House of Representatives, Washington, D.C.:

It is urgent that favorable action be taken promptly by your committee to expedite passage of H.R. 13774 for early release of surplus U.S. Government stockpiled vanadium pentoxide because of the present and anticipated future serious shortage which is affecting our production of vanadium-bearing steels.

W. W. CRAWFORD,
Vice President, Purchasing, United States Steel Corp.

PITTSBURGH, PA., March 23, 1966.

HON. PHILIP J. PHILBIN,
*House Office Building,
Washington, D.C.:*

We firmly believe that unless additional vanadium is made available in line with H.R. 13774, the domestic steel industry will face a serious shortage of this important alloying element before mid-1966 and that this shortage will continue for upward to 2 years. The item is extremely tight right now.

We respectfully request that you and your committee report favorably on H.R. 13774.

W. C. MEYER,
Crucible Steel Co. of America.

READING, PA., March 23, 1966.

HON. PHILIP J. PHILBIN,
*Chairman, House Armed Services Committee, Rayburn House Office Building,
Washington, D.C.:*

Urge prompt passage of bills releasing molybdenum and vanadium from stockpile. Delay will result in cut back production of specialty steels essential to defense and domestic economy and release of inflationary pressure on price due to domestically produced alloying elements from foreign sources.

H. S. POTTER,
Vice President, Carpenter Steel Co.

TOOL & STAINLESS STEEL INDUSTRY COMMITTEE,
Washington, D.C., March 24, 1966.

HON. PHILIP J. PHILBIN,
*House Committee on Armed Services,
Rayburn Office Building,
Washington, D.C.*

DEAR CONGRESSMAN PHILBIN: The Tool & Stainless Industry Committee wishes to express its strong support of H.R. 13774, the proposed release of 6,450 short tons of contained vanadium from the national stockpile.

Vanadium is one of the most important alloying elements used in the production of tool steel. The vanadium situation is rapidly approaching a critical stage and promises to result in a serious shortage unless prompt steps are taken. The contemplated release will provide enough vanadium to forestall the type of chaotic, hand-to-mouth problems that have caused such disruption of the specialty steel industry in connection with the molybdenum crisis.

Tool steel is used to cut, shape, and form all other metal products. As such it is vital to the national economy and security. Assurance of necessary raw materials to this essential industry must be high among our national objectives. We strongly urge prompt and favorable consideration of this important legislation.

Sincerely,

THOMAS F. SHANNON.

STATEMENT ON BEHALF OF VANADIUM CORP. OF AMERICA BY G. L. WEISENBURGER,
PRESIDENT AND CHAIRMAN

Vanadium Corp. of America is a major producer of ferroalloys in the United States. The company is heavily involved in the mining and milling of uranium/vanadium ores on the Colorado Plateau of the United States and from these and purchased ores produces vanadium pentoxide at the company's mill in Shiprock, N. Mex. From such vanadium pentoxide produced by our company at Shiprock and from purchased vanadium pentoxide, Vanadium Corp. manufactures in Cambridge, Ohio, various vanadium products for sale to the steel, titanium, aluminum, and chemical industries. The major form in which vanadium is consumed in the United States is in the form of ferrovanadium, which is sold primarily to the steel industry.

In recent years the United States has been the major producer of vanadium oxide, which has come mainly from vanadium/uranium mining operations on the Colorado Plateau and from slags resulting from the production of elemental phosphorus. The rest of the free world has obtained its oxide from the lead vanadates of South-West Africa, the vanadium-bearing magnetite ores of South Africa and Finland and by exports from the United States. The vanadium oxide produced from these sources is the base raw material for vanadium alloys and chemicals. As a result of the technological advances in the fields of metallurgy and chemistry, the growth in the use of vanadium has sharply accelerated within the last year. Forecasts of total use in the early 1970's made only 2 years ago may well be exceeded this year if sufficient raw material in the form of vanadium oxide can be made available. While total tonnage of steel in 1965 increased 3 percent over 1964, consumption of vanadium increased 33 percent, and in some of the vital areas of newer grades of steel the increase was 43 percent. If our domestic steel, lightweight metals and chemical industries are to achieve the progress they are capable of, additional vanadium oxide must be made available promptly, and the only current source of additional vanadium to fill this vacuum is material determined to be "excess" in the Government stockpile. This sudden imbalance between supply and demand was brought about by the unexpectedly rapid expansion in use, while at the same time the primary source of vanadium pentoxide in the United States has been substantially reduced by the policy decision of the Atomic Energy Commission to reduce the production of uranium, which as a side effect has reduced the production of vanadium pentoxide from combination uranium/vanadium ores. We have no quarrel with this decision of the AEC but do wish to point out that a major contributing factor to the present shortage of vanadium is a direct result of a Government policy decision.

Although demand and supply for vanadium oxide were approximately in balance early in 1965, this was made possible only because major producers were drawing heavily on reserves of oxide from uranium/vanadium mill tailings on the Colorado Plateau, but rapid inroads on this source have resulted in a near-term supply problem, which is becoming increasingly acute. Various producers, recognizing the impending shortage, have stepped up their search for alternate sources of supply and research on and expansion of controlled sources previously considered marginally economic. However, this additional production cannot be expected to catch up with the escalating demand until late 1968 or early 1969.

In view of the fact that the current vanadium shortage should be of an interim nature and that the major raw material sources are located in the United States, we feel that the use of the vanadium oxide determined "excess" in the stockpile to relieve this shortage can be fully justified.

Vanadium Corp. of America recommends to the committee adoption of H.R. 13774 authorizing the sale by the General Services Administration of approximately 6,450 short tons of vanadium contained in vanadium pentoxide.

In making this recommendation, we do so on our understanding that, based on various conferences between the General Services Administration, the vanadium industry and consumers of vanadium, the plans of the General Services

Administration will be to dispose of this material with due regard to its effect on the domestic market. It is our further understanding that the material will be offered over a period of 3 years, and would be offered at a "shelf price," with proper precautions, through restriction to U.S. consumption and processing, to avoid either the raw material or processed material produced from the same, being siphoned off into exports during a period of shortage in the United States. It is also our understanding that the vanadium pentoxide will be distributed through the ordinary channels of trade.

I want to thank the committee for this opportunity to express our views.

Mr. PHILBIN. Do you think this situation, these shortages, will continue for 2 or 3 years?

Mr. HARLAN. Yes, sir, I do.

Mr. PHILBIN. Now, how about the industry conferences? You have, as you say, limited opposition to the bill?

Mr. HARLAN. Only one case of opposition that I am aware of, Mr. Chairman.

Mr. PHILBIN. I believe—would that be Mr. Mattson, vice president of the Kerr-McGee Corp.?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. He is here to testify, and he will have an opportunity to present his views.

Mr. HARLAN. Right, sir.

Mr. PHILBIN. Do you have anything further to say about this bill?

Mr. HARLAN. No. We strongly urge this bill be passed.

Mr. PHILBIN. If there are no further questions, sir, thank you—

Mr. HARLAN. Thank you, sir.

Mr. PHILBIN (continuing). For your usual very informative testimony.

Now, is Mr. Mattson here?

Step forward, Mr. Mattson. Please give your name and address and the company you represent to our reporter for the record.

Mr. MATTSON. Mr. Chairman, I am Vernon L. Mattson of Kerr-McGee Corp., Oklahoma City.

Mr. PHILBIN. We are very glad to have you here this morning. We welcome you here to the committee. Do you have a prepared statement?

Mr. MATTSON. I do.

Mr. PHILBIN. We will be glad to have you read it for the benefit of the committee.

Mr. MATTSON. It has been distributed, I believe.

Mr. PHILBIN. Yes, I believe it has been distributed. You can proceed in your own way and give us your views.

Mr. MATTSON. The statement is quite short, and if I may, I will read it.

STATEMENT OF VERNON L. MATTSON, KERR-McGEE CORP.

Kerr-McGee Corp. is a producer of vanadium pentoxide and ammonium metavanadate. The source of feed material is a byproduct from western phosphorus operations.

The proposed disposal of 85 percent of the vanadium now held in the national stockpile at a time when domestic production is dropping rapidly and when the demand for the metal is increasing at a rapid rate is a serious matter. There appears to be no question of the urgent need of the steel industry for quantities of vanadium far in excess of the present productive capacity of the vanadium industry.

There is also no question regarding the importance of the judgment of this committee and all other Government bodies involved in this matter in correctly comparing the present needs of the steel industry for vanadium with those that they might face if a more urgent national emergency should arise.

Kerr-McGee certainly does not object to use of stockpiled material to meet bona fide defense needs. We do object to sale of this material in such a manner as to discourage production from known sources of domestic vanadium.

We were told at a recent Government-sponsored meeting that the pricing basis for future stockpile sales of vanadium has been established. At this meeting it was assumed that approximately 6,400-plus tons of vanadium will be sold and the only problems relate to the rate of sale and manner of allocation to the consumers.

It is our feeling that the recent sales of vanadium from the AEC stockpile did not establish a price for vanadium that in any way reflects production cost of this commodity.

The average price paid at the last sale was slightly over \$1.22 per pound of contained vanadium pentoxide. It is true that this price reflects the Government purchase cost of a little under a dollar plus handling and storage costs plus a profit for holding the material for several years. But does it reflect the cost of producing this material or of replacing this material? We feel that it does not.

At the time the Government purchased this material for less than \$1 the posted price of vanadium pentoxide was \$1.38 per pound. At that time the steel companies were paying \$3.20 per pound for vanadium contained in ferroalloying material. The uranium companies who sold their vanadium to the Government for a dollar a pound did so because at that time there was no other market for this commodity, which was of course a byproduct of the production of uranium from the Colorado Plateau mills.

Our point is that sales of vanadium from the AEC stock were not priced on a basis that in any way reflects cost of production. It is not our intention to state who erred when the price of vanadium pentoxide was driven downward from \$1.38 to less than 80 cents during the period 1960-63. The fact that must be faced today is that vanadium that is released from the stockpile at \$1.22 cannot be replaced from non-Government sources at this figure.

We strenuously object to a disposal policy that discourages the development of domestic sources of vanadium and particularly those properties that might be successfully worked if normal balances of supply and demand were operating freely and were a factor in determining price.

Mr. PHILBIN. Thank you, Mr. Mattson. You have given us a very informative statement.

Your fear is any increments of vanadium sold on the market will depress the price as well as production; that is your view?

Mr. MATTSON. Yes, sir.

Mr. PHILBIN. You understand, of course, this committee here is not a price-fixing committee. We handle the stockpiles with the idea of having enough in the stockpiles to provide for defense needs, and disposing of any excess that there may be of these stockpiles in an orderly way under the act, under which we operate, which requires the Govern-

ment not to dispose of any materials from the stockpile when such disposals would disrupt the market or the prices. Do you understand that?

First, there is the question of having enough for defense. Second, there is the question of disposing of any surpluses that we have in an orderly way that will not have any unfavorable impact upon the price situation in the industry.

Have you discussed the matter with the General Services Administration?

Mr. MATTSON. Yes, sir.

Mr. PHILBIN. Haven't they given you assurances any disposal that may be authorized by the Congress will be carried on in an orderly way?

Mr. MATTSON. Yes. We seriously question, though, that under these conditions disposal of 85 percent of the stockpile is a wise move. The remaining 1,400 tons will apparently represent something less than 2 months' requirements that are estimated for the end of this year.

Mr. PHILBIN. You appreciate that there have been evaluations made by the agency that is in charge of that, represented here by Mr. Lawrence, the previous witness, whom you have heard?

Mr. MATTSON. Yes, sir.

Mr. PHILBIN. The matter is very carefully considered at one of the higher levels of the Government, and they have come to the conclusion that is all they need in the stockpile.

Mr. MATTSON. Of course we would also question the wisdom of banking these estimates of future supply on mines that are not yet in production. As we all know, many things happen between the time a mine is—

Mr. PHILBIN. Yes, that is quite true. But on the overall evaluation, you see, we have to make sure we have enough in these stockpiles and yet where you have excessive amounts, as we do have of this commodity, good business seems to indicate we should get rid of it if we can without disrupting the market, as is our purpose always to do.

But you haven't been satisfied with assurances that have been given you by GSA, apparently.

Mr. MATTSON. That is correct; yes, sir.

Mr. PHILBIN. Do you have some questions, Mr. Arends?

Mr. ARENDS. In other words, do you think, Mr. Mattson, there is a possibility of further mining activities that can develop sufficient supplies as the years go on? I mean we are not up against this tight situation all the time?

Mr. MATTSON. No, sir. We feel there are those opportunities, but in these cases the vanadium will have to be mined as vanadium, being the principal ingredient of the ore, not as a byproduct from uranium operations as it has been in recent years. When that cost of production is based on the cost of producing vanadium, as such, the present prices are not realistic.

Mr. Arends. Is there some hesitancy on the part of the mining corporations to go ahead under the price situation as we see it now?

Mr. MATTSON. I'm sorry.

Mr. ARENDS. Is there some hesitancy on the part of the mining operations to go ahead because of the price situation this might create?

Mr. MATTSON. Yes. I think at the present price, the mines that would have to produce the material required to fill this gap would

have great difficulty in operating, say, at the price of \$1.22, which was the price at which the last sales was made.

Mr. ARENDS. In other words, they could not profitably operate at that price, in your opinion?

Mr. MATTSON. That is my opinion.

Mr. PHILBIN. Thank you, Mr. Arends.

Mr. JOHNSON.

Mr. JOHNSON. Mr. Mattson, you say that the proposed disposal of 85 percent you feel is going to be detrimental. Do you have a suggestion to GSA as to an alternative amount that might be disposed of that you do not feel would be detrimental to the industry?

Mr. MATTSON. I feel rather than dispose of such a large percentage of the pile at this time, say to definitely commit it to disposal, that it would be wise to evaluate the proposed future operations perhaps after they are in production, and at that time take a further look at the supply and demand picture rather than reduce the pile to only 15 percent of its present size at this time.

Mr. JOHNSON. When do you think a further look could be taken, in terms of the time element, for the committee's benefit?

Mr. MATTSON. I think this would to some degree have to be determined by the date at which this new source of vanadium, on which apparently the hope is pinned to keep this supply in control, which comes into being. Maybe that will be next year; apparently it will be.

Mr. JOHNSON. One final question. Do you feel there is a possibility that, in your discussions with GSA you have already had, there is any area of agreement that you might find as to some kind of a less extensive disposal at this time, to look at it later down the line, or do you feel that the areas of disagreement are too far apart on this?

What I am trying to find out is, your objection is, as I see it, the disposal of this large amount at this time. I am wondering if there is any area of agreement there where something down the line could be worked out by not disposing of so much at this time?

Mr. MATTSON. I think, perhaps, it should be limited to perhaps the best estimates of this year's disparity between the production and the estimated demand for the material this year. As I understand it, there is a certain tonnage involved in the so-called pipeline of supply. It is not something that can be turned on and off, certainly.

This is particularly true from the production end. It takes a long time to open up a mine and build a plant to process the material and get it into the hands of the steelmaker.

Mr. JOHNSON. That is all, Mr. Chairman.

Thank you.

Mr. PHILBIN. You asked some very penetrating questions. You have introduced some important information. I take it your point is there might be room for further communications and further collaboration between the gentleman, the witness, and the GSA with a view to seeing whether or not there could be a meeting of the minds?

Mr. JOHNSON. This is precisely my point.

Mr. PHILBIN. I think that would be a very valuable thing, and I was going to suggest that to the gentleman, with the thought perhaps you could have further talks with GSA to see whether you couldn't reconcile some viewpoints that you now have.

That would be agreeable to you, Mr. Harlan?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. You would be willing to arrange to have conferences with him and receive his views whenever you can, and go over the matter with him thoroughly and give fair consideration to his point of view?

Mr. HARLAN. Absolutely; yes, sir.

Mr. PHILBIN. Would that be agreeable to you?

Mr. MATTSON. Yes, sir; I think so.

Mr. PHILBIN. Thank you very much.

Mr. Clancy has a question.

Mr. CLANCY. Just one question.

How much vanadium do you produce, sir?

Mr. MATTSON. We produce approximately $1\frac{1}{2}$ million pounds of V_2O_5 a year at the present time. We are making preparations to increase this as our source of supply has recently developed.

Mr. CLANCY. What is the current market price?

Mr. MATTSON. The current market price is a very difficult thing to determine. The world price, of course, is considerably in excess of the prices that were offered at the last sale of the AEC stockpile material.

But my point is that the costs of production were not necessarily a factor in the prices that were offered at this last sale. This was material that the Government had purchased at a price that was considerably under the market price at the time the purchases were made.

Mr. CLANCY. Do you export a lot of the material that you produce?

Mr. MATTSON. Virtually the only market for domestically produced vanadium in the past, from those companies who do not have conversion facilities—the steel companies use practically no vanadium pentoxide, as much. Vanadium pentoxide must be converted to either ferrorvanadium or a vanadium carbide, to be usable by the steel company. Those producers of vanadium who do not have those conversion facilities have necessarily had to sell a large part of their production abroad.

Mr. CLANCY. Do you sell a large part of your production abroad?

Mr. MATTSON. We have, sir; yes, sir.

Mr. CLANCY. Did I understand you correctly before when you said 1,400 short tons represents just a 2-months supply?

Mr. MATTSON. Yes, sir; at the estimated rate of consumption at the end of this year, it would be something under 2 months' supply.

Mr. CLANCY. What do you base that statement on?

Mr. MATTSON. It is based on an estimated consumption of 24 million pounds of V_2O_5 this year. I think that that figure, that the GSA is in general agreement with that estimate of requirements for this year. And it is quite well recognized that production of vanadium from the Colorado Plateau, which has been our principal source of domestic supply in recent years, is dropping off rapidly as the end of the AEC uranium purchase contracts approaches.

Mr. CLANCY. What is the world market price of this material at this time?

Mr. MATTSON. It would be difficult to state.

Mr. CLANCY. Well, approximately?

Mr. MATTSON. I would say it is above \$1.50 a pound.

Mr. CLANCY. That is all, Mr. Chairman.

Mr. ARENDS. One more question, Mr. Chairman, if I might.

Mr. MATTSON, are you quarreling, or do you find yourself in disagreement with the release of this 85-percent above stockpile requirements? Is this your point? Or are you quarreling with the effect the disposal of this is going to have on the market price?

Mr. MATTSON. I think we are in disagreement with both points, sir.

Mr. ARENDS. Both?

Mr. MATTSON. But we certainly are not in disagreement with the release of some portion of this stockpile. We feel that the 85-percent release—

Mr. ARENDS. Is too high?

Mr. MATTSON (continuing). Is great.

Mr. ARENDS. Thank you.

Mr. PHILBIN. Are there further questions?

Do you have some questions, Mr. Machen?

Mr. MACHEN. No questions.

Mr. PHILBIN. Thank you very much.

Now we have another witness in the room who expressed a desire to testify, Mr. Moroso.

Is he here?

Mr. MOROSO. Yes, sir.

Mr. PHILBIN. Come forward and be seated, Mr. Moroso.

Do you have a prepared statement?

Mr. MOROSO. No, sir.

Mr. PHILBIN. Would you please give your name and address and the company you represent to the reporter for the record?

Mr. MOROSO. I am J. C. Moroso, Mining & Metals Division, Union Carbide Corp., New York.

May I say the record in the press—I testified on Monday at the chromite session you had—the next day the Comtel came over, “the head of the division made the statement.” I am not the head of the division.

Mr. PHILBIN. You weren’t adverse to being promoted, were you?

Mr. MOROSO. You promoted me; somebody did. I told the president to move over, and I gave him 24 hours to clear his desk.

Mr. PHILBIN. We will be glad to hear from you on this bill.

STATEMENT OF J. C. MOROSO, UNION CARBIDE CORP.

Mr. MOROSO. I am in the marketing division, and I work directly for the vice president of marketing. When we talk of vanadium, we are talking about one of the few success stories of my 30-odd years in the business. And if you will bear with me, I will give you some brief history.

Some 4 or 5 years ago, as a result of the Atomic Energy Commission refusing to buy vanadium together with their uranium, which had been their practice for many years, there came to be built up a tremendous surplus in this country, and we, ourselves, had 12 million pounds of contained vanadium in a large pile, out on a plateau, which represented quite a heavy investment.

So one of our executives told us, fellows, you’ve got to find some way to turn this stuff into money. Whereupon we put our research people to the job.

We talked with the steel industry. At the time, Mr. Mattson was right, the ferrovanadium was selling for \$3.45 a pound. And we had trouble giving it away at that price. There was just no use for it. It was too highly priced.

We therefore approached people in the stainless—rather, in the steel industry, and philosophized with them to the effect that we knew the various properties of vanadium, we knew what it could do. The only question was at what price could we put this in certain applications.

After about a year or so of banging the thing around, we came up with a number—in terms of V_2O_5 , it would be something like \$1.10, or \$1.15, in that range. This is equated to the price of the finished product, being ferrovanadium. Whereupon, we went to work and we developed a product which we call Carvan, which is a vanadium carbide, which is a new product, and it happened just to fit the bill, and a number of large steel companies thereupon began to experiment with it, and over the period of a year the thing met with much more success than we had anticipated.

We were in effect—went to church to pray for rain, and we didn't take our umbrellas, and we got awfully wet. We underestimated our sales capacity, and all of a sudden the material found its use in many applications in the steel industry, even far and beyond their own expectations. Whereupon, we immediately started to investigate new sources.

We have looked all over the world, high and low, for new sources, realizing the increase that would take place in the consumption of this material over a long-term basis. We do have an extensive property in Arkansas. We also recently acquired one in the South Africa region, I believe.

In our opinion, until such time as these properties, plus some other large properties in Africa, which are being brought in by our competitors, until such time there will be a terrific shortage.

Now, one of the things that aggravated the shortage, Vietnam—

Mr. PHILBIN. When you say a terrific shortage, what would it be?

Mr. MOROSO. I would guess on the order of something like 5 million pounds of contained "V" between now and the end of the year; that is 10 million pounds of V_2O_5 .

I will tell you this, we spent a considerable amount of time and effort to determine this, because with us it is a big business, and we have a large percentage of the business, which makes me hesitant to talk in a committee meeting like this. And I would like to put this on the record, that I speak not, as I am sure my own firm doesn't know I am here, but what I say is my own opinion, and it is based on some very extensive market research work that has gone forward through a number of years.

The thing that aggravates it is that, let's take titanium-vanadium-aluminum alloy. This is an alloy that was developed by the titanium business some 5 or 6 years ago, never amounting to very much, but gradually it is taking hold. And after a period of a number of years of testing in aircraft, it was accepted as a material for engineering and it is used in practically every type of aircraft, both commercial and military, that is being built today.

One firm came to us, who had not been a customer, and they served us with a number of DO ratings which concerned us very much. Here is a firm that didn't buy much from us in the way of this alloy. They suddenly came in and gave us this big order. Naturally it would disrupt our markets to our other people, so we sent people over to find out just where this material was going, and as a result we have good people who talked to the aircraft people.

We covered the entire industry, and we by our own estimates, we feel that at least $1\frac{1}{2}$ million pounds of contained vanadium that is a new application this year is just going into aircraft engines and supporting members. And this is an entirely new thing. It is a defense rating I think of the highest priority.

The effect of this has sort of hit us a little quicker than we had anticipated. We didn't anticipate Vietnam. We didn't anticipate somebody would start to build a lot of airplanes overnight like that [illustrating], and for that reason we have been embarrassed by the shortage.

The other thing that is true—

Mr. PHILBIN. With those increased needs, what would the total consumption be for the year, in your judgment?

Mr. MOROSO. We sort of feel it will be in the neighborhood of what Mr. Mattson said, something on the order of 12 million pounds of contained vanadium.

Last year it was—I think it was 9.4 million. Production last year was of the order of 12 million, and about 3 million was exported. These are traditional markets.

I have no quarrel with anybody that has been exporting. It is just the same as molybdenum. These have been traditional markets for the nonintegrated producers, such as Mr. Mattson. We have participated in them. However, we have stopped as nearly as our firm contractual relations would permit us, we have stopped all export. We did that a year ago.

Mr. PHILBIN. Has the industry generally done that?

Mr. MOROSO. I can't speak for the other people, sir. But the shortages really embarrass us. We have taken steps, regardless of other people's opinion, to increase the capacity of vanadium, and we have done this knowing full well what the price is, and it is considerably below what vanadium oxide has been selling for.

Just as the gentleman made the statement about copper, we know, we are very certain, that if vanadium gets above a certain level we are just going to dry up the use of it. And this application is in lined pipe. Lined pipe has been produced for many years. It never had a pound of vanadium in it. And the thing that put vanadium in lined pipe was the little product which we call vanadium—free advertising. It put it in that application.

Now, we know if we get the price up beyond a certain point the people who are making lined pipe will revert to their former practices. It is a matter of pure economics. We are therefore doing everything we can to keep the price down. We don't want it to go up, because we have based our long-range plans on a price considerably lower than Mr. Mattson mentioned.

Mr. PHILBIN. Do you regard throwing this amount on the market, as provided by the bill, would have the plans of GSA that you know about, if carried out, have a disruptive result on the market?

Mr. MOROSO. If he doesn't put up what he thought—the feeling of the meeting was it will have a disruptive effect in the wrong direction; that is, it will serve to inflate prices. It will get people to engineer vanadium out.

This is something we do not want, because we have considerable sums of money invested in the future of vanadium, and if people once engineer it out, we will have 5 years of hard work and a good deal of expense just pretty much shot.

So we feel—again I say, we have done a tremendous amount of market research. We feel that he should put up another 6 million pounds of contained vanadium tomorrow.

Mr. PHILBIN. In other words, you want a faster rate of disposal rather than a slower one?

Mr. MOROSO. Yes, sir.

Mr. PHILBIN. What are you going to do when there is no longer excess left in the stockpile, or in Mr. Harlan's inventory?

Mr. MOROSO. I hope he gets rid of it before our mine comes into production.

Mr. PHILBIN. Do you expect that to be in the near future? What is your timing? What timetable on the coming into production of the mine?

Mr. MOROSO. We expect to come into production near the shag end of 1967. All the work is going forward on preparing the ground. And this deposit is a large thing. It is right on top of the ground.

The only thing that we can't settle right now is the mill which will process it, because when we first made our plans it was small, and 6 months later it is bigger, and the last time I heard we haven't gotten our money from the Appropriation Committee, it is much bigger.

Mr. PHILBIN. Have you had an ample opportunity to present your views to the GSA about this bill?

Mr. MOROSO. Yes; we have. I'm sure we are in accord on the thing. I just chastised Mr. Harlan this morning for being so—

Mr. PHILBIN. So your attitude is you favor the bill?

Mr. MOROSO. I favor it strongly.

Mr. PHILBIN. I believe the marketing part of it must be very carefully attended to.

Mr. MOROSO. Yes, sir.

Mr. PHILBIN. So as to carry out the objectives of the conference which you have had with the GSA.

Mr. MOROSO. Yes, I do.

Mr. PHILBIN. So as to prevent any price or market disruption?

Mr. MOROSO. Yes, I do, sir.

Mr. PHILBIN. Mr. Arends.

Mr. ARENDS. I am just interested in the gentleman's statement. The gentleman from Kerr-McGee worries about our disposing of too much, and you worry about our not disposing of it at all?

Mr. MOROSO. You are absolutely correct, sir.

Mr. ARENDS. So I'm worried, period.

Mr. MOROSO. We hesitated to say this, because we do have a great percent of the total market, and therefore we are vulnerable.

Mr. BENNETT. Maybe I didn't understand it all, but I thought the Kerr-McGee gentleman was objecting to the situation as it is proposed because to keep the domestic production of this metal available it

costs so much money, and his business would be seriously hampered and hurt, and production curtailed, and maybe eliminated, if he didn't get an adequate price for it. This would be hurtful to his price.

Isn't that his position as you understand it?

Mr. MOROSO. Yes, but he is speaking for his price, not mine—our costs. We know what our costs are.

Mr. BENNETT. Of course this is the first time I ever had this presented to me, but just for what it is worth, as we heard this little bit of testimony here, it seems to me there is a good deal of equity in what he says.

Obviously you can get this at a very cheap price, and go on with your business. That is fine. But it looks like to me that the Government has the responsibility to the miners as much as it does to the manufacturers who want to get a cheap product and produce something that you already have said has been a windfall for you.

Mr. MOROSO. Well, I don't like that word "windfall," sir. There are two things you must understand: No. 1, he is working a slag, which is a byproduct for a ferrophosphorus operation. This is an entirely different thing than our operation, which is a mine. Based only on the production of vanadium and nothing else.

So there is quite a difference. In other words, if you want to button the weed, we have the advantage of the earth with us. It is quite a natural advantage.

Mr. BENNETT. You have the advantage of coming to the Government and getting it out of the stockpile, as I see it. You are competitive with him in this particular bill from the standpoint of getting it out of the stockpile. He is trying to get it out of the earth. I think in that kind of situation the Government has some kind of responsibility to somebody that is in that industry of bringing it out of the earth. I am not so sure it is not a more vital one.

The reason I am saying this to you, is not to state my opinion, but really to elucidate your feelings of the morality and equity in this situation, because, offhand, as I understand it, you are just a manufacturer, and you have got a mine that you think you can produce this thing cheaply in the future. He has a mine which he cannot produce it so cheaply in, and you are trying to get it out of the stockpile, enough of this stuff, at the cheap price, until you get your mine opened. It looks to me he has got a good deal of equity on his side to see to it the price isn't too low.

I don't understand why you think this committee would feel differently. Obviously you do or you wouldn't be testifying. But I don't understand why you feel that way.

Mr. MOROSO. Well, sir, as long as I have been in business it seems to me the strength of economics, for example, were the price to be kept at his figure of \$1.38, he would defeat his own long-range purpose, because vanadium will absolutely not be used in many of these applications at that figure, and we are sure of that. We want to keep the material—we want a broad market.

Mr. BENNETT. Is he selling it at that now?

Mr. MOROSO. I do not know what he is selling it at. We don't sell it, we consume all of our own.

Mr. BENNETT. Do you buy some of it?

Mr. MOROSO. We happen to be in the very unfortunate position of having all the defense orders placed on us.

Mr. BENNETT. That is something, a disadvantage many people would like to have, I think. Why do you object to having defense orders?

Mr. MOROSO. Simply because we don't have the material to fill them, and we have contractual relations with a number of people which would have to be broken. We can fill those orders, we can pay \$5 a pound, and we can get it, and there is nothing in the law that says we cannot price our material that goes into defense on the base of the higher priced material. If you want to change yourself to defense, we can do that.

Mr. CLANCY. Will you tell us at this time what you sell this to as a defense contract per ton? How much do you sell it at to the defense contractor? What is the price you make, the profit?

Mr. MOROSO. If you relate it to the \$1.22, which you last sold it at, we are selling it to them at \$1.10.

Mr. CLANCY. The same material you purchased at \$1.20?

Mr. MOROSO. No, we have not purchased it.

Mr. CLANCY. You do mine it, too?

Mr. MOROSO. Yes, sir.

Mr. CLANCY. You sell the metal you mine to various defense contractors throughout the country?

Mr. MOROSO. Yes.

Mr. CLANCY. Principally the developers, and people who manufacture, jet engines?

Mr. MOROSO. Right.

Mr. CLANCY. You are selling it to them at \$1.10?

Mr. MOROSO. That is absolutely correct.

Mr. CLANCY. All right. How much of this metal did you mine last year?

Mr. MOROSO. I would guess 60 percent of the total in the country.

Mr. CLANCY. How much would that be?

Mr. MOROSO. Seven and one-half million pounds of contained vanadium.

Mr. CLANCY. How much of that—did you export any of that that you mined?

Mr. MOROSO. Very small quantity, under half a million pounds.

Mr. CLANCY. So then we are talking about 7 million pounds more?

Mr. MOROSO. That is correct, sir.

Mr. CLANCY. That was sold to defense contractors?

Mr. MOROSO. Not defense, the whole industry as a whole. The Defense requirement is rather new, say like the last 3 months. So we didn't. We sold quite a bit that went into defense but the material is going into engines and parts that were in a development stage. Somebody made a decision here within the last 90 days that they start making these new engines, new sophisticated things, and so we are looking to the future, not what has happened last year.

Mr. CLANCY. Is there a different price you sell this material at to nondefense contractors?

Mr. MOROSO. We have what we call a spot price, but we do not sell anything because we don't have any material to sell.

Mr. CLANCY. Thank you.

Mr. MOROSO. People who sign long-range contracts with us have been signed over a number of years. But as far as we are concerned, the spot price means nothing, because we do not have the material.

Mr. CLANCY. That is all, Mr. Chairman.

Mr. PHILBIN. Mr. Johnson?

Mr. JOHNSON. I have no questions.

Mr. PHILBIN. Mr. Machen?

Mr. MACHEN. No questions.

Mr. PHILBIN. No questions. Thank you very much.

Mr. MOROSO. You are quite welcome.

Mr. PHILBIN. We appreciated your testimony. The next bill—

Mr. BENNETT. Before we get off that bill, is anyone trying to resolve this in the Department? There is a conflict here. What is the feeling of the Department? You recommended it at a low price, and Kerr-McGee has asked a higher price. What is your reasoning about it? Have you given thought to the fact he feels he cannot produce it?

Mr. HARLAN. Yes, sir; we have. He is a small producer. He has a high cost production operation. As the gentleman from the Union Carbide just explained, he is working with a different type of basic material. It may be true at the market price which we believe at this moment is in the neighborhood of \$1.22 he is having a little trouble producing. But I do not think this is true of the industry as a whole, by any means.

Mr. BENNETT. You do think there is a sufficient or large volume of this stuff to produce, and to be produced to really arrive at a market price at the moment?

Mr. HARLAN. Yes, sir; we have had very good readings in the market, we have been selling it privately and openly, and taken careful readings of the bids we received. The price of this material is in the neighborhood of \$1.15 and \$1.25.

Mr. BENNETT. No further questions.

(The following material was received for the record:)

LATROBE, PA., March 23, 1966.

Hon. PHILIP J. PHILBIN,
House Armed Services Committee,
House Office Building,
Washington, D.C.:

Latrobe Steel Co., one of the major producers of high speed and tool steels and special alloys vital to national defense, supports the proposed release from the stockpile of 23 million pounds of vanadium V²⁰⁵ and 14 million pounds of molybdenum. This is absolutely essential to relieve the acute and chaotic shortage in molybdenum at the present time and to prevent an acute shortage from developing further in the supply of vanadium. It is likewise absolutely necessary to assist in preventing additional cost increases of raw materials. If raw materials continually increase in cost this will only add to the inflationary pressure and result in higher prices. We recommend in the molybdenum release that it be released in the form of ferromolybdenum or molybdenum oxide so that the steel producers can buy it directly and consume it immediately without further processing. Your support of these releases and speedy action toward the passage of required legislation to obtain the releases is respectfully urgently requested.

M. W. SAXMAN, President, Latrobe Steel Co.

H.R. 13369—MOLYBDENUM

[H.R. 13369, 89th Cong., 2d sess.]

A BILL To authorize the disposal of molybdenum from the national stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately one million and thirty-four thousand three hundred pounds of molybdenum now held in the national stockpile established pursuant to the Strategic and Critical

Materials Stock Piling Act (50 U.S.C. 98-98h). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. PHILBIN. The next bill is H.R. 13369.

(The statement of Hon. Philip J. Philbin on molybdenum is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. This is still another bill sent to us by the General Services Administration, and would authorize the disposal of approximately 1,034,300 pounds of molybdenum from the national stockpile.

Molybdenum is a hard, silver-white metal obtained from molybdenite. It imparts a high melting point, high strength, stiffness, and toughness to alloys.

Molybdenum is used as an alloying metal in iron and steel. It is also used by the electrical, chemical, and ceramic industries. Small quantities have applications as catalysts, welding rods, paints and pigments, lubricants, and a trace element in plant and animal metabolism.

At the present time we have in our inventory 69,034,253 pounds of molybdenum and a stockpile objective of 68 million pounds.

The average acquisition cost of the inventory was \$1.04 per pound and the present market value is approximately \$1.55 per pound.

For 1965, total production of molybdenum was projected to be in the area of 75 million pounds and total consumption, 67,500,000 pounds.

Mr. PHILBIN. Mr. Lawrence will be the first witness.

We are glad to have you give us your testimony and views on this bill, Mr. Lawrence.

STATEMENT OF WILLIAM LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. The Office of Emergency Planning appreciates this opportunity of appearing before this committee to support H.R. 13369, a bill to authorize the disposal of molybdenum from the national stockpile.

This bill authorizes the release of approximately 1,034,300 pounds of molybdenum. I wish to propose an amendment to this bill which would increase the amount of molybdenum to 14 million pounds of molybdenum (Mo content).

We have just completed a review of the stockpile objective which decreases the objective for this material from 68 million pounds to 55 million pounds. Although requirements for the material have increased substantially over the previous review in April 1 1964 new supplies of molybdenum are greater. Two new sources not reflected in the previous review are the Molybdenum Corp.'s new mine at Questa, N. Mex., which will have an annual output of 10 million pounds and Canadian production will be increased from 7 to 8 million pounds annually in 1965 to 23 million pounds annually by 1968. In a mobilization period, we believe that at least 60 percent of this Canadian production would be channeled to the United States.

This new objective has been approved by all members of the Inter-department Materials Advisory Committee.

There has been a shortage of molybdenum in the United States in 1962 when a long strike in the Climax mine virtually dried up all pipelines of the material. Since that time it has been impossible to fill the pipelines because of increasing demand. The increases caused by defense orders have created a critical shortage of the material in the United States.

If this disposal plan is approved by Congress, it is planned to have the General Services Administration sell 9.5 million pounds of molybdic oxide and 4.5 million pounds of molybdenum concentrates to domestic consumers only in accord with allocations which will be made by the Business and Defense Services Administration, Department of Commerce. It is felt that this will provide the most equitable distribution of the material.

If I may digress here, we may consider permitting the U.S. producers to buy some of the concentrates, too, but with the understanding it will all be sold in the United States.

All interested Government agencies have concurred in this disposal. I feel certain that there will be no objection to this disposal action from producers or consumers of molybdenum.

We urge enactment of this legislation.

Mr. PHILBIN. You reduced the stockpile requirements very substantially following a careful analysis of new developments in the industry, new developments in the supply?

Mr. LAWRENCE. Supply is the whole reason for this decrease.

Mr. PHILBIN. As I recently requested you to inform me by letter regarding the revised objective, you sent me a very illuminating letter to this question, which I will have placed in the record, which contains the conclusions that you arrived at, and it summarizes your, in effect, justification for the reduction that you have made in the stockpile requirements.

Mr. LAWRENCE. Yes, sir.

(The letter above referred to is as follows:)

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF EMERGENCY PLANNING,
Washington, D.C., March 23, 1966.

HON. PHILIP J. PHILBIN,
House of Representatives,
Washington, D.C.

DEAR MR. PHILBIN: In response to your request, I am indicating below the agencies consulted with respect to the revised molybdenum objective and a summary of their positions.

The review of the objective was initiated by OEP because of new supplies in the United States which were not reflected in the last review of supply and requirements. It was thought that this review might result in some additional surplus which could be released to relieve the critical shortage of this material. The Department of Commerce and the Department of State submitted data summarizing the outlook for the demand and supply of molybdenum and indicating a balance which would result in a substantially lower stockpile objective. OEP then requested a listing of the expansion programs by Canadians and United States producers of molybdenum. A task group of technicians representing Commerce, State, Interior, and OEP reviewed the supply and demand data received, arrived at mutually agreeable data fitted to an updated economic model. The economic model used in the previous (1964) review of all objectives was brought up to date by OEP to reflect increased steel production and usage of molybdenum in the projected mobilization years (1968-70).

The basic data thus reached were factored for foreign source reliability by OEP and discounted for concentration of producing and processing capacities in the United States and Canada. This factoring and discounting followed guidelines set forth for use in all objective reviews, as established by OEP in 1964. The application of the guidelines in this instance was the same as in the previous full scale molybdenum review in March 1964, and concurred in by all members of the Interdepartmental Materials Advisory Committee.

While DOD did not directly participate in the task group discussions, my staff kept their DOD counterparts advised of the proceedings, reviewed the final work sheets with them, and received their informal concurrence in the task group results.

Sincerely,

WILLIAM N. LAWRENCE.
Chief, Stockpile and Requirements.

Mr. PHILBIN. You think these all have been cleared?

Mr. LAWRENCE. I do.

Mr. PHILBIN. You made reference to a task force of technicians, representing the Commerce, Interior, and OEP, to review the supply and demand data that you received. Then you arrived at a mutually agreeable date fitted to an updated economic model. What did you mean by that?

Mr. LAWRENCE. This is the basis on which we compute the stockpile objectives for all materials for the economy. We use the gross national product projection which covers the economy. The Department of Defense requirements are, of course, computed by them. The Department of Commerce used the dollar figures that are in the GNP model, to which they have related factors of consumption of the material, for example, to develop the steel requirements; from the steel requirements we developed the molybdenum.

Mr. PHILBIN. Have you taken into consideration the added use of molybdenum in the increased production of steel?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Did you take into account also the usage of molybdenum in the projected mobilization years?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. From 1968 to 1970?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. That was all included in the study made by this task force?

Mr. LAWRENCE. That is right, sir.

Mr. PHILBIN. What is the situation regarding the foreign-source reliability? Did you look into that also in your study?

Mr. LAWRENCE. Yes, sir; we only count on the Canadian production. You see, the United States actually is the largest producer of molybdenum in the world. The other source of molybdenum is principally Canada. For this reason, the whole free world is dependent on U.S. production of molybdenum for their needs.

Mr. PHILBIN. There is considerable export of "moly" all over the world?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. What percentage of the production does that amount to? What percentage of the local production does that amount to?

Mr. LAWRENCE. I have it right here.

Mr. PHILBIN. In other words, what is consumed here of the total production? What is consumed here and what is consumed by exports?

Mr. LAWRENCE. Well, about 70 percent is consumed in the United States. About 30 percent is exported.

Mr. PHILBIN. Is exported to all countries?

Mr. LAWRENCE. Free world countries.

Mr. PHILBIN. Only free world countries?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. None of it gets in behind the Iron Curtain?

Mr. LAWRENCE. I couldn't swear to that.

Mr. PHILBIN. It does not go directly from the United States to them?

Mr. LAWRENCE. No, sir. After it gets to its destination in the free world, it may move on from there.

Mr. PHILBIN. Do you have instances where it has been sold by the United States to free world countries and afterward sold to Russia, let us say, or one of the satellite nations behind the Iron Curtain?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. You have no information along that line?

Mr. LAWRENCE. No, sir.

Mr. PHILBIN. From time to time there are rumors along these lines, not only with respect to "moly" but other critical materials.

Mr. LAWRENCE. That is right. The critical shortage in the United States has been such that there is a black market price for molybdenum in the United States of \$3.75 a pound, compared with the producer price of \$1.74.

Mr. PHILBIN. Would you repeat that statement?

Mr. LAWRENCE. There is a black market price on some molybdenum which has gotten in the hands of dealers where they are offering it at \$3.75 per pound which compares with the producer price of \$1.74 a pound.

Mr. PHILBIN. They are buying it at the market price? I suppose those who need it urgently enough will have to do that?

Mr. LAWRENCE. Yes, sir.

Mr. BENNETT. How do you arrive at a black market designation—how do you arrive at the term "black market" when it is a free market? In a free market there is no statutory requirement that it shall be sold for at such a price?

Mr. LAWRENCE. There has been such a shortage of this material, Congressman Bennett, for the last 3 years. No one has ample molybdenum for any purpose.

Mr. BENNETT. Since there are no controls on it how do you arrive at the term "black market?" It is not illegal to sell it; is it?

Mr. LAWRENCE. Let us not use the term, let us say there is an offering of the material at that price.

Mr. BENNETT. Monopolistic, but not illegal?

Mr. LAWRENCE. There is nothing illegal about it; no, sir.

Mr. PHILBIN. So that the situation is, while users can buy from producers at a lower price, \$1.74 was the price you cited?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. They are not always able to get it at that price because of shortage of production, but they have to go to other sources and those sources will sell only at the higher price?

Mr. LAWRENCE. That is correct.

Mr. PHILBIN. Which would be something in the neighborhood of \$3.58?

Mr. LAWRENCE. \$3.75 and \$4, I understand.

Mr. PHILBIN. I heard it was something in that area, too.

Mr. BENNETT. Why don't the producers raise the price, themselves!

Mr. LAWRENCE. Well, as we have said several times this morning, they are trying to maintain a market for their material. Molybdenum has always had a very stable price. I think it has only been raised once in the past 5 or 6 years.

Mr. PHILBIN. Now, at the time that you had this task force, the Department of Defense didn't participate, but they later came in and notified you that they approved of the reduction in the stockpile requirements?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. I have a letter from the Deputy Secretary of Defense, Mr. Cyrus Vance, informing the committee to that effect, which we will take for the record, Mr. Cook, together with Mr. Barnes' letter of March 23.

(The letter from Deputy Secretary of Defense Cyrus Vance, dated March 24, 1966, is as follows:)

THE SECRETARY OF DEFENSE,
Washington, March 24, 1966.

HON. PHILIP J. PHILBIN,
*Chairman, Subcommittee No. 1, Committee on Armed Services,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: In response to your request of March 22, 1966, the Department of Defense has reviewed the analysis of molybdenum supply and requirements recently conducted by the Office of Emergency Planning which resulted in a reduction of the stockpile objective from 68 million pounds to 55 million pounds. The Department of Defense has no objection to this new objective.

The Department of Defense favors the passage of H.R. 13369 with respect to disposal of excess molybdenum.

Sincerely,

CYRUS VANCE,
Deputy Secretary of Defense.

Mr. PHILBIN. Mr. Bennett is acting for Mr. Dent; my esteemed colleague, Mr. Dent, of Pennsylvania, has a number of communications. They will be taken care of for the record.

(he material above referred to is as follows:)

TESTIMONY OF HON. JOHN H. DENT

Mr. Chairman, for the past 3 years this country has been suffering from a shortage of molybdenum, an essential raw material for the production of tool and other specialty steels.

The action in Vietnam has aggravated this shortage and many steel mills are hobbling along under serious handicaps.

The mills in my district find that they cannot plan expansion, or for that matter go all out on present orders, which, of course, curtail their activities in building up future production orders.

The President has cooperated in my efforts to supply a sufficiency of molybdenum for distressed plants. However, the overall policy of our trade and balance of payments in our State and Commerce Departments makes it difficult even for the President to assure a supply to U.S. industry.

I have introduced three separate bills, each aimed at relieving the situation and in my humble opinion, one or more of these bills must pass or we will face a more serious problem in this area.

The first is like the bill you are considering, H.R. 10361, which would authorize the disposal, without regard to the prescribed 6-month waiting period, of molybdenum from the national stockpile.

The second is H.R. 10362, a bill to amend the Tariff Act of 1930 to provide that certain forms of molybdenum be admitted free of duty.

The third bill, H.R. 10367, would prevent the export of molybdenum under certain circumstances.

Mr. Chairman, the fact of these hearings this morning give me cause for great optimism. I have tried for some time to have the molybdenum case heard—but, to no avail. It is a vital situation that deserves immediate consideration and prompt and positive action. To do otherwise, would be to stand by in idle disregard of the destruction of an American industry.

Mr. Chairman, I understand that the original request for release from the stockpile has been increased to the amount of about 14 million pounds. I would much rather it were a lesser amount, sufficient to meet the needs of American production.

I am very fearful if this amount is released at this time the exporters will have a heyday and we will find ourselves in the same position where we are now, except that we will have no stockpile to go to.

However, whatever is done, Mr. Chairman, I urge you to insure that on behalf of special steel industries and the worker that not one single pound of stockpile release in any form be permitted to go out of the country unless the American consumers are satisfied as to their needs.

While this action, today is again a temporary stay on the shutting down for some plants it cannot answer the long-range needs.

However, this is not the problem of this committee at this point but rather as I see it the only question before this committee is whether to release or not release molybdenum from the stockpile. This I assure you, requires an affirmative answer and the sooner the better.

In support of my plea for early action on this legislation, I wish to submit a telegram from Marquis W. Saxman III, president of Latrobe Steel Co., received of recent date, as well as other pertinent correspondence that I wish to be made part of the record and respectfully request that the committee review.

Immediately following the telegram from Saxman you will find a telegram dated July 1964, protesting the disposal of our stockpile by public bid and the correspondence from Commissioner Maurice J. Connell showing the difficulty of keeping the available source of molybdenum for the uses intended—namely, domestic producers.

Also, a letter from David Wolfson of Braeburn Alloy Steel Division, Continental Copper & Steel Industries, Inc., showing both the urgency in this matter of shortage as well as the danger of our assuring a steady supply to our domestic industries.

There is a well documented case made by E. F. Andrews of Allegheny Ludlum Steel Corp., Pittsburgh, Pa., as early as January 24, this year, and also appeals for relief from many others both in and out of the State of Pennsylvania that shows correspondence going back to 1963 and continuing unabated up until this very moment.

All of them in the same vein and for the same purpose—to insure a supply of molybdenum to meet the demands of the industry and to allow the schedule of production to maintain maximum employment.

My correspondence in this matter is voluminous and I would not attempt to tire the committee with all of the fires that have been built up over the continuing fight for 3 years to insure some degree of continuity in our steel industry.

I repeat that I urge the immediate passage of this bill and beg you to give consideration to legislation when it comes before us in the House that will remove the threat of shortages.

Let me thank the committee for its courtesy in behalf of myself, the workers, and the operators of the tool steel industry.

LATROBE STEEL CO.,
Latrobe, Pa., March 7, 1966.

HON. JOHN H. DENT,
Rayburn House Office Building,
Washington, D.C.:

Shortage of molybdenum continues to be critical. Latrobe Steel Co. estimates that it will need between 300,000 and 400,000 pounds additional molybdenum for the balance of 1966 over what it is now receiving to continue production on defense material and essential tool steel and high-speed steel products. If the shortage continues we will be forced to secure additional molybdenum from other sources at inflated prices. Our company cannot absorb any additional raw material increases without increasing prices for our own products. This will only

add to inflationary pressures. The only solution that we see is immediate export controls together with suspension of duty on molybdenum imports and release from stockpile. Immediate action is required to solve the molybdenum shortage situation which is now completely chaotic. We ask your immediate attention and immediate action at all levels of government to solve this critical shortage.

MARCUS W. SAXMAN III, *President.*

LATROBE STEEL Co.
Latrobe, Pa., March 7, 1966.

Hon. JOHN H. DENT,
Rayburn House Office Building, Washington, D.C.:

Telex of March 7, 1966, re molybdenum situation sent to the following:

Lyndon B. Johnson, President.
John T. Conner, Secretary of Commerce.
James F. Collins, Deputy Assistant Secretary of Commerce.
Alexander B. Trowbridge, Assistant Secretary of Commerce.
William Lawrence, Chief of Economic Affairs, OEP.
James M. Owens, Director, Office of Metals and Minerals, BSDA.
Senator Stuart Symington.
Senator Joseph Clark.
Senator Hugh Scott.
Representative John H. Dent.
Representative Philip J. Philbin.
Paul Ignatius, Assistant Secretary of Defense.

MARCUS W. SAXMAN III, *President.*

THE CARSTEEL Co.,
Reading, Pa., July 29, 1964.

Hon. JOHN H. DENT,
House of Representatives, Washington, D.C.:

Wish to protest most emphatically public sale stockpile molybdenum to high bidders, by GSA on tenders opened July 27. In spite of bid stipulations, if awards are made to high bidders, result will be to divert molybdenum from our normal distribution channels whose allotment to us for August is 50 percent of normal usage. Strongly recommend you make representations to the President that the offering be canceled and all stockpile molybdenum released by Congress for sale be made available to the molybdeum suppliers at current market prices. Unless this is accomplished our company faces probability of not being able to meet order commitments commencing August for defense and defense supporting end uses. It should not be the function of the stockpile to make exorbitant profits for the Government at the expense of our industry and a consequent loss of jobs.

H. S. POTTER.

GENERAL SERVICES ADMINISTRATION,
DEFENSE MATERIALS SERVICE,
Washington, D.C., February 5, 1963.

Hon. JOHN H. DENT,
House of Representatives, Washington, D.C.

DEAR MR. DENT: Careful consideration has been given to your telegram of January 21 requesting that excess molybdenum authorized for disposal be sold only to domestic sources.

One of our basic objectives in disposing of excess materials from our inventories is to maximize competition, and thus to obtain the greatest possible return to the Treasury. In accordance with this objective, the disposal plan for the 5 million pounds of molybdenum from the national stockpile provides for sales to industry on a competitive basis, and does not limit sales to domestic sources.

Limiting sales of this molybdenum to domestic sources would not assure that the material would be domestically consumed. The company referred to in your telegram not only is a producer of molybdenum, but also is a metals trader. Accordingly, limiting sales to domestic sources would reduce competition without necessarily preventing the export of molybdenum.

Sincerely yours,

MAURICE J. CONNELL,
Commissioner.

BRAEBURN ALLOY STEEL DIVISION,
CONTINENTAL COPPER & STEEL INDUSTRIES, INC.,
Braeburn, Pa., March 10, 1965.

Hon. JOHN H. DENT,
Member of Congress, House Office Building, Washington, D.C.

SIR: A bill was passed last summer authorizing the release and sale of 11 million pounds of molybdenum from the national stockpile. As you know, GSA sold the final 3 million pounds last month.

Braeburn Alloy Steel Division of Continental Copper & Steel Industries, Inc., used 145,600 pounds of molybdenum last year. Our estimated requirements for 1965 are in excess of this amount, but we have no present assurance that these needs can be met. The molybdenum shortage has a direct effect on our production capacity, which of course is the key to our continued growth. The release and sale of 11 million pounds eased, but did not solve the domestic shortage of molybdenum.

The national stockpile of reserve molybdenum today contains 68 million pounds. The President's Office of Emergency Planning has established this requirement. It is our understanding that OEP is planning a reanalysis of certain stockpile objectives later this year, and we will strongly urge that the molybdenum stockpile requirement be reconsidered.

We will contact agencies such as OEP and Commerce's Business and Defense Services Administration and other Members of Congress in order to explain our position on this important matter. We hope we may count on your support in this effort.

Very truly yours,

DAVID WOLFSON, Vice President.

ALLEGHENY LUDLUM STEEL CORP.,
Pittsburgh, Pa., January 24, 1966.

Hon. JOHN H. DENT,
House Office Building, Washington, D.C.

DEAR SIR: Mr. Thomas Shannon has asked me to write you concerning our observations on the molybdenum shortage and the present plans under consideration for the relief of this shortage.

One of our most serious concerns is the fact that molybdenum is being offered quite widely on what we would call a black market. Molybdenum oxide, which should normally sell for \$1.75, is being offered for \$3.75. Some of this material is foreign product, but much of it is guaranteed to be U.S. domestic produced. Those who offer this material frankly tell us they are buying the material here in this country, and they are either offering it direct at black-market prices or exporting it where it can command a higher price in the world marketplace.

One of the suggestions for relief of the current short situation is an additional disposal from the Government stockpile. Our first thought here is that this country produced about 76 million pounds of molybdenum in 1965. It is my understanding that there is a proposal to release 5 million pounds from the stockpile. Therefore, this is a fairly small addition percentage-wise to the available supply. It should be remembered that in 1965, we not only produced 76 million pounds; but we added to that a very late 1964 stockpile release of 3 million pounds and a February 1965 stockpile release of an additional 3 million pounds, both lots of which were consumed during the calendar year 1965. Therefore, the total available from the United States in 1965 was not 76 million pounds but 82 million pounds. Five million pounds put into this large capacity is relatively insignificant.

However, be that as it may, we do not want to take a position against the stockpile release, as we must admit that every pound helps. We would like to suggest, therefore, that careful consideration be given to the means of disposal from the stockpile. It is our feeling that much of the stockpile material from the last go-around drifted out of this country in spite of the intentions of the Government to the contrary. The terms of the release specified that the material had to be consumed in the United States. Since it was molybdenum disulfide, the buyers had it roasted (converted to the ferro or oxide state) in the United States and thereby fulfilled the requirement of being consumed in the United States. They were then free to export it or do as they pleased with it. We therefore, feel that some disposal means similar to the cadmium disposal or at least the last stockpile disposal of molybdenum be insisted upon.

While on the subject of the stockpile release, we would also like to point out that the urgent need for material to relieve the shortage is now in your bill, H.R. 10361, you provide for the release of molybdenum disulfide from the stockpile. Let us assume that it would take 60 days to get the bill passed through both Houses and signed. It would then take an additional 60 days for the GSA to make its offering, receive its bids, and deliver the goods. Another 60 days would be required for the buyer to arrange for roasting and delivery to his plant. This means that the consumers would have molybdenum in a form which they could use in about 5 to 6 months from now, provided the Government would be willing to withdraw its roasting contracts from the major roasters to make room for the roasting of this stockpile material. In the 68 million pounds presently in the stockpile, 7,500,000 pounds are already in the ferro state; 19,500,000 pounds in the oxide state; and 39 million pounds in the disulfide state. We would like to suggest that you change the wording in H.R. 10361 to provide for the release of ferro or oxide material which could be sold directly to the consumer and thus avoid the speculators getting around the technicality of consuming it when they roast it. This would also eliminate a very serious step in the timing and speed up the flow to the consumer.

We have said, we feel that the stockpile release, while helpful and needed, will be too little, too late. Therefore, it is our feeling that the Commerce Department should impose some sort of curtailment of exports at least for the first 6 months of 1966. We note that Secretary Trowbridge, in a letter to Mr. Thomas E. Morgan, indicated that the exports have, in fact, dropped from 40 percent of production in 1964 to 37½ percent in 1965 and that he anticipated they would go to 33½ percent in 1966. We have indicated in a previous letter to Mr. James Rill, of Collier, Shannon and Rill, that we take issue with these figures, and we still do. However, we admit that in the case of Bureau of Mines figures it is difficult in this instance to make sure that everyone is talking of apples and apples. Therefore, let us for the moment accept the Department of Commerce figures as Secretary Trowbridge presents them and let us admit that the export rate in 1965 was 37½ percent of our production. There is no question but that during 1965, with an export rate of 37½ percent, there was a severe and injurious shortage of molybdenum in the United States. It is fairly well estimated, and certainly is true in our own company, that we could have used a minimum of 25 percent per month more last year over and above that which we were able to obtain. We have heard other companies advise that their shortages ran as high as 50 percent per month. Be that as it may, let us assume that we would be satisfied with the same amount which we had in 1965 when an admitted serious shortage existed. Most major consumers have been advised by the major producer that, for the foreseeable future in 1966, we will receive 15 percent less per month than we received in 1965, so we start out the year with 15 percent less material than we had last year. Secretary Trowbridge's letter indicates that exports will be curtailed from the 37½ percent to 33½ percent. This would mean that we would have 4 percent more material from the export areas than last year. We are still 11 percent short of 1965 figures. The only new material available to the domestic consumers during 1966 would be the Molybdenum Corporation's New Mexico facility. This mine is rated at a capacity of 10 million pounds. The 10 million is based on their beginning to produce at rated capacity on January 1 and maintaining that rate until December 31. This, of course, has not and will not happen. If the Molybdenum Corp. can get into business and put 7 million pounds into the bloodstream during 1966, and if we are able to keep all of it in the United States in the hands of domestic consumers, this will be less than 10 percent of the material available during 1965. So, when we say we are going to get 9 percent help from Molybdenum Corp. and 4 percent help from exports, we are still 2 percent short of the amount we had in 1965 when a serious shortage existed. If we release 5 million pounds from the stockpile and it gets into the bloodstream by summer, we would be adding another 3 percent to the available material. We would then be 1 percent better off than last year, provided it does not leak out of the country. It should also be noted that it is generally agreed, and history has shown that the demand in this country is increasing at the rate of 7½ percent per year. Therefore, if all of the above-mentioned help comes into existence and does not leave the country, including the stockpile release, we will end up with a 7½ percent more serious shortage than we had in 1965.

The latest figures we have on export are the Bureau of Mines statistics. One of the things that bothers us is the tremendous rate of increase of exports noted at the end of the year, particularly when it is recognized that the major producer

is bringing a new plant on stream in Rotterdam. The October Bureau of Mines figures indicate that the exports to European countries in October over September were increased as follows:

	Percent
West Germany-----	21
Netherlands-----	16
Japan-----	14
Belgium-----	11
United Kingdom-----	9
Sweden-----	8
Austria-----	7
France-----	6

These countries received 92 percent of the total exports. What is even more alarming is that the October rate to the Netherlands and to Belgium was over 1,000 percent higher than the rate last year. During this same period of time in 1965, when all of these countries were receiving increased exports over the previous month, we were reduced by an additional 15 percent available to us. If we take the first 9 months of 1965, we were exporting at the rate of 24.6 million pounds per year. In October we exported at the rate of 31½ million pounds per year.

It should also be noted that the October figures of the Bureau of Mines indicate that our stocks, or inventories, at the end of October were 3½ million pounds. It is easy to see that our national inventory is approximately 2 weeks' supply. Therefore, some strong effort must be made to fill the pipelines. As anyone knows, you just cannot keep operations flowing properly with this small a quantity in the pipeline. This is why we suggest both release from the stockpile and curtailment of export to not only make more material promptly available to the consumers, but to also give the pipeline an opportunity to adjust to the demand.

Another argument which has been advanced in favor of the export of molybdenum is that it aids the balance of payments. This argument does not stand up when you realize that if we had molybdenum, we would be exporting 100 pounds of 316 stainless steel for \$35 to \$50 rather than 3 pounds of molybdenum for \$6.

It should also be noted that the world supply of molybdenum is also going up. Canada has added about 5 million pounds last year and will add an additional 15 million pounds within the next 2 years. This material is not available to the U.S. consumers because of a prohibitive import duty on molybdenum in this country. Therefore, we support your efforts to eliminate or at least reduce this duty permanently or set it aside temporarily as we did the nickel duty.

We apologize for being so lengthy in this letter, but it is difficult to be brief and at the same time clear. Thank you for your attention and your assistance.

Sincerely yours,

E. F. ANDREWS,
Vice President, Purchases.

M. PASHELINSKY & SONS,
Jersey City, N.J., July 31, 1964.

Re molybdenum sales

Representative JOHN DENT,
House of Representatives,
Washington, D.C.

DEAR HONORABLE SIR: We owe you a vote of thanks, and we think we should express our appreciation of your action calling for an investigation of price on the initial offering of molybdenum from the Government.

We believe that this sale should have been broken down into 5,000-pound units, and no individual buyer should have been permitted to buy more than one or two 5,000-pound units.

You are perfectly right in your desecry. The manner in which the material was offered practically created a monopoly bid.

We would strongly suggest that the sale be voided, and reoffered on the basis as above outlined. This action would give the small businessman an opportunity to exist.

Respectfully yours,

M. PASHELINSKY.

READING, PA., *March 10, 1966.*

Hon. JOHN H. DENT,
Rayburn House Office Building,
Washington, D.C.:

Unless immediate action is taken the present molybdenum shortage will result in a cutback on the production of specialty steels critical to defense and domestic economy and/or release of inflationary pressure on price due to purchase of domestically produced molybdenum from foreign sources. Action indicated includes immediate release of substantial quantities from stockpile establishment of controls on export and suspension of import duty. Please advise what action is taken and oblige.

CARPENTER STEEL CO.
H. S. POTTER.

LATROBE, PA., *March 11, 1966.*

Hon. JOHN H. DENT,
House Office Building,
Washington, D.C.:

Urge immediate action to install export controls on molybdenum to assure adequate supply for domestic producers of critical high-speed steels, tool steels, high-temperature alloys, and other materials important to our economy. Supplies inadequate. Situation critical. Only reduction of exports will be effective to solve problem during next 6 months. Inflationary pressures of shortage through black-market manipulation are called to your attention.

G. A. ROBERTS,
President, Vasco Metals Corp.
W. SHERMAN,
Vice President, General Manager, Vanadium Alloys Steel Co.

PITTSBURGH, PA., *March 14, 1966.*

Congressman JOHN DENT,
Rayburn Office Building,
Washington, D.C.:

Molybdenum shortage is critical, unless relief is provided immediately. Inform of export controls stockpile release and import duty suspension domestic specialty steel industry cannot long refrain from purchasing moly at inflationary prices with inflationary results.

ROBERT K. WARREN,
Vice President Sales, Firth Sterling Inc.

WASHINGTON, D.C. *January 24, 1966*

Hon. JOHN H. DENT,
House of Representatives,
Washington, D.C.:

Responding to your telegram, January 21, which you forwarded to the secretary regarding molybdenum supply difficulties or Latrobe Steel, Climax Molybdenum Co. advises it delivered 12,000 pounds January 21. Will ship an additional 15,000 pounds early week January 24. Molybdenum Corp. plans to deliver 2,500 pounds by January 25. Department of Commerce will respond to request for export control by letter.

A. B. TROWBRIDGE,
Domestic and International Business Department of Commerce.

LATROBE, PA., *January 20, 1966.*

Hon. JOHN H. DENT,
Member of Congress,
Longworth House Office Building,
Washington, D.C.

Moly supply at Latrobe Steel Co. has now reached extremely critical stage. If we receive the 27,000-pound balance due us from American Metal Climax by Monday or Tuesday plus the 2,500 pounds due from Moly Corp., we will have

sufficient moly to get us through the week of January 24. We have received no commitment as to when we can expect the 69,000 pounds due from American Metal Climax in February. If we get it in the first week of February it will supply us through the third week of February. At that time will be completely out of moly and will have to shut down furnace operations. This will mean loss of production to defense material customers, loss of wages, loss of taxes, and reduced profits if for any reason the moly which has been committed does not arrive at the times indicated above. Shutdown will have to occur earlier. We can find no moly anywhere. It is obvious now that release from stockpile will not solve problem. The only answer to us and other companies in our industry is an immediate embargo on exports in order to fill the domestic pipelines quickly.

LATROBE STEEL CO.,
G. E. McDONALD,

Secretary and General Counsel.

OFFICE OF CONGRESSMAN JOHN H. DENT,
Greensburg, Pa.

Congressman John H. Dent fights to keep specialty steel operators in the United States from curtailing employment.

Dent said "The repeated warnings of the danger to U.S. tool steel plants inherent in our foreign trade policies seems to fall on deaf ears. For the past 3½ years I have been fighting to curtail exports of much-needed molybdenum, a critical raw material in the specialty steel industry. This is not the first time local facilities such as Latrobe Steel, Vasco, and others, both in Westmoreland and in other parts of Pennsylvania and the Nation have been up against the problem of short supply of this material. Both President Kennedy and Johnson have opened up our strategic stockpiles on previous occasions to save the jobs of our steelworkers, however, the basic policy of our Commerce Department with State Department overtones causes the crisis to be chronic rather than occasional."

The following letter and telegrams to the Secretary of Commerce and the White House tell the story of what is happening and what can happen if we don't change the present policy.

JANUARY 21, 1966.

Hon. JOHN T. CONNOR,
Secretary of Commerce, Washington, D.C.:

Received following telegram and talked with company officials. Matter critical. Need immediate action. Reply requested.

JOHN H. DENT,
Member of Congress.

Hon. JOHN H. DENT,
*Member of Congress, West Pittsburgh Street,
Greensburg, Pa.:*

Moly supply at Latrobe Steel Co. has now reached extremely critical stage. If we receive the 27,000-pound balance due us from American Metal Climax by Monday or Tuesday, plus the 2,500 pounds due from Moly Corp., we will have sufficient moly to get us through the week of January 24. We have received no commitment as to when we can expect the 69,000 pounds due from American Metal Climax in February. If we get it in the first week of February it will supply us through the third week of February. At that time will be completely out of moly and will have to shut down furnace operations. This will mean loss of production to defense material customers, loss of wages, loss of taxes, and reduced profits. If for any reason the moly which has been committed does not arrive at the times indicated above, shutdown will have to occur earlier. We can find no moly anywhere. It is obvious now that release from stockpile will not solve problem. The only answer to us and other companies in our industry is an immediate embargo on exports in order to fill the domestic pipelines quickly.

LATROBE STEEL CO.,
G. E. McDONALD,
Secretary and General Counsel.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., January 18, 1966.

Mr. HENRY W. WILSON,
*Administrative Assistant to the President,
The White House, Washington, D.C.*

DEAR HENRY: In order to give you more pertinent information to work with, relative to the molybdenum shortage, which I shall call moly from now on, I would like to pass along to you the following:

As you know, my people have been quite disturbed about the fact that the Government has been disposing from the stockpile without seeming to give enough concern to American consuming industries.

Certainly I am not taking a position, nor is the industry, against the anticipated 5 million pounds to be released from the stockpile. Our only concern is that it is too little—and may come too late.

The industries wonder if it is to be placed for sale, as the last release, under terms which merely stated it must be consumed in the United States within 3 months. One of the gamuts used was that many defined consumption as "being converted to the ferro state" and then it could be sold anywhere.

If this same practice is followed then the stockpile release will put 5 million pounds into a market that is already consuming 75 million pounds annually. You can easily see that it will be lost in a shuffle.

The least we can recommend is that it be handled similarly to the cadmium disposal made lately, or at least, on the same ground rules as the last couple of bids on moly.

I would like to quote in part from information I have at hand; as well as interposing some of my own thoughts on the matter. I hope these will give you additional light on the seriousness of the situation.

"We believe that the stockpile disposal will be too little and that we should continue very strong efforts to try to get an export curtailment. It is the increase in rate of exports in October that bothers us; and since we have been advised by Climax that we are to be cut an additional 15 percent, it makes us worry whether the rate of increase will continue. It's been pointed out that the Netherlands received 347,000 pounds in all of 1964 and 418,000 pounds in October of 1965. Belgium, Luxembourg, and other countries close to Rotterdam received similar increases. It must be remembered that the steel industry consumes 80.6 percent of all moly consumed in the United States and that the Climax Corp. represents 62 percent of free world production and 85 percent of U.S. production.

One argument that has been advanced against curtailing exports is international political responsibility. As we have said, the only country that is complaining of the shortage of moly is the United States. Japan and the United Kingdom are both down in quantity exporting. Needless to say, Japan is suffering from its worst depression since the war; and the United Kingdom is getting part of its material from the mines recently brought on stream in Canada. This helps the export picture look better; but when you see that the Netherlands increased 1,460 percent and Belgium 1,350 percent, it makes you wonder.

Another point is that certain Government officials will argue that we must maintain the export of moly to aid the balance of payments. This argument does not stand up when you realize that, if we had the moly, we would be exporting 100 pounds of 316 stainless steel for \$35 rather than 3 pounds of moly for \$6.

It should also be pointed out that perhaps we would have an opportunity to buy some moly from Canadian mines if we did not have a prohibitive import duty on moly in this country.

This again demonstrates the confounded trade policy that has this country putting restrictive tariffs on products in short supply and eliminating tariffs on the products in surplus.

If inconsistency is a mark of a great mind then this Nation must have the brainiest people that ever lived; for the only thing I find consistent is inconsistency.

I sincerely believe that this is a very acute and pressing problem.

I have had requests from presidents of the various steel companies and their representatives for a top-level meeting to look into the moly problem; which, incidentally, will soon be just as acute in the matter of tungsten and other short supply raw materials.

Please let me know the results of your investigation.

Sincerely yours,

JOHN H. DENT, *Member of Congress.*

LATROBE STEEL CO.,
Latrobe, Pa., March 10, 1966.

Mr. JAMES DEUCSENBERRY,
*Council of Economic Advisers,
 Washington, D.C.*

DEAR MR. DEUCSENBERRY: Thank you very much for your telephone call this morning in reply to my recent telegram to the President of the United States concerning the critical shortage of molybdenum in the United States.

Latrobe Steel Co.'s situation regarding this vital element is as follows. We currently have on hand approximately enough molybdenum to meet our melting requirements for the balance of March in defense-rated orders and in essential defense-supporting high-speed steel cutting tool material. This compares with regular plant inventory of 30-60 days' supply in normal times.

Furthermore, our future commitments from all suppliers for April and beyond are approximately 25,000-35,000 pounds per month under our estimated requirements for the balance of 1966.

The danger exists with the short operating supply, that we may face temporary shutdown before March 31, because of variations in specifications of different types of molybdenum to meet specific melting requirements.

Latrobe arrived at this precarious position by the following route. In the latter part of 1964, the shortage of molybdenum was beginning to make itself felt, and we were not able to maintain our normal operating supply. Therefore, we purchased 147,000 pounds of contained molybdenum from the G.S.A. stockpile release in October 1964.

Since that time, our receipts of molybdenum have not equaled the consumption. We have been able to maintain production schedules by using the material obtained from the stockpile release. We have now reached the point where all of this material has been consumed; therefore, we are in a critical position concerning this element.

I might also add that we would have reached this point several weeks sooner had we not prevailed upon our major supplier to advance us some material in January and February from future commitments through use of D.O. ratings and other methods. However, this has not resulted in an increase of our total available supply.

We appreciate the concern of the Administration and the Council of Economic Advisers with our problem. We hope that you will be of assistance to us in the near future.

Sincerely yours,

MARCUS W. SAXMAN.

Mr. PHILBIN. Do you have some questions, Mr. Arends?

Mr. ARENDS. No, just an observation that I thought was interesting.

The reason they wanted to keep a stable price was the reason the producers have not gone up in price.

Mr. LAWRENCE. Yes, sir.

Mr. ARENDS. I am just naive enough to believe there must be something more involved.

That is all, Mr. Chairman.

Mr. PHILBIN. I do not know that the committee would be that naive, too.

Mr. BENNETT. Didn't you indicate the reason for that was you felt they would price themselves out of the market, or something of that sort?

Mr. LAWRENCE. They want to maintain and build the market for the material. There are not very many substitutes. In fact, there is only one substitute for molybdenum, and it is not a complete substitute; it is tungsten. It has been the policy of the companies producing this material; they keep a very stable price for it, the material, all along.

Mr. PHILBIN. Mr. Machen, do you have any questions?

Mr. MACHEN. No questions.

Mr. PHILBIN. Mr. Clancy.

Mr. CLANCY. How much of this material is produced in the United States; that is, the amount we consume in the United States?

Mr. LAWRENCE. Total production in the United States was 77 million pounds in 1965. Total U.S. consumption in 1965 was 53 million pounds.

Mr. CLANCY. Seventy-seven million pounds?

Mr. LAWRENCE. Yes, sir.

Mr. CLANCY. What is the source of supply for these people who sell at this \$3.75 a pound figure?

Mr. LAWRENCE. They can pick it up in the form of scrap. Some of it that is exported no doubt comes back to the United States at this price.

Mr. CLANCY. How much do we export each year?

Mr. LAWRENCE. In 1965 we exported in the neighborhood of about 29 million pounds, I believe.

Mr. CLANCY. Roughly, one-half of what we consume domestically; is that right?

Mr. LAWRENCE. That is right, sir.

Mr. CLANCY. What is the world market price of this material?

Mr. LAWRENCE. I am sorry, I don't have that figure. The producer price in Europe, for example, I think is close to the U.S. price. There may be some difference, but it is not substantial.

Mr. CLANCY. I have no further questions.

Mr. PHILBIN. I want to ask a few more questions about your letter. Mr. Lawrence, as to the method that you used in making the reduction.

You had a task group of technicians representing Commerce, State, and Interior, and OEP, reviewing this situation. They were principally, I take it, economists or technical economic people?

Mr. LAWRENCE. No, these people are mostly metallurgists, that type of people.

Mr. PHILBIN. Metallurgists and scientists?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. At the time you were considering this matter, in this group, this task group, as you termed it, you did not have any representatives of the Defense Department?

Mr. LAWRENCE. No, sir; because molybdenum is one of several materials where the Department of Defense does not supply us their requirements. You see, their requirements are not for molybdenum, as such; they are for steels which contain molybdenum. Therefore, we include the production of their—we estimate the quantity of steel that would be needed for defense, and from that we factor out the molybdenum.

Mr. PHILBIN. In other words, molybdenum is not used, itself, by the Defense Department?

Mr. LAWRENCE. That is correct, sir.

Mr. PHILBIN. Don't they participate in all the evaluations made when the stockpile is made?

Mr. LAWRENCE. They participate, and they approve all of the stockpile objectives, but they do not submit requirements for all materials.

Mr. PHILBIN. Were you in touch with the Defense Department; you notified them of the meeting, I presume?

Mr. LAWRENCE. Oh, yes. They have had the data; they have gone over them.

Mr. PHILBIN. Do they communicate with you? Do you have communications from them?

Mr. LAWRENCE. Yes, sir. They approved it.

Mr. PHILBIN. You heard me read the letter from the Deputy Secretary of Defense. We received a statement, as I stated, to the effect that they approved of it.

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Do they also notify you?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Do they furnish you with any information; or did you, on the other hand, receive or procure any information from the Defense Department sources in connection with the inquiries of the task group?

Mr. LAWRENCE. Well, the defense requirements, as I say, for the steels are computed for these mobilization years.

Mr. PHILBIN. You had all that information before you?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. When the task force met and considered the stockpile reduction?

Mr. LAWRENCE. That is correct.

Mr. PHILBIN. Are there any questions?

Any questions, Mr. Bennett?

Mr. BENNETT. No.

Mr. PHILBIN. No questions.

Thank you very much, Mr. Lawrence.

Mr. Harlan.

You have a prepared statement, Mr. Harlan?

Mr. HARLAN. Yes; I do, Mr. Chairman.

Mr. PHILBIN. We will take that for the record. Then you can amplify your views.

(The prepared statement of Mr. Harlan on disposal of molybdenum is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13369.

This bill as originally submitted would authorize the disposal of approximately 1,034,300 pounds (molybdenum content) of molybdenum concentrates now held in the national stockpile. This was the quantity of molybdenum in the stockpile which the Office of Emergency Planning had determined was in excess of stockpile requirements.

On March 17 we were advised by the Director of OEP that the stockpile objective for molybdenum has been reduced to 55 million pounds and that legislative authorization should be sought for dis-

posal of 14 million pounds now excess to stockpile needs. We recommend amendment of H.R. 13369 to authorize the disposal of this quickly.

We have developed a modified plan of disposal reflecting the increased quantity and will submit it to you at this time if you wish.

Molybdenum is a hard, silvery white metal used as an alloying element principally in the manufacture of steel. It imparts a high melting point and toughness to alloys.

The United States is the world's largest producer of molybdenum ores and concentrates.

The total inventory of molybdenum held by GSA now is 69,034,253 pounds. As indicated above the present stockpile objective is 55 million pounds. The excess of approximately 14 million pounds would be covered by the amendment to H.R. 13369 which we propose.

The average acquisition cost of the inventory was \$1.10 per pound (molybdenum content). The current market price is \$1.55 per pound (molybdenum content) of concentrates, free on board, Climax, Colo., and \$1.75 per pound (molybdenum content) of molybdic oxide.

GSA has consulted with affected Government agencies in the development of the disposal program on the excess. We are aware from our contacts with the industry and the other Government agencies that the present supply of molybdenum is extremely tight, and that industry strongly supports the release of the stockpile excesses.

Although time has not permitted formal consultation with affected industries, telephone samplings taken by the Department of Commerce and GSA with a representative number of producers and consumers indicate that the industry will fully support disposal of the total excess quantity.

Plans for the disposal of the additional quantities of excess molybdenum will be discussed in detail with representatives of the industry at a meeting which we have scheduled for March 29.

Increasing industry demands for molybdenum will not only enable us to carry out the disposal without adverse effect, but in a manner which will relieve, on a timely basis, a critical supply shortage situation.

This agency strongly recommends the enactment of H.R. 13369, amended as we have outlined.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. Chairman, yesterday you read for the record a letter from the Administrator, Mr. Lawson B. Knott, stating that we supported the amendment to authorize the disposal of approximately 14 million pounds of excess stockpile molybdenum, and to modify our plan of disposal to reflect the increased quantity.

We have done that, Mr. Chairman, and are prepared to submit to the committee the modified plan.

Mr. PHILBIN. Do you have the proposed amendment or the modified plan too?

Mr. HARLAN. I do, sir.

Mr. PHILBIN. We will give it consideration when the time comes.

Mr. HARLAN. I will turn it over to counsel.

Mr. PHILBIN. You have had extensive industry conferences about this matter?

Mr. HARLAN. Mr. Chairman, again, this is one of these situations where we have been in almost constant touch, particularly with the steel industry.

I would rate the supply situation of molybdenum as being very close to, as critical at the moment, as it is for that of copper. For this reason we plan, at the moment, to ask that the Department of Commerce cooperate with us, and if we have approval for the disposal of this material we would do it by allocation on the basis (1) of defense requirements, and (2) of hardship requirements of the using industry.

Mr. PHILBIN. Has that plan been discussed with the members of the industry?

Mr. HARLAN. It has, and I have a meeting scheduled next week, on the 29th, to go over the final details with the industry.

Mr. PHILBIN. Have you reached concurrence with the industry on the plans—first, on the bill, and then on the plans you have made for disposal?

Mr. HARLAN. Yes, sir; after we received advice of the increased quantity I touched base again on a selective basis with both the consuming and producing industry.

Mr. PHILBIN. There is no objection?

Mr. HARLAN. None that I know of; no, sir.

Mr. PHILBIN. Thank you very much.

Do you have some questions, Mr. Arends, or Mr. Bennett?

Mr. BENNETT. Since there is such a great diversity between the average producer's rate of sale and what the exceptional seller sells at, do you take this into consideration, the higher price, or are you arriving at what the average producer sells at—the so-called black market? Does that enter into the figure which you presented?

Mr. HARLAN. Do you mean in determining the price at which we would sell the material?

Mr. BENNETT. Right.

Mr. HARLAN. No, sir, we would sell the material at what we recognized as a legitimate market price, and in that case it would be the producer's price.

Mr. BENNETT. The fact it is sold at a much higher rate commercially doesn't affect that at all?

Mr. HARLAN. Well, no. I believe that in disposing of this material we should dispose of it at the fair market value. In this case, we believe it is the producer price.

Mr. BENNETT. No further questions.

Mr. PHILBIN. You don't have further questions?

Mr. ARENDS. No.

Mr. PHILBIN. Thank you very much, Mr. Harlan. You gave us an excellent statement.

Mr. COOK. I have a statement of the Tool and Stainless Steel Industry Committee on molybdenum, which I would like to now insert in the record.

Mr. PHILBIN. That may be inserted in the record.

(The statement of the Tool and Stainless Steel Industry Committee on molybdenum is as follows:)

The Tool and Stainless Steel Industry Committee is an association of 18 U.S. specialty steel producers. For over a year this committee has been gravely

concerned about the steadily worsening molybdenum situation in the United States. The committee feels strongly that the stockpile release of 14 million pounds of molybdenum proposed by the administration is an essential first step toward a solution of this molybdenum problem.

Molybdenum is an alloying element essential to the production of both tool and stainless steels. These products are basic to our national economy and security. The United States produces approximately 65 percent of the free world's molybdenum; over 75 million pounds in 1965. In that year, available domestic supplies of molybdenum fell as much as one-third below the requirements of the U.S. specialty steel industry. An additional 15 percent cutback has been felt by major consumers in the first quarter of 1966. U.S. specialty steel producers face a continuing shortage of this essential element which grows more critical every day.

Figures on production and consumption of this strategic material do not tell the whole story. In 1965, domestic production of 77 million pounds plus a stockpile release of 6 million pounds made up the total domestic supply of 83 million pounds of molybdenum. Of this amount 54 million pounds went to domestic consumers and 29 million pounds were exported. Some suggest that these figures show that supply satisfied demand. Nothing could be more misleading. These figures show merely that every available pound of molybdenum was used. Since no molybdenum inventories survived the year 1964, steel producers and other users were limited to the 54 million pounds made available domestically by the producers.

Demand for molybdenum steels is constantly increasing. Predicted increases in the domestic supply of molybdenum have materialized much more slowly than expected. Domestic producers have forecast a 13 million pound increase in 1966. This figure is based on 12-month operations, yet the net change in the first quarter of this year has been a reduction in available molybdenum.

Specialty steel producers face lost and canceled orders with attendant slow-downs, shutdowns and layoffs unless more molybdenum becomes available domestically. Their only alternative is to purchase needed molybdenum at inflationary prices on the world market.

The industry has been pressing for a three-part attack on the molybdenum shortage: import duty suspension, export controls, and stockpile releases. Of these the stockpile release of useable material is the one which promises the fastest relief, if Congress will act promptly.

The Tool and Stainless Steel Industry Committee urges immediate release of stockpiled molybdenum. While the industry does not contend that 14 million pounds of molybdenum will completely eliminate their problem, it does feel that release of this amount will enable the specialty steel producers to weather the present crisis until permanent solutions can be effected. The Tool and Stainless Steel Industry Committee earnestly asks your prompt and favorable action to assure the release from the stockpile of the 14 million pounds of molybdenum now declared excess to the requirements of national security.

(The following material was received for the record:)

PITTSBURGH, PA., March 23, 1966.

Hon. PHILIP J. PHILBIN,
House Office Building, Washington, D.C.

DEAR CONGRESSMAN PHILBIN: Yesterday we wrote you regarding H.R. 13369 on which Subcommittee No. 1, House Armed Services Committee, will hold a hearing tomorrow, March 24.

In that letter we indicated that production of molybdenum in the United States during 1966 will fall far short of meeting demand. In our haste to get our letter to you prior to the hearing, however, we overlooked the fact that H.R. 13369 as originally written calls for the disposal of 1 million pounds of molybdenum whereas, the total excess now in the stockpile is 15,034,300 pounds.

The 1 million pounds would be grossly inadequate to help the present critical shortage of this important element. Our comments were intended to apply to the entire 15,034,300 pounds.

W. C. MEYER,
Crucible Steel Co. of America.

PITTSBURGH, PA., March 4, 1966.

Hon. PHILIP J. PHILBIN,
U.S. House of Representatives, Washington, D.C.:

Serious shortage of molybdenum is curtailing our specialty steel operations. Urgent that minimum of 1 million pounds of molybdenum that has been declared surplus be released from stockpile immediately for application to defense rated orders. Will appreciate prompt response.

WILLIAM G. STEWART,
President, Cyclops Corp.

PITTSBURGH, PA., March 7, 1966.

Hon. PHILIP J. PHILBIN,
Member of Congress,
House of Representatives Office Building, Washington, D.C.:

Shortage of molybdenum continues to be critical. Latrobe Steel Co. estimates that it will need between 300,000 and 400,000 pounds additional molybdenum for the balance of 1966 over what it is now receiving to continue production on defense material and essential tool steel and high-speed steel products. If the shortage continues we will be forced to secure additional molybdenum from other sources at inflated prices. Our company cannot absorb any additional raw material increases without increasing prices for our own products. This will only add to inflationary pressures. The only solution that we see is immediate export controls together with suspension of duty on molybdenum imports and release from stockpile. Immediate action is required to solve the molybdenum shortage situation which is now completely chaotic. We ask your immediate attention and immediate action at all levels of government to solve this critical shortage.

MARCUS W. SAXMAN, III,
President, Latrobe Steel Co., Latrobe, Pa.

PITTSBURGH, PA., March 23, 1966.

Hon. PHILIP J. PHILBIN,
House Armed Services Committee,
House Office Building,
Washington, D.C.

Urgently solicit your help and support for passage of H.R. 13774 covering release of excess vanadium in amount of 6,450 tons contained vanadium in 23 million pounds vanadium pentoxide.

Also more urgently need your support for release of 14 million pounds of molybdenum contained in oxide and molybdenite now declared surplus by OEP.

E. F. ANDREWS,
Vice President Purchases,
Allegheny Ludlum Steel Corp.

GENERAL SERVICES ADMINISTRATION,
Washington, March 18, 1966.

Hon. L. MENDEL RIVERS,
Chairman, Committee on Armed Services,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: Legislative proposal submitted by our letter dated January 19 would authorize the disposal of approximately 1,034,300 pounds of molybdenum now held in the national stockpile, established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). The quantity of molybdenum covered by our proposal was the quantity in the stockpile which had been determined excess to stockpile needs by the Director, Office of Emergency Planning. The proposal was introduced in the House as H.R. 13369 and is now pending before your committee with hearings scheduled to begin on this and other disposal authorizations Monday, March 21.

We are now in receipt of a letter dated March 18 from the Acting Director, Office of Emergency Planning, advising that approximately 14 million pounds of molybdenum are excess to stockpile needs and that legislative authorization should be sought for disposal of that quantity.

Accordingly, during the hearings on H.R. 13369, we intend to support its amendment to authorize disposal of approximately 14 million pounds of excess stockpile molybdenum and to modify our plan of disposal to reflect the increased quantity. Although time has not permitted formal consultation with affected industries, a telephone sampling taken today with a representative number of producers and consumers indicates that the industry will fully support disposal of the total excess quantity. Your committee is assured that implementation of the plans for the disposal of the additional quantities of excess molybdenum will be worked out in close consultation with representatives of the industry with whom a meeting has been scheduled for March 29, 1966. Increasing industry demands for molybdenum will not only enable us to carry out the disposal without adverse affect but in a manner which will relieve, on a timely basis, a supply shortage situation rapidly becoming critical.

Sincerely yours,

LAWSON B. KNOTT, Jr., *Administrator.*

Mr. PHILBIN. We have another bill we intended to take up here this morning.

Mr. Arends, who is interested in the bill, which is H.R. 13366, aluminum, a disposal bill for aluminum, advises that he has rather extensive questions that he wants to ask about this bill.

Mr. Clancy is also interested in the bill, and he suggests or has requested that the hearing on this bill be continued until sometime next week, perhaps.

Mr. ARENDS. At your convenience.

Mr. PHILBIN. At the convenience of the committee.

I think that would be agreeable to everybody. You could be here sometime next week, Mr. Harlan and Mr. Lawrence?

Mr. HARLAN. Yes.

Mr. PHILBIN. The committee will notify you so everybody will have a chance to introduce their evidence.

The committee will now go into executive session.

(Whereupon, at 11:48 a.m., the subcommittee proceeded into executive session.)

(The following material was received for the record:)

CRUCIBLE STEEL CO. OF AMERICA,
Pittsburgh, Pa., March 23, 1966.

Hon. PHILIP J. PHILBIN,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PHILBIN: Yesterday we wrote you regarding H.R. 13369 on which Subcommittee No. 1, House Armed Services Committee, will hold a hearing tomorrow, March 24.

In that letter we indicated that production of molybdenum in the United States during 1966 will fall far short of meeting demand.

In our haste to get our letter to you prior to the hearing, however, we overlooked the fact that H.R. 13369 as originally written calls for the disposal of 1,034,300 pounds of molybdenum, whereas, the total excess now in the stockpile is 15,034,300 pounds.

The 1 million pounds would be grossly inadequate to help the present critical shortage of this important element. Our comments were intended to apply to the entire 15,034,300 pounds.

Very truly yours,

W. C. MEYER,
Assistant Vice President, Purchasing and Traffic.

SPRINGFIELD, N.J., March 30, 1966.

Hon. L. MENDEL RIVERS,
Chairman, House Armed Services Committee,
House Office Building, Washington, D.C.

This wire has also been sent to President Lyndon B. Johnson, the White House, Washington, D.C., and Hon. Wilbur D. Mills, chairman, House Ways and Means Committee, room 1102, House Office Building, Washington, D.C.

The Office of Emergency Planning asked Congress to declare approximately 13 million additional pounds of molybdenum as surplus to the stockpile objectives that it may be released to molybdenum consumers and converters in the United States. While this measure will afford welcome relief, it could only serve, in our opinion, as a temporary palliative, leaving the Nation's strategic materials supply position still exposed to the continuing and persistent threat of molybdenum shortages in the future.

In its testimony before the Armed Service Committee, the office of emergency planning stated that it felt safe in reducing stockpile objectives because of new molybdenum supplies which will become available from Questa, N. Mex., and from Canada during 1966, the OEP estimates that 60 percent of Canadian production would reach the United States in the event of an emergency. We should point out that the output of established Canadian products is already committed to Europe and Japan under long-term contracts. We ourselves have contracts for the purchase of a substantial portion of the output of the largest producer in Canada. Much of this material could have reached the United States but we, and others like us, elected instead to establish markets in Europe for our products made from the Canadian molybdenite because the U.S. tariffs which, in a normal market, would not permit us to be competitive with domestic producers.

In order to stimulate further production in Canada where substantial molybdenum deposits exist and to encourage the establishment of U.S. markets for Canada producers, we feel that it is vital that any change in stockpile objectives be accompanied by passage of the Dent and Dwyer bills H.R. 10362 and H.R. 10629, respectively, which provides for the removal of duties on molybdenum and of the Dent bill, H.R. 10367, or of similar legislation which provides for the control of exports.

We are and have been significant producers of molybdenum products and a leading supplier of molybdenum to the vacuum melting industry. For the past several years. We have been faced with recurrent shortages of raw material. Releases from the stockpile during the past 3 years have from time to time afforded temporary relief; however, we feel that steps should be taken to provide the long-term relief that access to the readily available supplies in Canada would afford.

If the duty were to be removed we would certainly bring a part of our Canadian material into the United States for sale here, and we are sure that others would do likewise.

In connection with the release of molybdenum which is now proposed, we feel that it should serve to add to the domestic supply and should not replace material diverted or which may be diverted to foreign consumers or conversion facilities. No increase in exports should be permitted until a satisfactory domestic supply situation is evident.

With regard to the domestic consumers climax should not be permitted to deny normal commercial allocations of supplies to recipients of stockpile material as they did when previous releases were made.

The release of molybdenum from the stockpile is undoubtedly necessary. However, releases from the stockpile have not been sufficient, thus far, to solve the basic problem which involves increased consumption control of this strategic material is still concentrated in the hands of corporations and one in particular whose policy serves to stifle new enterprise. In this field, removal of the duty could help to break this hold and stimulate new productions here in Canada and elsewhere abroad. We submit that only in this manner can the threat of future molybdenum shortages be effectively eliminated.

M. & R. REFRACTORY METALS INC.
 R. S. WOOD, *Vice President, Sales*

MARCH 25, 1966.

HON. PHILIP J. PHILBIN,
*Chairman, Subcommittee No. 1,
 Armed Services Committee,
 House of Representatives,
 Washington, D.C.*

DEAR MR. CHAIRMAN: It is my understanding that your subcommittee held hearings on March 24 on H.R. 13369, as amended, to authorize the disposal of approximately 14 million pounds of molybdenum now held in the national stockpile but excess to the stockpile objective as recently revised by the Office of Emergency Planning.

I am aware of the critical shortage of molybdenum at this time and wish to go on record as supporting this disposal. The release would not adversely effect the domestic mining industry and would be of considerable benefit in relieving current consumer shortages, including mounting military requirements. Under these circumstances and where the disposal does not impair national security by reducing the stockpile below established objectives, I will continue to support such legislation as I have in the past.

Sincerely,

WAYNE N. ASPINALL, *Chairman.*

H.R. 13661—BATTERY-GRADE SYNTHETIC MANGANESE DIOXIDE

HOUSE OF REPRESENTATIVES,
 SUBCOMMITTEE NO. 1 OF THE
 COMMITTEE ON ARMED SERVICES,
Washington, D.C., Monday, March 21, 1966.

The subcommittee met, pursuant to notice, in room 2118, Rayburn Building, Hon. Philip J. Philbin (chairman of the subcommittee), presiding.

MR. PHILBIN. What is the next bill, Mr. Cook?

MR. COOK. H.R. 13661, battery-grade synthetic manganese dioxide. (The bill reads as follows:)

[H.R. 13661, 89th Cong., 2d sess.]

A BILL To authorize the disposal of battery-grade synthetic manganese dioxide from the national stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately fourteen thousand, five hundred and seventy-two short dry tons of battery-grade synthetic manganese dioxide now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: Provided, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

(The statement of Mr. Philbin on battery-grade synthetic manganese dioxide is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

MR. PHILBIN. This is another legislative proposal submitted by the General Services Administration.

The bill would provide for the release of approximately 14,572 short dry tons of battery-grade synthetic manganese dioxide now held in the national stockpile.

The current inventory of this material is 21,272 short dry tons in the national stockpile and 3,779 short dry tons in the DPA inventory or a total in all inventories of 25,051 short dry tons. The stockpile objective established March 13, 1964, is 6,700 short dry tons. Thus, we have an excess of 18,351 short dry tons.

The average acquisition cost of this commodity was \$224.35 per short dry ton.

This material is a black material usually passing a U.S. standard sieve No. 60. It is principally used in the manufacture of dry cells for batteries. For military use, it is usually mixed with natural grade to produce high-standard batteries. It is also used in special types of batteries for hearing aids and other small elements. The material is obtained in the United States.

Mr. Lawrence.

(The statement of Mr. Lawrence is as follows:)

STATEMENT BY WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. Mr. Chairman and members of the subcommittee, we appreciate this opportunity of appearing before you to support the passage of H.R. 13661, a bill, to authorize the disposal of approximately 14,572 short dry tons of battery-grade synthetic manganese dioxide from the national stockpile.

Synthetic manganese dioxide is produced from manganese ore, of foreign or domestic origin. It is used as a depolarizer in all defense and civilian dry cell batteries.

The last review of the stockpile objective for synthetic dioxide in February 1964, resulted in a reduction from 20,000 short dry tons to 6,700 short dry tons. The review of natural ore battery-grade manganese showed an increase from 50,000 short dry tons to 80,000 short dry tons. In other words, battery manufacturers are moving from the synthetic to the natural ore.

Consultations have been held with representatives of industry and interested foreign governments on the disposal of this material, and all parties have concurred in its sale.

Mr. PHILBIN. You have decreased your objective for the synthetic and increased it for the natural ore?

Mr. LAWRENCE. That is correct.

Mr. PHILBIN. Was there any objection from industry?

Mr. LAWRENCE. Not to my knowledge. It was reported to me there was none.

Mr. PHILBIN. This has been cleared in the usual way with the Government agencies?

Mr. LAWRENCE. That is right.

Mr. PHILBIN. You recommend it?

Mr. LAWRENCE. Yes.

Mr. PHILBIN. There are no questions. We thank you.

Mr. Harlan.

Mr. HARLAN. Mr. Chairman, if you will agree, I will skip over most of the contents of the statement.

Mr. PHILBIN. Yes, that will be agreeable.

Mr. HARLAN. I would like to discuss the part where we mention the contacts with the industry.

As we usually do, we have consulted with Government agencies concerned and in accordance with our usual pattern had depended on the Departments of Commerce and Interior and State to make the contacts with the industry and with the interested foreign governments.

Now we have had some contacts also with the industry, and know that there is some reservation on the part of the producing industry. However, in our early conversations with that industry, we have already been exploring with them the possibility that we might enter into an agreement with the producers whereby either they would work this material off by buying it from us and reselling it, or possibly handling the material for us in the capacity of an agency.

We have a meeting scheduled with the manganese industry as a whole, on March 31, and will discuss this in considerable detail with them at that point, but in recommending approval of this bill, we feel confident that we will be able to work out a satisfactory program on this material, working through the producing industry.

Mr. PHILBIN. Then you will report to our committee the results of your conferences with the industry?

Mr. HARLAN. Yes, sir: we certainly will.

Mr. PHILBIN. We will appreciate that. Is there much opposition to the bill?

Mr. HARLAN. I wouldn't call it—at least to my way of thinking. Mr. Chairman, I don't consider it opposition. I consider it concern and some reservation, but I believe we can work it out.

Mr. PHILBIN. You expect to be able to come to an agreement after you have had a conference?

Mr. HARLAN. We are confident we can do that, Mr. Chairman.

Mr. PHILBIN. You keep us advised on this matter, so we can have your views after you have had your conference.

Mr. HARLAN. All right.

Mr. PHILBIN. Thank you very much.

(The statement of Mr. Harlan is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13661.

This bill would authorize the disposal of approximately 14,572 short dry tons of the battery-grade synthetic manganese dioxide now held in the national stockpile. The Office of Emergency Planning has determined this quantity is in excess of stockpile requirements.

Battery-grade synthetic manganese dioxide is produced from natural manganese ores and is much more reactive than natural ore. It

is used primarily in the manufacture of dry cells for batteries for military use, and for such use it is mixed with natural ore. It is also used in special types of commercial battery cells, such as those used in hearing aids. It is supplied almost entirely by domestic production.

The total inventory of battery-grade synthetic manganese dioxide held by GSA is 25,051 short dry tons. The present stockpile objective is 6,700 short dry tons.

The excess of 18,351 short dry tons consists of 3,779 from the Defense Production Act inventory and 14,572 short dry tons covered by H.R. 13661.

The approximate cost per short dry ton of the battery-grade manganese in the national stockpile was \$224.35. Acquisition cost of the synthetic dioxide was approximately \$650 per short dry ton. The present market value is \$490 per short dry ton.

GSA has consulted with Government agencies in the development of the program for the disposal of the excess. The Department of Commerce has consulted with major segments of the industry on the matter. We have arranged an industry meeting on March 31 so that we may thoroughly review the situation with the industry before we firm up the details of specific disposal action. We are confident that we will be able to work out a mutually agreeable program which will protect the interests of all concerned. We will need authorizing legislation so that we may proceed when the program has been satisfactorily agreed upon.

This agency strongly recommends the enactment of H.R. 13661.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. PHILBIN. Who is our next witness?

Mr. COOK. Mr. F. Hamilton Gouge, vice president, E. J. Lavino & Co.

Mr. PHILBIN. Give your name and address and the company you represent to the reporter for the record.

Mr. GOUGE. My name is F. Hamilton Gouge. I am a vice president of E. J. Lavino & Co., Philadelphia.

Mr. Chairman—

Mr. PHILBIN. Do you have a prepared statement?

Mr. GOUGE. No, sir. I heard about this hearing only last Friday afternoon.

Mr. PHILBIN. We are glad to have you here. We are glad to hear your statement.

Mr. GOUGE. Thank you, sir.

I understand the proposed bill, H.R. 13661, would authorize disposal from the stockpile of about 14,572 short tons of synthetic battery grade manganese dioxide, and the GSA would be authorized to sell it in the open market.

I had no chance to see this proposed bill until this morning—

Mr. PHILBIN. May I ask whether you attended the industry conference?

Mr. GOUGE. That is not until March 31.

Mr. PHILBIN. You will attend?

Mr. GOUGE. From what has been said so far, I think we better had, yes, sir.

Mr. PHILBIN. You intend to?

Mr. GOUGE. Yes, sir.

And in fact, I only learned of the bill this morning—I only learned of the bill and this hearing last Friday afternoon. Furthermore, I might add that as has happened before today, it seems there have been no discussions with industry about this disposal. I would make a difference with Mr. Harlan on this point. Nobody has talked to us about it.

Mr. PHILBIN. Well, there will be discussions. You heard Mr. Harlan testify.

Mr. GOUGE. I trust so, sir.

Mr. PHILBIN. On March 31, and you will have the opportunity to present your views at that time.

Mr. GOUGE. Yes, sir.

Mr. PHILBIN. Do you have some reservations about the bill?

Mr. GOUGE. Yes, we do. To put it briefly, and speaking for E. J. Lavino & Co., we do object to and have serious reservations about releasing this material from the stockpile.

I will try to explain why we take this position.

First, we understand the stockpile currently contains about 25,000 short tons of synthetic battery manganese dioxide. In wartime it is reliably estimated such material would be consumed by dry cell battery manufacturers at a rate approaching 15,000 short tons per year. Yet the proposed bill calls for disposing of all but 10,479 short tons in the stockpile.

I think the implications are quite apparent since there would be less than 1 year left in the strategic reserve.

Second, by authorizing this disposal, we believe you may be threatening the very existence of American production of synthetic battery manganese dioxide. There were only four American producers and only three sell their products on the market. Of these, only American Potash Co., and my company, E. J. Lavino Co., make electrically chemically produced material. While Manganese Chemical Co., produces chemical materials, the total annual U.S. consumption of synthetic battery manganese dioxide is about 7,000 short tons.

Lavino estimates that between Lavino and American Potash we supply the bulk of this tonnage, about 5,000 short tons, also called electrolyte MnO_2 . Manganese Chemical supplies, we estimate, about 1,500 short tons, all chemical MnO_2 . Imports from Japan, all electrolytic, supply the balance, about 500 short tons.

It is a highly competitive market, as I am sure the other American producers will agree. Consider the fact that Japan now has the capacity to produce nearly 34,000 short tons per year, that Japan exports a large portion of this production, that Japan wants a larger share of the United States and world market, and that Japanese producers seem to be prepared to undercut American prices. Consider the fact that there is ample American productive capacity to more than meet American requirements, then consider what it would mean to release this stockpile material and also place it on the market.

Inevitably, American producers' sales would be cut back. Profits would be seriously reduced, if they did not become losses. Tax revenues would be lost. And if these releases were continued long enough, one or more of the producers might be forced to close down.

Third, synthetic battery-grade manganese dioxide is vital in the production of certain types of dry cell batteries, particularly those used in transistor radios, and most significantly those used in specialized military and electronic applications.

A current dry cell battery requirement for the Armed Forces in Vietnam is a clear case in point.

Thus, an economically healthy American industry, producing synthetic battery MnO_2 is vital; indeed, we must remain economically healthy. We must continue to stay in the technical forefront of an industry whose requirements continually become more sophisticated and complex.

Fourth, let us not forget that over 23 years ago during World War II it was recognized that domestic production of synthetic battery manganese dioxide was a military necessity. Many millions of dollars were devoted to this. Much of the Federal funds. The doctrine is even more valid today, particularly considering the fact that only one small production of natural manganese dioxide exists in the United States, and this is in Montana.

Five, it is generally recognized by both the synthetic battery manganese dioxide producers and the dry cell battery manufacturers, that in wartime, acceptable and usable dry cells cannot be made unless synthetic battery manganese dioxide is available.

If the industry is now to be faced with possible curtailment, how can the United States count on a solid, healthy, synthetic battery manganese dioxide industry under emergency or wartime conditions?

In short, sir, we urge that this committee does not approve this bill. May I add, I had heard nothing about any cooperative venture on the part of the industry to participate with GSA in the disposal of this material. That is news to me.

Mr. PHILBIN. Have you been invited to attend any meeting?

Mr. GOUGE. Yes, sir; on the 31st.

Mr. PHILBIN. You propose to go at that time?

Mr. GOUGE. Yes, sir.

Mr. PHILBIN. You will have an opportunity to present your views there.

Mr. GOUGE. I certainly will.

Mr. PHILBIN. How would you dispose of it? How much a year do you think you could dispose of without hurting the industry or disrupting the market?

Mr. GOUGE. I think this is a very difficult question to answer, because I don't myself know what this battery stockpile is made up of, what grades. Is it up to par at the present time? What are the industry requirements and so forth? I couldn't answer that question.

Mr. PHILBIN. At the meeting you can get all that information.

Mr. GOUGE. Yes, sir.

Mr. PHILBIN. Then you will be able to give a very effective and constructive answer.

Mr. GOUGE. I hope so. It needs to be disposed of at some time. The question is how?

Mr. PHILBIN. You recognize at some time it has to be disposed of. The question is how, and the purpose of the conference, and the committee, and the Congress, is not to do anything that is going to injure industry, or outside people. In the process, what we want to do is

have the kind of disposal that is going to be helpful to the Government, and at the same time not harmful for the industry.

That is what we are working for, and that is what GSA and the other Government agencies are working for. When you go to that meeting you will have an opportunity to air your views, present your recommendations and I am sure they will be considered in the overall action to be taken on this bill.

Mr. GOUGE. Yes, sir; but I trust your committee will not—how shall I say it—authorize this bill without having first heard the views of this meeting on March 31, which is only a short time away.

Mr. PHILBIN. We will hear the results of the meeting before any consideration will be given, and before any action is taken on the bill.

Mr. GOUGE. Thank you, sir.

Mr. PHILBIN. Do you have any questions?

Mr. ARENDS. No; I was going to emphasize that point, Mr. Chairman.

Once we have information from that meeting on the 31st, we will be so much better off.

Mr. PHILBIN. Make sure we get that information.

Mr. ARENDS. I would like to ask one more question. What is the name of your company?

Mr. GOUGE. Lavino.

Mr. ARENDS. I have something here in relation to another, spelled L-a-v-i-n & Son, Chicago—no relation?

Mr. GOUGE. No, sir; no relationship whatever.

Mr. PHILBIN. Thank you very much.

Are there other witnesses?

Mr. COOK. Mr. Franz R. Dykstra, president, Manganese Chemical Co., Baltimore, Md.

Mr. PHILBIN. Come forward, be seated, make yourself comfortable, make yourself to home.

Give your name, address, and the concern that you represent to our reporter for the record, and then proceed with your statement. Do you have a prepared statement?

Mr. DYKSTRA. No, Mr. Chairman, I do not have a prepared statement.

Mr. PHILBIN. Whatever it is, we would be glad to hear from you.

Mr. DYKSTRA. My name is F. R. Dykstra, I am president of Manganese Chemical Co. of Baltimore, which is a wholly owned subsidiary of Pickands-Mather in Cleveland. I am based in Cleveland.

I might say in preface here, Mr. Chairman, we were not approached by General Services Administration with respect to the orderly disposition of synthetic manganese dioxide, and we were apprised of these hearings only on Saturday morning so I may not be as well equipped to discuss it as I might otherwise be.

Mr. PHILBIN. How do you account for the fact that you weren't advised?

Mr. DYKSTRA. I have no idea.

I might say that—

Mr. PHILBIN. Have you been advised since Friday morning?

Mr. DYKSTRA. I was advised by Mr. Gouge Saturday morning by phone. That was my first knowledge of this.

Mr. PHILBIN. But you will attend the industry meeting?

Mr. DYKSTRA. I wasn't even apprised of that until now when it was mentioned.

Mr. PHILBIN. You will attend the meeting?

Mr. DYKSTRA. Yes, indeed, I will.

I appear here opposed to the disposal of this tonnage of synthetic manganese dioxide. I think it should be brought to the attention of the committee that the producing industry has a capacity to produce synthetic manganese dioxide about 200 percent of consumptive requirements today. This is largely as a result of Signal Corps' efforts shortly after the Korean war, when every effort was made to the three of us who are the principal producers to increase our production in anticipation of the battery industry going to synthetic, which has not materialized to the extent Signal Corps anticipated.

We in our own case, for example, are producing at the rate of about 30 percent of our capacity. Disposition of even a modest tonnage of synthetic could very seriously and adversely affect our decision to continue, tax structure being what it is, one doesn't mothball equipment like this, the tendency is to dismantle it.

I think therefore it should be seriously considered that this productive capacity would be lost to the country if this were done.

I think also Mr. Harlan has possibly been somewhat ill informed on the price structure. I have seen his prepared statement where he quotes the domestic price at \$490 a ton. In actual fact, the Japanese are offering this in this country now at just about \$400 a ton. The domestic price is higher than this only by reason of the fact that the battery industry is prepared to pay it to keep them in business.

Finally, I think it well to bring to your attention that the term "synthetic battery manganese dioxide" is to a degree misleading as it was in the case of diamonds. There are a number of synthetics, each one peculiarly well suited for specific types of dry cell batteries, so therefore it would be extremely difficult just to offer a blanket tonnage of synthetics, since one would have to know what type you are talking about, and for what specific application it is used.

So in summary, I would like to say even a token disposition could very seriously and adversely affect our decision to continue to produce it as I am sure it would the others as well.

Mr. PHILBIN. Well, when you attend the industry meeting, and get full information about it, and make suggestions——

Mr. DYKSTRA. I would hope so.

Mr. PHILBIN. Of course, we will have your testimony and your viewpoint in mind when we are considering it, and of course we are not going to consider it, or take any action on it until after the industry meeting is held.

Mr. DYKSTRA. I am indeed pleased to hear that.

Mr. PHILBIN. There will be no precipitate action you can be certain of that.

Mr. DYKSTRA. This is all I was concerned about.

Mr. PHILBIN. We appreciate very much your coming here and giving us your splendid testimony.

Mr. DYKSTRA. Thank you.

Mr. ARENDS. I would like to address my question to Mr. Harlan. The last two witnesses have indicated now neither one of them have been advised of any such meeting being established. How do you select

those you advise, do you select them from the list, or does the trade industry do this? How do you get this information out? Apparently it is faulty somewhere along the line.

Mr. HARLAN. I am sure the people from Lavino didn't say that, Mr. Arends, because we personally talked with them on the telephone. I must say I do not have this gentleman's company on the list, that we got from the Department of Commerce, but you can depend on it he will be promptly added to that list.

Mr. ARENDS. The gentleman from Philadelphia, his boss, or whoever it might be, didn't tell him?

Mr. GOUGE. This was just an industry rumor. They did not contact us, we contacted them.

Mr. ARENDS. But you did have the information. It was done by telephone. You knew about the meeting by telephone from him?

Mr. GOUGE. I knew about the meeting, the meeting of the 31st, yes.

Mr. ARENDS. I am trying to be helpful in both respects, both GSA and the industry know about these things in advance, this is all I am thinking about.

Mr. HARLOW. I don't think I can allow that statement to go unchallenged. Lavino Co. is getting a letter from us in the the usual manner that we generally proceed, and my associate here has been in touch with the Lavino Co. I don't think it is fair for them to indicate they were not in any systematic way advised of the meeting.

Mr. PHILBIN. You stated you advised them, and they stated they hadn't received any advice.

Mr. HARLAN. I have his name on my list.

Mr. PHILBIN. What are you doing, Mr. Harlan, about making sure now that everyone is advised about the March 31 meeting?

Mr. HARLAN. We depend on the Department of Commerce list, Mr. Chairman, pretty much.

Mr. PHILBIN. You advise everyone on the Department of Commerce list?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. Is that a complete list?

Mr. HARLAN. Well, generally speaking what happens is, if someone is missed the word gets around in the trade and we hear from them promptly, then we can add them to the list.

Mr. PHILBIN. Is it an up-to-date list?

Mr. HARLAN. It is as up to date as we are able to keep it, yes, sir.

Mr. PHILBIN. Don't most of these people in this business we are considering in all these bills, and in this one specifically—don't they have some trade associations?

Mr. DYKSTRA. I might say there are only three producers.

Mr. PHILBIN. You don't have a trade association?

Mr. DYKSTRA. No.

Mr. PHILBIN. But you found their names, Mr. Harlan, on the Department of Commerce list, and you notified Lavino?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. Did you notify the others, do you know, do you recall?

Mr. HARLAN. We hope we notified everyone. But now I am concerned?

Mr. PHILBIN. Anyway, you have been notified now, no damage has been done up to this point. You can attend the meeting.

Mr. DYKSTRA. I would be glad to be advised we will be included on the mailing list.

Mr. HARLAN. You will be.

Mr. PHILBIN. Thank you.

Mr. DYKSTRA. Thank you.

Mr. COOK. The next witness, sir, is Mr. Robert Walsh, counsel of the American Potash & Chemical Co. of New York City.

Mr. PHILBIN. Mr. Robert Walsh, give your full name and address, Mr. Walsh, and the company that you represent.

Mr. WALSH. Right, American Potash & Chemical Corp., 99 Park Avenue, New York, N.Y.

Mr. PHILBIN. Do you have a prepared statement?

Mr. WALSH. No, sir, I have a very short statement in light of what has gone on before.

It is our opinion a release of only a relatively modest tonnage of stockpile material would, in the light of the present overcapacity of the industry, and the increased foreign competition, principally the Japanese material, would have a very disruptive force on the market. It is our hope, after hearing you people this morning, that we can resolve this at the industry meeting.

Mr. PHILBIN. I think so.

Now as a point of information, do you have considerable Japanese competition in this industry?

Mr. WALSH. Yes, sir; it has increased in 1964, in the whole year they imported approximately 255 tons, and in 1965 the first half of the year, they imported that much. It has increased as far as I can tell, the latter part of 1965, and will get worse in 1966.

Mr. PHILBIN. From your standpoint now, what would be a fair—what would be a practical amount to dispose of each year probably on a long-term basis if you were going to handle this yourself, not to disrupt the market or prices?

Mr. WALSH. I am afraid I am unable to answer that, I got into this very late.

Mr. PHILBIN. You may be able to answer that when you get to the industry meeting.

Mr. WALSH. Yes, sir.

Mr. PHILBIN. Do you have any questions?

Thank you, Mr. Walsh.

Does that conclude the testimony on that bill?

Mr. COOK. Yes, sir.

Mr. PHILBIN. We will take the bill under advisement at this time, and we will wait until we get a report from GSA on the industry meeting before we take action.

(Whereupon, the subcommittee proceeded to further business.)

H.R. 13320—INDUSTRIAL DIAMOND STONES

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE NO 1 OF THE
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Monday, March 21, 1966.

The subcommittee met, pursuant to call, in room 2118, Rayburn House Office Building, Hon. Philip J. Philbin (chairman of the subcommittee) presiding.

Mr. COOK. The next bill is industrial diamonds, sir.

Mr. PHILBIN. Industrial diamonds.

(The bill reads as follows:)

[H.R. 13320, 89th Cong., 2d sess.]

A BILL To authorize the disposal of industrial diamond stones from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately eight million and two hundred thousand carats of industrial diamond stones now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: Provided, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. This is another legislative proposal submitted by General Services Administration, and calls for the release of approximately 8.2 million carats of industrial diamond stones from the national stockpile.

At the present time, we have 24,698,775 carats of industrial diamonds in our national and supplemental stockpiles and a stockpile objective of 16,500,000 carats. Thus, the total excess is 8,198,775 carats.

Industrial diamond stones are those that, because of structure, color, flaws or impurities, are unsuitable as gems. They are used principally in grinding wheels to shape and sharpen tungsten carbide cutting tools, and as the cutting edges of tools used for turning, grinding, and drilling hard metals.

Industrial diamond stones come from the Congo and from Holland.

The average acquisition cost was \$11.62 per carat. The present market value is about \$13.05 per carat, depending upon class.

In 1964, the U.S. consumption of industrial diamond stones amounted to 7.7 million carats.

Diamonds—Industrial stones, H.R. 13320

	Carats
Sales through Dec. 31, 1965-----	None
Current inventory:	
National stockpile-----	9, 268, 736
Supplemental stockpile-----	15, 430, 039
Total-----	25, 698, 775
Stockpile objective-----	16, 500, 000
Surplus-----	8, 189, 775
Requested disposal-----	8, 200, 000
Remaining surplus if bill is approved-----	None
	Dollars per carat
Unit acquisition cost-----	11. 62
Present unit market value-----	13. 05

Disposal plan: Initial offering 500,000 carats. Subject to change based upon experience. At an annual rate of 500,000 carats disposal will require approximately 17 years.

Proceed on industrial diamonds, Mr. Lawrence. You know what they say about diamonds.

(The statement of Mr. Lawrence is as follows:)

STATEMENT BY WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY PLANNING

MR. LAWRENCE. Mr. Chairman and members of the subcommittee, we appreciate this opportunity to support H.R. 13320, a bill to authorize the disposal, without regard to the 6-month waiting period, of approximately 8.2 million carats of industrial diamond stones from the national and supplemental stockpiles.

Industrial diamond stones are used for diamond dies, drills, and so forth. Africa is the principal source of the diamonds.

In recent years a considerable quantity of these stones have been acquired by the barter of surplus agricultural commodities. Much of this program was initiated in order to help the economy of the Congo. While this has resulted in a considerable surplus of stones, it has saved cash grants and has helped our balance of payments.

We know that this may be a lengthy disposal program, but we feel that it should be started now while our economy is at a high level and there is a good demand for this material.

We respectfully urge your approval of this legislation.

MR. PHILBIN. You are in agreement about it with all the agencies?

MR. LAWRENCE. Yes, sir.

MR. PHILBIN. The agencies are in agreement about it?

MR. LAWRENCE. Substantially I would say this is true; yes.

MR. PHILBIN. There is nothing unusual about this particular bill. From your standpoint, no opposition has been raised?

MR. LAWRENCE. That is right, sir.

MR. PHILBIN. On the part of any agency you consulted. You touched all the phases as you always do in this case, to make sure you applied all the safeguards required by the law and required by this committee?

MR. LAWRENCE. Yes, sir.

MR. PHILBIN. You can say you know of no objections, no opposition at this time, from the agencies that you have consulted?

MR. LAWRENCE. That is correct.

MR. PHILBIN. You want to put yourself on the record as favoring the bill?

MR. LAWRENCE. Yes, sir.

MR. PHILBIN. Mr. Arends.

MR. ARENDS. No questions.

MR. PHILBIN. Mr. Machen.

MR. MACHEN. I have no questions.

MR. PHILBIN. Thank you, Mr. Lawrence.

MR. HARLAN. Thank you, sir.

(The statement of Mr. Harlan is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee. I am John G. Harland, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson E. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13320.

This bill would authorize the disposal of approximately 8,200,000 carats of industrial diamond stones now held in the national and supplemental stockpiles. The Office of Emergency Planning has determined this quantity to be in excess of stockpile requirements.

Industrial diamonds are those that, because of structure, color, flaws, or impurities, are unsuitable as gems. Industrial stones are usually classified on the basis of size and shape for specific uses. The diamond stones are used primarily in drilling and cutting tools.

Africa is the principal source of industrial diamond stones (90 percent).

The total inventory of industrial diamond stones held by GSA now stands at 24,698,775 carats. The present stockpile objective is 16,500,000 carats. The excess of 8,198,775 carats is covered by H.R. 13320.

The average acquisition cost of the industrial diamond stones in the stockpiles was \$11.62 per carat. The current average market price is about \$13 per carat.

Industry representatives and affected Government agencies were consulted in the development of the disposal program on the excess of the approximate 8.2 million carats.

On February 4, we held a diamond industry meeting with the importer-dealers and consumers of industrial diamond stones to discuss the proposed disposal. We agreed to establish a Government-industry task force to consider the problem and recommend a course of action acceptable to both the Government and industry.

Comments are being received from the industry representatives and the task force is now being formed. Full consideration will be given to these recommendations before disposal action is taken.

This agency strongly recommends the enactment of H.R. 13320.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. PHILBIN. That is a fine statement, I want to state that.

Mr. HARLAN. There is a great deal of reservation on the part of the industry in regard to this disposal program. One is ready availability of supplies of most of the types of stones, and the reservation in this case is primarily on the part of the importers, although it is also echoed by the consumers who do not want disruption of the normal import channels.

We had considerable discussion at the meeting. It was a very good meeting, well attended, and well participated in by the industry people, and generally agreed that we did have a huge excess, something probably did need to be done about it, and that we should create a joint Government-industry working group to study the problem in depth and come up with a detailed program.

I have confidence, Mr. Chairman, we will be able to do this.

One of our problems is that the type of materials which we have for disposal, unfortunately, is primarily the types which are readily available in the marketplace today.

So that whatever program we come up with will undoubtedly have to be a very limited program, but we are anxious that something be done so that we can get started with the project of disposing of the excess.

Mr. ARENDS. Is this committee in position to act intelligently on this proposition until we have the results of your study? You say you are studying this, you have a committee set up to study this whole thing.

Mr. HARLAN. Well, that is right, sir.

Mr. ARENDS. Should we await the finding of your committee before we go further with this, or should we do something about it now?

Mr. HARLAN. I would think, Mr. Arends, that we should do something about it now, in order that we will have a position that the material is available and should be disposed of, so that we can work out the details of how the disposal should be carried out.

Mr. PHILBIN. Yes; that is true. I agree with that principle that we should dispose of it as rapidly as we can, if we have the excess; but on the other hand, as you know, this committee follows the policy of requiring industry conferences and consensus of the industry. That is the procedure we followed in the past. Evidently, you don't have that with respect to this industry at this time, do you?

Mr. HARLAN. No, sir. I think this is probably going to be true of several of the disposal programs, and I would like the committee to know my feeling about the idea of getting something started.

We have had a great deal of experience now, as you know, in disposing of these commodities, and very frequently have had to try to move them out at times when the industry was not in complete accord with it.

However, our experience has been, by working the programs out, and handling them carefully and responsibly, many of the fears of the industry disappear, and the programs begin to work very well.

Mr. PHILBIN. I think that is true enough. It all adds up to having further conferences, and having conferences before you come down here, so we have the ground cleared before and not after legislation is enacted; because once the legislation is enacted, of course, these people are in no position where they can take any remedy. They don't have any remedy then, it is too late, in the event something happens, to the administrative department of the government taking a little different view than you take, yours is a commendable one and proper one, but you might get some administrator that will take a little different view, and proceed with a program that will raise havoc with price levels and markets, and be extremely disruptive.

That is something we are seeking to avoid here; you are seeking to avoid that, as well as we are. I know that. But I point out the fact

there is doubt, you do have doubt as to this. It might be well to have some additional conferences here before passing the legislation, because as you know the situation would be in the event that we passed legislation here, you will have authority here, and I know you are not going to abuse the authority that you have. I have confidence that you are going to carry out your mandate under the legislation as your agency always has.

You are going to keep your will with the Congress, you are going to follow the rules that have been laid down here at these hearings, and in the legislation, but nevertheless there would seem to me to be some area here that might be rather disquieting to those people in industry who at the present time have some fears, and these fears might well be resolved if you did have some further conferences with them.

Mr. HARLAN. Well, Mr. Chairman, as I explained, we probably have worked out with this particular industry a more detailed working arrangement than any we have had up to date, where it has been agreed that we are going to create a joint Government-industry task force to study the whole problem. But I would like to point out—

Mr. PHILBIN. You are not going to take any action on the bill until you have the task force implemented and you get its recommendations and they are in agreement as to what you are doing?

Mr. HARLAN. This is what we have agreed to. I would like to point out, Mr. Chairman, that the fact that you grant us the authority to move forward with this disposal does not relieve the industry of any legal protection, because under the Strategic and Critical Materials Act, the law would prohibit our taking action which would unduly upset the market.

Mr. PHILBIN. That is right; that is true. Do you have some questions?

Mr. ARENDS. Well, there is only one question I would raise. We learn the hard way up here once in awhile about granting authority, as I mentioned a moment ago about the Department of Agriculture. It was never the intent and purpose of Congress anything like that should happen, but it is happening. And so once in awhile we move too hastily, and that prompted my question as to whether or not we should wait until the time when you might come in complete agreement with industry as to what is the best thing to do, and then we are always here most of the time, and we can work it out—this is a little more intelligent approach to it.

This is what is running through my mind at the moment.

Mr. PHILBIN. Mr. Harlan wants to get that authority, and he is not going to abuse it. We believe—I personally believe, and I think you do—

Mr. ARENDS. I don't think he will abuse it.

Mr. PHILBIN. We don't know who is going to come in after him.

Mr. ARENDS. Exactly.

Mr. PHILBIN. We have to also, I think, consider the industry position. From what you say, Mr. Harlan, I think it is pretty clear you have been extremely fair, and also very intelligent the way you have proceeded to work this matter out, and I think in the long run if you are going to have an industry task force, that is going to be set up so all members of the industry can come into your deliberations and present your views, and come to agreement on policy and program

procedure, you certainly are going to develop some safeguards that will be satisfactory to everyone concerned.

Mr. HARLAN. We expect to, sir.

Mr. PHILBIN. Do you have some questions, Mr. Randall?

Mr. RANDALL. Mr. Chairman, I am trying to get caught up; I had to be away. I will question the witnesses to follow.

Mr. PHILBIN. Mr. Machen.

Mr. MACHEN. I have one question, Mr. Chairman.

It might be elementary to some of them, but my own case, I notice in your statement that the consumption is 7.7 million carats, and we have 24 million-odd carats, which is a little over a 3-year supply based on that.

What is your minimum criteria? Here if your supply was cut off, we import all of it, we only have a 3-year supply.

Mr. HARLAN. The stockpile objectives, Mr. Machen, are based on a 3-year-war assumption.

Mr. MACHEN. Based on the chairman's statement, we use 7.7 million. That would cut you down to just a little over 2 years' supply, wouldn't it, if you go down to 16 million?

Mr. HARLAN. My colleague advises me the 7.7 million includes not just the industrial stones, but also the crushing bort, which is a separate commodity.

Mr. MACHEN. The statement here says industrial diamond stones. This is the chairman's statement.

Mr. HARLAN. Yes; both are industrial diamond stones, but their uses are entirely different.

Mr. PHILBIN. Did you get an answer to your question, Mr. Machen?

Mr. MACHEN. I guess so.

Mr. PHILBIN. I want you to be sure. I want you to get the best answer the witness can give you.

In your opinion, would this disposal, if granted, bring the stockpile down too low?

Mr. HARLAN. No, sir.

Mr. PHILBIN. For many reasons, the bill itself doesn't provide for bringing them down too low. Secondly, that is the procedure you propose to follow. There may be some indefinite period before something is done here?

Mr. HARLAN. As it looks now, it may be the same as quartz crystals, they will be around for 25 years.

Mr. PHILBIN. That is right. Thank you.

Do you have any questions, Mr. Cook?

Mr. COOK. No, sir; but we have three industry witnesses, and we also have a statement from an industry witness which he requested we put in the record at this time.

Mr. PHILBIN. The industry statement will be put in the record.

Mr. COOK. It is a statement from Michael Werdiger, Inc., Industrial Diamonds.

Mr. PHILBIN. Who is the individual submitting it?

Mr. COOK. Mr. Werdiger.

Mr. PHILBIN. We will take the statement for the record.

(The statement referred to is as follows:)

STATEMENT OF MICHAEL WERDIGER, PRESIDENT OF MICHAEL WERDIGER, INC.

Mr. WERDIGER. Mr. Chairman and members of the subcommittee, I am Michael Werdiger, president of Michael Werdiger, Inc., and of Diamond Abrasives Corp. I have been in the industrial diamond business for over 20 years. My company is a direct importer from the prime suppliers and a distributor to the major U.S. manufacturers of diamond products.

This statement is presented in opposition to enactment of H.R. 13320, a bill that would permit the sale of a so-called surplus of 8.2 million carats of industrial diamond stones from the national and supplemental stockpiles.

In my opinion there is no valid basis for such a sale.

I have no reason to believe that a surplus of stones does exist. The industry has been advised that many objectives for the national stockpile have been subjected to great variations in quantity as opinions have arbitrarily changed regarding the various factors that determine the needs of a conventional war. We have been told that the executive departments have been working for years on objectives for nuclear war, and no firm figures are yet available. The statistical uncertainties indicated in arriving at a reasonable objective are sufficient alone to seriously question the validity of a decision that we have a surplus.

Another set of factors that should currently affect the quantity of many objectives, and are valid reasons for maintaining stockpile inventories, are the mounting supply problems of the Vietnam crisis, coupled with rising commercial demand and the many instances of political unrest around the world. These factors affect the many materials in the stockpile differently according to their particular supply and demand relationships. In the case of diamonds it must be remembered that approximately 95 percent of U.S. supplies are imported from African countries and that we are completely dependent upon them for our supplies. Any internal problems there can immediately affect their exports and a conventional war could easily disrupt shipments. Under such circumstances we would soon be completely dependent on Government stockpile reserves.

Other statements submitted with reference to this legislation have referred to a meeting of diamond industry representatives with the General Services Administration on February 4, 1966. A review of the discussion at that meeting emphasizes the hazard of rushing into a disposal program for diamonds.

1. The recommendation for a sale of diamonds by Government agencies was not based on any shortage of supply for commercial or defense needs. In fact the announced policy at that meeting was to sell material while the economy and prices were at prosperous levels; in short, to produce revenue for operations of the Government. This never was the congressional policy adopted in establishing the stockpile principles.

2. This proposal to dispose of diamonds had been formulated, adopted by the Government, and presented to the industry with no published information on either estimated or reported annual domestic consumption of diamond stones. We do have some opinions on such

a figure and it would appear that the proposed annual disposal, as reported in the press, would be equivalent to 1 year of U.S. consumption. The total request for disposal would be 16 times this figure. It is quite apparent to us that such a plan if instituted could and would completely disrupt our domestic markets.

3. Another serious problem that would result from this fast-moving effort to sell part of the slowly acquired stockpile is that diamonds that would be purchased may well represent the most desirable grades of the diamond stockpile, since the industry will obviously buy material currently needed: this would deprive the stockpile of its primary function; to be of service in case of emergency. Sale at this time would seriously jeopardize the very existence of the U.S. industrial importer-dealer, who would be unable to buy "across the board" from the suppliers. This move would cause serious disruption of the domestic market.

The February 4 meeting was, we thought, constructive in that GSA was advised of the special characteristics of the acquisition of diamond supplies and GSA agreed that an industry task force was needed to advise the Government before a sales program could be proposed. It was the plan that this group would be selected and meet within a few weeks, when consumption statistics would be available to guide this discussion. It was certainly our impression that any further action on diamond disposal would be held in abeyance until this industry-Government group had reached some conclusions. There has been no such industry task force meeting and we are now faced with an executive department request for authorization to proceed with disposals.

Mr. Chairman, these stockpiled materials, diamonds included, were purchased as items necessary for the defense of our country. Our experiences in the two World Wars and the Korean conflict were the basis and the proof that a stockpiling program is logical and essential. Stockpiled diamonds, like all other materials, represent a ready reserve of manpower, transportation, electric energy, and capital investment that was required in their discovery, development, and production. These are all essential defense factors.

Mr. Chairman, we appreciate the deep interest and effort of you and your committee in your study and action on these matters. Our interest is similar to yours in considering the needs for the defense of the United States and the correct control of sales when necessary, but in a manner that will not disrupt markets.

To us, every aspect of the stockpiling principles established by the Congress indicate that a disposal of any diamond materials in the stockpile is not warranted at this time and we again state our strong opposition to enactment of this legislation.

Mr. PHILBIN. Now we have some witnesses?

Mr. COOK. The first witness, sir, is Mr. Irving Freed, president of North American Diamond Trading Co.

Mr. PHILBIN. Will you come forward, Mr. Freed.

Do you have a prepared statement, Mr. Freed?

Mr. FREED. I do, Mr. Chairman.

Mr. PHILBIN. Sit down, Mr. Freed. Make yourself comfortable.

Give your name, address, and whom you represent to the reporter, and then we will be glad to have your statement.

Mr. FREED. Thank you. I submitted copies, Mr. Chairman.

Mr. PHILBIN. Yes.

Mr. FREED. I will proceed to read for the record, if in your opinion it is more preferable to submit it as it exists—

Mr. PHILBIN. If you submit it for the record that will be fine. If you will take a seat, perhaps we will have a little colloquy here to see what your fears are. What are your fears about this legislation?

Mr. FREED. May I read my opinion?

Mr. PHILBIN. Yes.

Mr. FREED. Thank you.

STATEMENT OF IRVING FREED, PRESIDENT OF NORTH AMERICAN DIAMOND TRADING CO.

Mr. Chairman, gentlemen, my name is Irving Freed and I have been in the industrial diamond industry for over 25 years. At the present time I am president of Freed Industrial Diamond Corp., suppliers to dealers and consumers in the United States and Canada.

President of Synthetic Diamond Corp., the exclusive American representatives for the Quintus synthetic diamonds, manufactured by ASEA of Sweden.

President of North American Diamond Trading Corp., importers and dealers, whose main operations are conducted in New York, with branches in London, England, Antwerp, Belgium, and Accra, Ghana.

For over 8 years, marketing consultant for the Consolidated African Selection Trust, Ltd., a worldwide mining company with diamond producing mines in Ghana and Sierra Leone.

Vice president of the Diamond Trade Association of New York, an organization representing over 650 diamond dealers.

Immediate past president of the Industrial Diamond Association of America, Inc., and at present a director of this association as well as the chairman of the importers-dealers committee.

I am appearing today in opposition to the passage of H.R. 13320.

And, I might say, programs discussed this morning.

In disposal programs previously authorized by Congress, there was either an acute shortage of the material or a potential price rise about to be effected. Neither of the above conditions exist in the industrial diamond industry. This disposal may, in fact, seriously affect the national security.

On February 4, I appeared before a public hearing conducted by the General Services Administration, and on February 18, I submitted to Commissioner John G. Harlan, Jr., some further suggestions with regard to the proposed disposal program.

To save the committee's time, I shall not read these two statements, copies of which are attached. To summarize them, it is my opinion that none of the industrial diamond stones held in the stockpile should be disposed of for the following reasons:

Diamonds are unique in that there is no domestic source of supply for this product.

The free world is dependent upon the turbulent continent of Africa for all diamonds.

The disposal of 8 million carats of industrial diamonds would create economic havoc in our industry, doing irreparable damage.

If this committee feels that it would be in the best national interest to conduct disposal nevertheless, then H.R. 13320 should be amended to fit our particular industry's problems. May I suggest that the following be considered:

No waiver be included in this bill of section 3 of the Strategic and Critical Materials Stockpiling Act. A waiting period is necessary for the following reasons:

At the meeting on February 4, the General Services Administration discussed the creation of a task force consisting of Government and industry to study the problem of orderly disposal in order to avoid the potentially serious impact on industry.

Another subject discussed was the possible institution of a current national consumption survey. Without current statistics on consumption, no intelligent approach can be made as to what quantity of industrial diamond stones could be disposed of without serious impact on industry.

H.R. 13320 should be more specific in the authority it grants to the General Services Administration. The Congress, at the present time, has the authority to regulate the disposal of the materials accumulated in the stockpile and it should not unequivocally delegate this authority.

If Congress should decide to grant the GSA this power, then GSA should be instructed specifically to consult with industry both in the initiation and in the administration of the disposal.

Only in this way could the impact on industry be regulated so that the least damage is done. Our industry, though quite small, is vital to national security and must be protected against any arbitrary action such as uncontrolled disposal of 8,200,000 carats of industrial diamond stones.

To summarize:

No disposal should take place because industrial diamond stones are not in short supply.

National security would be seriously affected should there be disposal.

If disposal should take place, careful consideration should be given to the quantity released at one time and the method through which it is released. It has taken 25 years to accumulate the stockpile and surely it should not be liquidated recklessly or in haste.

The intent of Congress when the stockpile concept was originally created was to accumulate strategic materials which would be required for the national defense. The problems of national defense have not changed. It was not then, nor is there now, a domestic source of supply and the national security problem is more obvious now due to the political unrest in Africa, the principal source of diamonds.

Therefore, I respectfully request this subcommittee refuse to recommend passage of H.R. 13320.

May I divert from my statement. Where I asked to have the committee's time saved by submitting to the record, I think it is most appropriate for me to read one of the statements.

Mr. PHILBIN. You go ahead and read.

Mr. FREED. Thank you.

Re proposed Government disposal of industrial diamond stones.

DEAR SIR: We want to thank you for giving us the opportunity to express our views with regard to the orderly release of excess industrial diamond stones from the national and supplemental stockpiles.

We are opposed to the disposal of any industrial stones from any Government for the following reasons:

1. Quoting from the stockpile report to the Congress by the Office of Emergency Planning, "Congressional actions over the past two decades have firmly established stockpiling as a most important phase of our national security policy * * *. Legislative history shows that the Congress recognized clearly that many of our country's resources for strategic and critical materials are inadequate to meet the needs of the military and essential civilian requirements in the event of an emergency and, in its wisdom, took actions to protect the Nation's security against the cost material shortages experience in World War II * * *. The broad purposes of these acts have been to provide for adequate supplies to meet the military requirements and essential civilian needs in the event of war * * * and to prevent wherever possible a dangerous and costly dependence of the United States upon foreign countries as a source of supply in wartime."

The very conditions against which the Congress tried to protect our country exist today.

There are approximately 250,000 U.S. troops in Europe and over 300,000 in the Vietnam area at the present time.

The potentially explosive position of southeast Asia is known to everyone and requires no further elucidation.

In view of the above worldwide turmoil, disposal of industrial diamonds would be a serious threat to the national security.

2. The purpose of this meeting is to discuss a program for the orderly release of excess industrial stones.

Consider, if you will, the fact that there is no domestic source of supply of industrial diamond stones. It is a well-known fact that approximately 95 percent of all diamonds are of African origin.

Let us examine the political climate of Africa: Within the last 60 days there have been military coup d'etat in the following countries:

- (a) Nigeria.
- (b) Republic of Congo.
- (c) Dahomey.
- (d) Upper Volta.
- (e) Central African Republic.

Since the time of my letter there have been two further coups.

Those familiar with the African diamond sources know that the bulk of all production comes from the following countries:

- (a) Republic of Congo which had a recent military coup.
- (b) South Africa which is subject to racial upheaval.
- (c) Ghana which is anti-West.
- (d) Sierra Leone.
- (e) Angola which is subject to racial upheaval.
- (f) Tanzania which is anti-West.
- (g) French Guinea which is anti-West.

In view of the many dangerous situations existing in Africa, it is not inconceivable that all Africa could be embroiled in a terrible conflict based both on racial conflicts and political doctrines.

If Africa suddenly became isolated from the rest of the world, could one then think of excess supplies of industrial diamond stones?

It is for the above reasons that we are opposed to any disposal program. However, if Congress should, in its best judgment, authorize a disposal program, great care should be taken as to the impact it might have on our industry.

Under Defense Mobilization Order V-7, the Director of OEP can authorize disposal provided it does not disrupt the usual markets.

It is respectfully requested that before any program is instituted, a task force be created consisting of Government and industry to study the disposal problem and to determine what quantity of industrial diamond stones are consumed annually by U.S. industry.

It is only in this way that some accurate basis can be established as to the quantity to be sold and at what intervals.

If no study is made, it is possible that the quantity offered for sale might be so excessive that an entire segment of our industry would be bankrupted by the sale.

We are well aware of the serious nature of this meeting. If this writer, therefore, can be of any service to this Government agency, he hereby offers his services in any manner which they may be required.

Now, a letter to Mr. John G. Harlan, Jr., Commissioner, General Services Administration, dated February 18, 1966.

DEAR MR. HARLAN: May I again thank you for the opportunity afforded our industry to express its views on the proposed disposal program? Industry held an informal meeting after the Government hearing and all who attended expressed the view that your meeting was most informative and fruitful.

I should like to reiterate that I am opposed to any disposal program for the reasons given in the statement I read at your hearing.

With regard to your proposal that a task force be created to study the problems involved, may I suggest the following:

1. The task force consist of various segments of industry; i.e., importers, dealers, toolmakers, and various branches of Government; i.e., GSA, OEP, SBA, Department of Commerce.

2. Since the greatest part of the industrial diamond business in this country is conducted by members of the Industrial Diamond Association, the majority of task force industry representatives should consist of Industrial Diamond Association members.

3. The industry consumption survey conducted by the Department of Commerce should be studied by the task force and, possibly, a more current consumption survey should be undertaken.

A study of this kind would reveal the quantity of industrial diamond stones which could be disposed of reasonably and at any one time, without seriously disrupting the supply and demand equilibrium.

4. The task force should give consideration to the most advantageous methods to be employed for disposal. For example, the importer-dealers (as opposed to the toolmakers) would be in a better position to distribute the various categories of diamonds involved.

In general, they would have better financial resources to acquire substantial quantities and dispose of these quantities in an orderly fashion. Because of the international scope of the importer-dealer segment of our industry, they would also be in a better position to distribute any surplus above U.S. industry requirements.

As I stated at your hearing on February 4, I shall be glad to serve as a member of the proposed task force and if there is any other additional way in which I can be of service to the Government, I shall be delighted if you will call on me.

Now, I will refer back to my statement of today.

I thought this particular point was of the essence in view of the previous discussions this morning.

I am now back to page 2 of my statement.

MR. PHILBIN. You appreciate, of course, Mr. Freed, before this committee passes any legislation of this kind relating to stockpile, we seek the testimony of people in this Government who are able to talk to the point that you raised of national security.

MR. FREED. I appreciate that. I felt it was my duty for the industry.

MR. PHILBIN. One of the most knowledgeable men in the Government that I know of is here today, Mr. Lawrence. When he comes here he assures us he has coordinated the opinions of several agencies in the Government that have to do with national security. He reflects and embodies their opinions in testimony before us.

Now, it is pretty hard for us to go behind the statements that are made by the really knowledgeable people in the Government on this point, including the Joint Chiefs of Staff. At the same time, I willingly acknowledge you have made a very strong point here. Anything is possible, of course. We might have trouble in Africa that would completely cut off the supply. While we have a considerable supply in the stockpile at the present time, if the supply from Africa happened to be cut off for a long period of time we might find ourselves up against it, and you have appropriately raised that point.

But you acknowledge, of course, we have to rely on the judgment of those in the Government who are best informed in these matters concerning the national security for the basis of action we take.

We appreciate having your opinion.

Mr. FREED. Unquestionably you must rely on them.

Mr. PHILBIN. The Joint Chiefs, the Central Intelligence Agency, and the other agencies of the Government are very well informed on these matters, from which we derive the views that are expressed here in our hearings. Those are the sources we have to evaluate and have to accept.

Mr. FREED. Perhaps an alternative view might help you in your final decision.

Mr. PHILBIN. I agree with that. We want to have your view. That is why we have given you a full opportunity to express your views.

Mr. FREED. I understand your point thoroughly.

Mr. PHILBIN. The reason why I raised the question was to inform you that we are informed from the highest sources of this Government concerning the impact of this legislation on the national interest.

Mr. FREED. Fine, I appreciate your point.

Mr. PHILBIN. Now, the question is whether we are going to take care of you, what would you suggest?

Mr. FREED. I would take a very serious view of the entire picture before I came to any conclusion.

Mr. PHILBIN. I agree with that. We always do, in this committee, take a very thorough view of what we do.

Mr. FREED. I appreciate your attitude. I felt it was my duty as a citizen to explain my views as to the political size of this issue. I have an active office in Africa.

Mr. PHILBIN. You are a very experienced expert, and we have an expert with real experience representing one of these companies that have been in business for a long time.

Mr. FREED. I have been in Africa recently.

Mr. PHILBIN. It gives your testimony a special mark of both distinction and authenticity, so we are glad to have it.

Mr. FREED. Thank you, Mr. Chairman. I have one or two other points I would like to raise without taking up too much time.

To save the committee's time, I shall not read two statements, copies of which are attached.

To summarize them, it is my opinion that none of the industrial diamond stones held in the stockpile should be disposed of for the following reasons—

Mr. PHILBIN. Would that be true notwithstanding the fact these disposals would take place over a long period of time?

Mr. FREED. No, if it were an orderly disposal this would not be true. But reading the text of the statute, it is not apparent to me an orderly disposal is provided for.

Mr. PHILBIN. We have to work under the statute and GSA, Mr. Harlan, who represents GSA here, has charge of this particular matter, he has the responsibility of determining how he is going to work to comply with the requirements of the law, and to provide for orderly disposal, to provide there is going to be no disruption of markets or prices, or economic conditions in the industry. All those things are provided for in the statute.

Mr. Harlan is here to carry out those objectives. Now, we have had considerable experience, as you know, with the stockpile disposals, and we worked through these agencies that are here represented this morning, since there are representatives of other agencies that have to do with these matters, and we have received similar assurances from GSA and these other agencies in the past. We have never experienced any evidence in which they have gone back on their word with us.

Mr. FREED. I have the greatest confidence in Mr. Harlan. As you say, he might be replaced by somebody else to have the duty to follow out the law, and may not have the same opinions.

Mr. PHILBIN. Mr. Harlan has just come to this particular office. He has been, however, with the agency for some time. He is a very dedicated, very capable, and very well experienced public servant. His predecessor was the same, he was before this committee for a long time. We have never had any problems here. We have never had any complaints. Last year we disposed of over a billion dollars worth of materials. And as a business man I know you realize that is a very large amount of material to dispose of in a year. But it was done, and there was no irregularity connected with it. There was no criticism that I know of. No complaints. That is the way you can be sure it will be carried on, in my opinion.

I know you may have some misgivings, and perhaps some fears, but it seems to me we have to place our faith in those people who work with us here. I can assure you they are capable, qualified, dedicated people who know their business. Up to this point, I can say to you categorically they have always kept their word with this committee and with the industry, and they make a practice of conferring with the industry.

Did you attend the industry conference?

Mr. FREED. I did. The industry conference was held on February 4. It was attended by over 40-odd representatives of our industry, which is a comparatively small industry, I would say well up to three-quarters of the people concerned in the industry attended. They felt it was a very serious problem.

Mr. PHILBIN. Were they representatives of the industry?

Mr. FREED. Yes, there were over 40 representatives of our industry who attended.

Mr. PHILBIN. You had the opportunity of speaking your mind and expressing your views?

Mr. FREED. I did.

Mr. PHILBIN. You had the assurances given at that time there would be orderly disposal?

Mr. FREED. I got the assurance. At my recommendations a task force would be created. I have had correspondence from Commissioner Harlan that a task force will be created after they accumulate all of the views of industry. It is now a comparatively short period of time, 7 weeks, since the original hearing.

The thing that bothers me is this: This statute provides for the waiver of the 6 months' period, and I seriously object to that waiver, because it is now 7 weeks and no task force has been publicly announced.

Mr. PHILBIN. So we can consider the legislation in an orderly way, we have many things to take care of, particularly on this committee. And a limited period in which we may perform this work.

The basic thing here is you would have the assurances, at least given to the industry in the industry conferences, and in the task force that is going to be appointed here, that there will be a truly orderly disposal.

How would you handle this matter if you were a Government official and charged with the orderly disposal of these billions of dollars worth of stockpile materials that are in excess now to our requirements, as attested to by Government agencies charged with establishing the stockpile requirement?

Mr. ARENDS. Mr. Chairman, before he answers that question could I put it this way:

Do you believe that this study that may be forthcoming 3 months, 6 months, whenever it may be—do you believe it would lead to a better climate in this whole relationship?

Mr. FREED. Unquestionably; unquestionably. A study is required and a proper background of the *modus operandi* of the disposal could be discussed, and I am certain agreed to. But I do not think this legislation, waving the 6-month period, forcing upon us a cloud, so to speak, authorizing an agency to dispose of a huge quantity, without a waiting period, a study period. There are many problems involved which Commissioner Harlan is well aware of. My objection is that the 6 months' period might be used as a threat against us.

I would like to see this legislation pass for 6 months or a year, sent back to the Committee, so to speak. Let us study the problem, and then create legislation.

Mr. RANDALL. Will the gentleman yield?

Did I understand the gentleman's objection eliminates the waiver of 6 months?

Mr. PHILBIN. No, he complained about it.

Mr. ARENDS. My thought was, with this study we could more effectively handle it.

Mr. FREED. This will be better.

Mr. PHILBIN. Couldn't you have a rapport between Government and industry? Wouldn't you have it before the law is enacted? You will have these conferences from time to time. You had it not too long ago.

Mr. FREED. Definitely so.

Mr. PHILBIN. We want to dispose of all the excess that we can now, when we know it can be done consistently with the national security. You appreciate what our problem is. I ask you the question, or rather, Mr. Arends' question, for which I was glad to yield, how would you handle this matter if you were charged with this responsibility?

Mr. FREED. I would like to answer that question. If I were in charge of this overall program I would not dispose of anything in the industrial diamond stone area at the present time. The principal source of diamonds is Africa. It has taken the Government 25 years to accumulate these diamonds. There should be no urgency today to dispose of them without a 6 months' waiting period, as the statute presently provides. They should be disposed of. But if it has taken 25 years to accumulate them, at which time there were normal political conditions existing in Africa, today we have a violent Africa. Let us

wait a year or two and see whether Africa simmers down, whether our source of supply is running smoothly. At this time we can provide for legislation to orderly dispose. I do not think this is the critical time to have an orderly disposal of this particular strategic material.

Mr. PHILBIN. So notwithstanding any assurances given you by General Services Administration you oppose the bill in its entirety at this time, and believe it should be deferred to some indefinite time in the future?

Mr. FREED. That is a fair statement of my opinion.

Mr. PHILBIN. Have you finished your statement?

Mr. FREED. This about summarizes my statement. Thank you, Mr. Chairman.

Mr. PHILBIN. Mr. Randall.

Mr. RANDALL. Mr. Freed, would you spell out what effect this disposal is going to have on your business? In other words, you are concerned about the situation in Africa. I know we all are. But would you answer the question, is it your conclusion these conditions are going to increase your cost of getting these diamonds, yourself; is that right? Is that what you are saying, or implying?

Mr. FREED. No; I am not implying that at all. I am implying a possible source of supply could be cut off, as to a worldwide basis.

As to my own personal problem, I am opposed to this disposal program in the manner and quantity about to be disposed of. If Congress, in its best judgment, decides to dispose of a quantity, this was the point I brought up before Commissioner Harlan's hearing, let us study the problem. How much is involved on a basis of annual consumption? Let us have a current consumption survey. There has been a consumption survey in 1962. Let us have a current survey in order to have some intelligent basis for a disposal program.

Mr. RANDALL. In other words, you are saying that survey has not been made?

Mr. FREED. This was one made in 1962. There has not been another one made since.

I would like to see a survey made.

Mr. RANDALL. As I understand your testimony, you said there was no excess supply. In other words, I mean—

Mr. FREED. Excess demand.

Mr. RANDALL. Well, all right. I am sure you said—I am sure you indicated, at least I thought you did, this situation in Africa would affect the supply. Wasn't that your point?

Mr. FREED. This was a point; yes, indeed.

Mr. RANDALL. I cannot see any other condition in Africa, except it affects the supply.

Mr. FREED. That is true.

Mr. RANDALL. The normal result is this would raise the price of diamonds?

Mr. FREED. Unquestionably, this could happen. If the supply was cut off, the price would go up, unquestionably.

Mr. PHILBIN. Have you finished?

Mr. RANDALL. I am trying to see if we are all going in the same direction here. I am not questioning the gentleman's concern. I think if there has been a survey, it may have some merit. But if there is a real possibility of a shortage of supply, I think we ought to look at it. That is the point I am trying to make.

Mr. PHILBIN. We will look at it.

Do you speak for other members of the industry other than yourself?

Mr. FREED. No, sir; I am speaking on my own behalf.

Mr. PHILBIN. Thank you very much. You have given us a fine statement.

Are there any other witnesses from industry who wish to present their views to the committee?

Mr. COOK. Yes, sir; we have two additional witnesses, sir.

Mr. PHILBIN. Who are they?

Mr. COOK. **Mr. Leopold Metzger**, president of Super-Cut Corp., and Golconda Corp.

Mr. PHILBIN. Do you want to file a statement, or do you want to be heard?

Mr. METZGER. I would like to be heard, sir, because there have been so many things said this morning I think it is important to discuss them.

Mr. PHILBIN. We would like to hear you.

The committee will now adjourn until 2 o'clock this afternoon.

(Whereupon, at 12:17 p.m., a recess was taken until 2 p.m. of the same day.)

AFTERNOON SESSION

Mr. PHILBIN. The committee will come to order.

Now when we adjourned we were considering industrial diamonds. We had invited the witnesses who desired to appear to make themselves known. We have **Mr. Leopold Metzger**, of Chicago; is he here?

Mr. METZGER. Yes, sir.

Mr. PHILBIN. Will you give your full name for the reporter and the company you represent?

Mr. METZGER. **Leopold Metzger.** I am president of Super-Cut, Inc., and of its wholly owned subsidiary company Golconda Corp. I am authorized to speak for Engis Equipment and Precision Diamond, both of whom have given written statements, which I have submitted to Mr. Cook, as well as my written statement.

Mr. PHILBIN. They may be taken for the record.

(The statements referred to are as follows:)

STATEMENT OF LEOPOLD METZGER, PRESIDENT OF SUPER-CUT, INC.

Mr. METZGER. **Mr. Philbin** and members of the committee, it is a privilege for me to appear before you.

Please let me introduce myself by saying that I am president of Super-Cut, Inc., and of its wholly owned subsidiary, Golconda Corp. We make diamond tools, diamond wheels and diamond saws. We have done so since 1943. Dun & Bradstreet gives us an AAA-1 rating. BDSA knows us well. I also speak for Engis Equipment Co., Chicago, and Precision Diamond Tool Co., Elgin, Ill., and submit herewith letters from both companies.

In 1951, on behalf of the National Academy of Sciences, I made a survey in Europe concerning abrasive methods involving the use of diamonds.

I am a member of the American Society of Tool & Manufacturing Engineers, American Society for Abrasive Methods, American Society for Metals, and am chairman of subcommittee No. 3 of the American Standards Association Sectional Committee B74.1—American standard identification code for diamond wheel shapes.

Because I am convinced that over 80 percent of the business in our country in the kind of industrial diamond tool stones under discussion at this meeting, is done by members of the Industrial Diamond Association, I also want to add that for 4 years I was a director of that association, a vice president for 2 years, and president for 1 year. It is my belief that this association has more knowledge of the usage of the diamond tool stones in question than any other group in the country.

I attended the meeting February 4 held by the General Services Administration, at which were present 44 men from industry and 16 from Government, Mr. John G. Harlan, Jr., presiding. At this meeting it was stated that the Government wished to dispose of 8,200,000 carats of industrial tool stones which were considered excess in the stockpile, and that of this, it was desired to dispose of 3,100,000 carats immediately. Lists were given, outlining the quantities mentioned.

On March 4 a bill was introduced in the Senate, S. 3023, to authorize the disposal of this quantity of diamonds, and on March 7 duplicate bill H.R. 13320 was introduced in the House of Representatives. Each of these bills states, "Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets." On January 19 Lawson B. Knott, Jr., Administrator of BDSA, wrote a letter to Vice President Humphrey accompanying the Senate bill, attaching thereto a disposal plan, but we have not been privileged to read the plan.

However, in considering loss to the United States, much more must be given consideration than mere monetary loss. Shortly after the last World War, British intelligence published a report, which I am sure is available to all of you, of a survey made throughout Germany, wherein it was clearly demonstrated that one of the important factors contributing to the downfall of the German military machine and the loss of the war was the fact that Germany had run short of industrial diamond tool stones. In fact, they were trying all sorts of substitutes, without success.

Now, why is this important? Well, industrial diamond tool stones are used to dress grinding wheels, true them up and make possible the fine precision tolerances in grinding that are critically important in the machines of war and of defense. This is why industrial diamonds were placed in our strategic stockpile. Were the supply of industrial diamonds cut off, the loss to the United States could not be measured in dollars, only in catastrophe. Consider for a minute the very uneasy political situation in Ghana, Guinea, Sierra Leone, Belgian Congo, South Africa, and other parts of the world where diamonds are produced and trouble now exists, and you will realize how hazardous our source of supply is, should something happen to cut off this supply, even before a war.

The second reason why a catastrophic loss might occur to the United States lies in the recent statement made by the head of the major producing company in South Africa, that he foresaw at the present time only a 10- to 15-year supply of industrial diamond stones, if they continue to be mined at the present rate of production. The U.S. Bureau of Mines has men stationed throughout all of this territory and can confirm or deny this, but certainly the supply is limited, and no one in the world has yet produced large synthetic diamonds of the size and quality needed for American industry, which are the present subject of discussion and covered by the bills mentioned above.

Thus, we envision a huge potential loss to the United States if any of the stockpile of industrial tool stones is sold, and we are opposed to such sale or disposition.

However, if our opinion is overruled and if the Congress still insists on disposing of some of our stockpile, then we call to your attention the second part of the quotation above, which reads, "The method of disposition shall be fixed with due regard to the * * * protection of producers, processors, and consumers against avoidable disruption of their usual markets."

At the February 4 meeting, Government representatives were questioned and it was clearly stated that it would be impossible to decide whether this disruption would occur until it was known exactly what the usual market consisted of.

The only survey ever made by the Government which would disclose how many carats of diamond tool stones were used per year in the different categories, was made for the years 1961 and 1962 by BDSA. It was promised on February 4 that this survey would be made public and a copy supplied to those present, within a few weeks. But such has not yet occurred and we still do not have copies of figures showing the actual consumption of tool stones in the United States for those 2 years. Even if we did, another similar survey should quickly be made to update the annual usage figures, for the reason that within the past 5 years the technology and usage of diamonds for dressing grinding wheels has changed radically, and important techniques have obsoleted older techniques in many cases.

When one considers disposition of strategic materials from the stockpile, one can think of so many pounds of copper or similar materials and know exactly what is being discussed. But when industrial diamond tool stones are mentioned, it is a different story. There are differences in size, differences in shape, and differences in quality and structure of the diamonds. This is why the strategic stockpile includes so many different classifications of industrial diamonds and not just one classification. So when industrial diamond tool stones are to be disposed of, there is not just one commodity under discussion; there are as many commodities as there are different classifications in the stockpile.

This is why it is so important to know what is currently being used in industry, both as to quantity, size, type, shape, and quality, before it is possible to learn whether the producers, processors and consumers can be protected against avoidable disruption of their usual markets.

For these reasons it was agreed February 4 that a properly constituted task force would be formed to carefully study the situation. It

was recommended that this task force consist of members from industry, as well as government, who knew the business and who knew industrial diamonds. This task force should first inspect the diamonds that it is desired to dispose of, and should next correlate such disposition in terms of any disruption to the usual markets and annual usage of such diamonds based on Government surveys of such usage.

An approach without such a study being made would not give full effect to the wording of the bills presently before the House and Senate above mentioned, and in fact it would be impossible at the present time to determine whether the passage of such bills would fully comply with the intent contained therein.

We strongly urge, therefore, that any legislation which is passed have incorporated in it that such studies should be made and that the disposition of any industrial diamonds be made in conformity with the recommendations of such a task force, both as a protection to the United States and to producers, processors, and consumers against avoidable loss and disruption of their usual markets.

It will be noted that each of the two bills above mentioned omits the words, "importer-dealers," but I cannot stand before you today without stressing the importance of this group of businessmen to our industrial diamond economy. The manner in which such diamonds are sold and imported into the United States makes it absolutely necessary for there to be importer-dealers, who must purchase large stocks which then must be sorted and distributed to the toolmakers according to their needs. These importer-dealers must, at the same time, purchase other merchandise from the foreign source, in order to get the industrial diamond tool stones. A toolmaker alone or a consumer could not do this, and anything which upsets the welfare and continued life of the importer-dealer makes it practically impossible, under the present marketing system, for the toolmakers to continue in their usual markets and methods of manufacturing and distribution.

At the meeting above mentioned on February 4, Mr. Harlan stated that the Government wanted to dispose of 8 million carats total, of which 3 million carats were for immediate disposition. Since I do not have the Government figures of our annual domestic consumption by category and classification, I cannot be definite, but from what I can learn, our annual domestic consumption of the total stones in the categories covered by the 3 million carats is a small portion of 500,000 carats. If this is true, the immediate disposal of 3 million carats would equal from 6 to 10 years' annual consumption of the types set forth. This would, without question, disrupt the usual markets and would so discourage importer-dealers that many of them would be out of business.

Furthermore, if, as I am informed, our annual consumption of all tool stones is between 500,000 and 600,000 carats (excluding stones used for drilling purposes), I am strongly opposed to the Congress giving a blank check to dispose of a quantity of diamonds equal to 14 years or more consumption. Congress itself should look at this periodically, every 2 or 3 years, and should, under no circumstances, grant authority to dispose of a total of more than 2 or 3 years' consumption, and this should be regulated so that only a certain percentage of our annual consumption of each category under consideration is disposed of per year.

Therefore, in conclusion, I recommend that—

(1) In order to avoid possible loss to the United States, no diamonds be disposed of from the stockpile at all, for reasons given above.

(2) That if, however, the Congress decides that some disposal should be made anyway, there be written into the bill under consideration that such total disposal be not more than an amount equal to 2 or 3 years' consumption, and that the amount per year be a certain percentage of our annual consumption as determined by the proper Government agency from up-to-date surveys properly made, after considering such surveys with a properly constituted task force.

(3) The above conclusions do not mention disposal to foreign purchasers. If it is absolutely necessary to dispose of some of the stockpile, consideration should be given to selling these diamonds abroad so as not to disrupt our usual markets.

I want to thank you for the privilege of appearing before you and assure this committee, as I have assured the GSA, that if I or my firm can be of further service to the Government, I will be glad to cooperate in any way possible.

Attached hereto is a copy of my letter of February 11 to the General Services Administration for your records.

FEBRUARY 11, 1966.

Subject: Task force discussed at meeting held February 4, 1966, for the program for the orderly release of excess industrial diamond stones from the national and supplemental stockpiles.

Mr. JOHN G. HARLAN, Jr.,
Commissioner, General Services Administration,
Defense Material Service,
Washington, D.C.

DEAR MR. HARLAN: I have been to many governmental meetings in Washington.

However, never have I been to one which was conducted in a more businesslike manner or where industry was given a more orderly and fair opportunity to voice their opinion. You are indeed to be complimented.

You asked those present to write you regarding their ideas for the composition and the program for a task force to study the subject matter, in line with the recommendations made by Mr. Irving Freed. That is the purpose of this letter.

First, please let me introduce myself by stating that I am the president of several companies, one of which sells diamond tools domestically, one of which sells only diamond wheels domestically, and one of which sells for export only. We invite your investigation of the size and stability of our companies through Dun & Bradstreet, the Continental Illinois National Bank & Trust Co., of Chicago, and through your BDSA. Miss Marguerite Doyte has been acquainted with our company since 1951.

Golconda Corp., one of our wholly owned subsidiaries, has been in the diamond tool and stone saw business for over 25 years. Super-Cut, Inc., the parent company, has been in the diamond wheel business since 1942, and I am president of both.

I have been a director of the Industrial Diamond Association for 4 years, was a vice president for 2 years, and a president for 1 year. I am a member of ASTM, ASAM, ASMS, and the chairman of Subcommittee No. 3, ASA Sectional Committee B74.1, American Standard Identification Code for Diamond Wheel Shapes.

I am convinced that over 80 percent of the business done in the kind of tool stones under discussion at the meeting last Friday is done by members of the Industrial Diamond Association of America. Therefore I urge you to give consideration to this in the selection of the task force you will appoint.

My second suggestion is that the task force consist of large-medium- and small-size firms selected from toolmakers and importer dealers (i.e. at least three from each).

Third, there should be enough in this task force to give a really cross section opinion. I now learn that the task force which went to Washington years ago with regard to the set tools, which Mr. Casto discussed, consisted of representatives of only three firms. It is possible that a few more firms added to the task force might have given other recommendations.

In any event, the most important consideration is just what will such a task force do and it would seem to me that its major objectives are rather clear:

(1) Physical inspection should be made of the diamonds it is desired to be disposed of, so that all members know what we are talking about in actual merchandise.

(2) This task force should then study the quantities you wish to dispose of in terms of the annual consumption in the United States of similar goods, and I presume that this study will be made from the report which Marguerite Doyte said was going to press. Such a study can then indicate what course should be followed with regard to the disposal of the diamonds "with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets."

(3) Consideration should certainly be given to the question of whether the 1961-62 survey by DDSA of diamond usage is up to date in terms of advances in technology and industry usage as of 1965 and 1966. Otherwise, correct conclusions will be difficult.

This means that you should have people on the Task Force that know their business.

From the general information I have been able to gather and in the absence of reading the consumption figure report of 1961-62, it would seem, offhand, that 3 million carats of tool stones would be several times the annual consumption of such tool stones in this country per year. Therefore, your task force should seriously seek to determine if it is practical and possible to dispose of the material to foreign buyers.

In conclusion, there is no question but that the least danger of disrupting American importer-dealers, toolmakers and the diamond tool industry, would lie in a course where no diamond tool stones were put on the market at all. For that reason I support the recommendations made by Mr. Irving Freed. However, if it has definitely been determined that there must be a sale of some diamond tool stones, then I think that the attitude of the task force should be one of determining how best to do this, rather than a completely negative position where no diamonds should be sold at all.

What is best for the Government's interest is also to the best interest of our country and therefore of my own companies. However, if the sale of the tool stones is made in such a way as to destroy or damage our present lines of manufacture and distribution, it might well do more harm than good. Both defense industry and normal industry need importer-dealers and toolmakers. Therefore, in selection a task force I hope that serious consideration will be given not only to men who know their business, but also to men who know American industry's problems as well.

Because I have been in the business as long as I have, and because I believe that I am familiar with various facets of it, both here and abroad, I would enjoy very much the privilege of serving on such a task force, and hope that you will call upon me for any help that I might render. Furthermore, should you so desire and if it is not improper, I would be glad to suggest names of firms as possible members of your task force.

Again, many thanks for inviting me to participate last Friday and for the manner in which you conducted the meeting.

Sincerely yours,

SUPER-CUT, INC.
L. H. METZGER, *President*.

[Excerpt from the Diamond News and S.A. Jeweler, September 1965]

The chilling question that is now asked sometimes in diamond trade circles is: "Does Russia stockpile? Is the Kremlin secretly planning a similar trick it played on the platinum industry in 1960 when Russia dumped so much platinum on the markets that the slump lasted for years?"

If Russia has really stockpiled diamonds for dumping purposes, it could at last break De Beers' reign over world diamond sales.

But there is a good reason why the Russians will not do so now. All over the world there is a serious shortage of diamonds. Prices have risen 40 percent since 1962. Even the biggest producer, South Africa, has to import diamonds to supply its internal market. Mr. Harry Oppenheimer, chairman of De Beers, has admitted that the corporation's reserve kitty is empty.

GROWING HABIT

If Russia would flood the market now the gems would be snatched up, mostly as a result of the growing habit in Europe and elsewhere to have diamonds besides gold in engagement rings. The industrial stones, selling at a flat \$2.80 (R1.80) a carat, would sell as fast. They are so scarce that five countries now make artificial diamond grit.

To get around the main boycott obstacle, the African countries, De Beers has given birth to a number of companies registered outside South Africa to buy diamonds in Black Africa.

And to keep the home fires burning strongly, De Beers is making a grandiose attempt to find new diamond sources. The corporation is doing high-speed research into the "diamond fields of the future," as they have been called—the seabeds off South-West Africa.

TESTED IN LABORATORIES

Faster and more efficient ways to suck up the precious stones, by means of giant "vacuum cleaners" mounted on floating barges, are being tested in laboratories. Methods to actually mine underneath the seabed, rather than just scraping it, are being investigated.

Otherwise, and whatever the boycott pressure, the attitude of De Beers remains that of South Africa's late Field-Marshal Jan Smuts, whose favorite saying was "The dogs may bark, but the caravan moves on."

Attacks or not, De Beers hopes to keep its caravan moving from one glittering diamond field to another.

[Excerpt from the Diamond News and S.A. Jeweller, July 1964]

DE BEERS AND RUSSIAN DIAMONDS: OVERSEA COMMENT

The breaking off of De Beers' contract to handle Russian diamonds sold to the West—announced by Mr. Harry Oppenheimer recently—is not the first time the diamond trade has been touched by African politics, the Financial Times points out.

Since 1961, all diamonds produced in Ghana have been channeled through the Government Diamond Marketing Board.

BUYING OPERATIONS

"In the other newly independent African states, buying operations are now in every case undertaken by companies registered and managed outside the South African Republic."

Though closely associated, they are not subsidiaries of De Beers.

However, the large majority of gem diamonds are handled by the Central Selling Organization, De Beers' selling organization.

The steady rise in demand means that the supply position is laboring to keep up. In fact it looks as though the industry is living almost hand-to-mouth.

But the Soviet's undertakings to support independence throughout Africa means that unless and until there is some adjustment in South African policy, the contract has no prospect of being renewed.

NEW FOCUS

The Financial Times refers to the search for stones of gem quality on the seabed off the South-West African coast.

Political pressures are throwing this highly exciting exercise up into new focus.

In 1961, Mr. Oppenheimer said that production in the Western World of all types of diamonds could not continue at the present rate for more than 10 years.

Little is known about the Russian reserves and it is therefore difficult to estimate at this stage precisely how far stones offered for sale through the C.S.O. will fall short of the demands of its markets.

Indications are that Russia is not keen on a permanent break with the C.S.O.

[Excerpt from the Diamond News and S.A. Jeweller, August 1964]

SEARCH FOR NEW DIAMOND SOURCES STEPPED UP

The search for new sources of diamonds to meet increasing world demand grows more intense. In productive areas the off-take of gem stones is being stepped up.

Reports of Consolidated Diamond Mine's productions target confirm the strong impression by marketing experts that the stockpile is running dangerously low.

The company aims to produce 125,000 carats a month by the end of this year.

In the past months' output has been running at about 75,000 carats—a volume insufficient to keep up reserve levels against the drain.

Output at present is about 4,000 carats a working day and this, says a company official, is worth R160,000.

But the target of 125,000 carats a month might have to be raised in response to pressures of world demand.

There are 13 screening plans at work along the coast of South-West Africa and an additional five are planned to maintain the desired tempo of production.

C.D.M. recently began prospecting between the high- and low-water marks, the Diamond Fields Advertiser's representative at Windhoek reports.

New plant capable of taking samples of sea sand down to bedrock has been operating day and night. The company has ordered two more machines of this type.

Diggings extend for about 60 miles up the coast. The company is also prospecting in the Kaokoveld.

Meanwhile, there is no apparent slackening in the pace of seabed activity. The interested parties—mainly Marine Diamonds and the Oppenheimer group—are working hard on scientific prospecting. And production of gem stones proceeds at a steady rate.

THREE MORE SHIPS TO JOIN HUNT FOR GEMS

Three ships will glide into Cape Town docks shortly to take their place as part of the worldwide Collins group.

Worth about R300,000, the additions to Mr. Sam Collins' Marine Diamond Corp. fleet in South African waters will be a mere bagatelle in a multi-million-dollar concern.

A director of the company, Comdr. Peter Keeble, said a twin-screw diesel yacht displacing about 187 tons will be used to transport personnel and for liaison work up and down the coast.

Another craft will be used as a crew boat to take crew from the company's airport in Luderitz to offshore mining units.

The third vessel will be used for oceanographic work and for other survey purposes, and will be attached to the corporation.

ENGIS EQUIPMENT Co.,
Morton Grove, Ill., March 18, 1966.

HON. PHILIP J. PHILBIN,
Chairman, Subcommittee No. 1,
House Armed Services Committee,
Washington, D.C.

Re hearings to be held on Monday, March 21, agenda point 3, industrial diamond stones—H.R. 13320.

DEAR SIR: Following your subcommittee's request that interested parties submit their views on the above-proposed legislation, I am pleased to advise that I have asked Mr. Leopold Metzger, president, Super-Cut, Inc., who will appear before your subcommittee, to present my views as well.

Furthermore, I am submitting herewith copies of my letter dated February 17, 1966, addressed to Mr. John G. Harlan, Jr., Commissioner, General Services

Administration, which contains my recommendations on a task force to be set up for the purpose of orderly disposal of excess industrial diamond stones.

I urge that legislative action be deferred until the proposed task force has had the opportunity of submitting its views to the General Service Administration and to the Congress. It was my understanding at the meeting held on February 4 that the foregoing would be the action taken in order to avoid substantial disturbance of industrial diamond markets.

Yours very truly,

E. J. SCHNEIDER,
Vice President.

ENGIS EQUIPMENT CO.,
Morton Grove, Ill., February 17, 1966.

Mr. JOHN G. HARLAN, Jr.,
Commissioner, General Services Administration,
Defense Material Service, Washington, D.C.

Re proposed long-range program for the orderly release of excess industrial diamond stones from the national and supplemental stockpiles. Meeting held February 4, 1966.

DEAR MR. HARLAN: May I first thank you for the most informative and constructive manner in which the General Services Administration handled the industry meeting held earlier this month. The spirit of complete cooperation with industry on the basis of all available facts has indeed been most helpful.

Engis Equipment Co. has been active in the field of specialized diamond abrasives for more than 25 years. The application of our diamond products is of importance to defense industries as well as to industrial manufacture—it covers a broad range from metallurgy and high-speed electronics to plastics manufacture, wire drawing, and metalworking generally. In the volume of business done, Engis Equipment Co. ranks internationally among the top three firms engaged in similar research and production activities.

I have been an officer, director, and president of the Industrial Diamond Association of America, Inc., and am now the chairman of its public relations committee as well as the chairman of the general management committee of its recently formed advanced technology committee.

I am also serving as the Chairman of the Standing Committee of the U.S. Department of Commerce on Commercial Standard CS261-43 Grading of Diamond Powders in Sub-Sieve Sizes.

May I confirm that the least danger of disruption of the American market for diamond stones, including importer dealers, toolmakers, and the diamond products industry generally, would consist of the avoidance of putting any diamond stones on the market. If, however, it has been decided that some disposal of diamond stones must be considered, then the task force should be established. It is my understanding that the proposed task force should assist GSA to find a method of disposal which will protect the U.S. Government against avoidable loss and which will, at the same time, protect producers, processors, and consumers against avoidable disruption of their usual markets.

From data which we have been able to develop, it would appear that on the average taken from the calendar year 1964 and the first 10 months of 1965, the total average annual quantity of industrial diamond stones (drilling stones and other industrial diamond stones, but excluding crushing bort) remaining in the United States is approximately 2,900,000 carats. Of this, it would appear that approximately 600,000 to 700,000 carats are diamond tool stones themselves, the remainder are drilling stones. I believe you will find these figures in general agreement with other industry estimates; they are also likely to be in agreement with the figures developed during the BDSA survey made for the years 1961-62.

The meeting brought out the importance of the importers-dealers in our industry, who provide the diamond product manufacturers (processors) with a continuing, expertly managed, and reliable supply of the large variety of diamond stones required. In this sense, they are actually assuming the role normally performed by the producer of American-made commodities.

The task force might well perform the following functions:

1. Study most carefully the lists of industrial diamond stones which you have kindly submitted to all participants. This should be done in view of the fact that you wish to first consider the stones now located at the U.S. Assay Office, with the exception of class No. 1 drilling stones which, I understand, are not being considered for ready disposal.

2. Thereafter, the task force should carefully study the 1961-62 diamond tool stone use survey which is expected to be available to industry before the end of this month. The task force might then consider whether or not a new survey covering the year 1965 is required so as to provide up-to-date, comprehensive, information in the required detail.

3. At the same time, the task force might physically inspect the diamond stones considered for early disposal in order to fully assess their relation to the present use pattern. From this could be determined the possibilities of proper disposal of all classes and sizes for use in the American market.

4. At the same time should be determined the possibility of reexport of material and other important international implications of continuing supply under the existing methods of international diamond marketing.

I suggest that the 6 to 10 industry members of the task force should include a representative not only from the diamond toolmakers and importers but also from the drill manufacturers, the diamond gem trade, the diamond abrasive products manufacturers, and the American producers of manufactured diamond abrasives. The entire diamond market, in all its phases, is closely interrelated so that the disposal of diamond stones will have a significant effect on the market in gem stones and other industrial diamond end products.

It might be useful to have terms of membership in the industry task force of varying length so that, by proper overlap of service, the best possible balance between continuity and the broadest base could be accomplished.

Members of the Industrial Diamond Association of America, Inc., represent 80 percent by volume of industrial business transacted in the importer-dealer and diamond toolmaker categories and I am sure that the association, as well as its members, will be most happy to serve the General Services Administration in any capacity in which they can be of assistance.

As I am leaving for a business trip abroad, this letter is being written in some haste; however, I hope that you will find the ideas presented useful. Naturally, I will be most happy to serve in any capacity you may desire.

Yours very truly,

E. J. SCHNEIDER,
Vice President.

P.S.—During the meeting you suggested that further industry meetings take place along the lines established on February 4. It might be most useful to discuss recommendations of the task force at another early, full industry meeting.

E.J.S.

PRECISION DIAMOND TOOL CO.,
Elgin, Ill., March 19, 1966.

Subject: House bill H.R. 1320; Senate bill S. 3023.

Mr. L. H. METZGER,

Care of Willard Hotel, Washington, D.C.

DEAR MR. METZGER: Due to prior commitments I cannot join you in Washington on Monday, March 21, to appear before the House Armed Service Committee relative House bill H.R. 1320. You have my authority to speak in my behalf knowing that our views coincide.

It is my considered opinion that the supply and demand of industrial diamonds is presently in a delicate and strained balance. Disposal of any substantial quantity may have damaging effects and disrupt this market.

As a toolmaker I need special shapes and quality of diamonds in increasing numbers. These must be selected carefully out of fresh imported goods. I have great doubts that they would be available from stockpile.

If, therefore, stockpile disposal was to discourage or interrupt fresh imports, we must anticipate a critical shortage of these specialty goods. This would immediately affect our ability to service the jet aircraft, helicopter, and electronics industries.

During the GSA meeting of February 4, which I attended, the industry made a strong plea for a task force to study the effect of stockpile disposal and to formulate and suggest to the Government a method least damaging to the industry. Mr. John G. Harlan, Jr., promised to establish this task force. I urgently plead that this task force convene and that all action on either the Senate or House bills be deferred until a constructive plan has been worked out.

I regret I cannot make my views known in person. Please keep me posted.

Sincerely yours,

JAN TAEYAERS, President.

Mr. METZGER. I would like to say a few things, Mr. Philbin, in view of what has been said this morning, because I think they go to the heart of the matter.

Bismuth is bismuth, and chromium ore is chromium ore. But when you speak of industrial diamonds, you are speaking of an entirely different animal.

In the stockpile there are over 150 different categories. Now, by "categories," I mean size, shape, quality, and types. To show you how complex this picture is, in Mr. Harlan's statement this morning—and I have great respect for Mr. Harlan, I am not trying to disparage him in any way—he mentions diamonds are used in drilling and cutting tools. One of the biggest uses also for diamonds are in dressing grinding wheels for precision grinding of the most important parts in both our war and defense economy.

To show you why they need 150 categories or more, may I submit just these samples to show you what a diamond tool looks like! These are only a few. But you can see from this that you need big diamonds, you need little diamonds, and you need diamonds that can be shaped to chisels, you need diamonds that can be shaped to a turning tool for a lathe. This all requires a vast store of quality, shape, type, and size.

Mr. PHILBIN. Yes.

Mr. METZGER. This is why, when we say 1 million carats of diamonds, we are not just talking about copper, bismuth, or something like that.

Mr. PHILBIN. The diamonds themselves would be in the stockpile!

Mr. METZGER. This is the diamond here.

Mr. PHILBIN. That is what is in the stockpile?

Mr. METZGER. Yes.

Mr. PHILBIN. Not this instrument that it is attached to, not the shaft that is attached to it?

Mr. METZGER. No, that is coming up next week.

Mr. PHILBIN. That is right.

Mr. METZGER. This for example will be passed across a grinder to keep it true, to keep it accurate.

Mr. PHILBIN. Yes.

Mr. METZGER. Now, the reason I think this is so important is because the bill in question states that protection should be given against the avoidable loss to consumers—to producers, processors, and consumers, against the avoidable disruption of their usual markets.

Now what is a usual market? In 1961 and 1962, a survey was made by BBSA which is the last and first to my knowledge, that has ever been made, and although those figures were promised on February 4, they have not yet been printed, and I don't have a copy of them. I understand that that report states that there were some 2 million carats per year used in 1961-62. Only 2 million.

Now, of this 2 million, two-thirds were for drilling purposes, or drill board, as we call it, leaving say 600,000 carats of the kind of industrial tool stones that you saw samples in tool shanks.

Now with the bill that was submitted, was an accompanying letter from Mr. Lawrence B. Knott, and the reason I wanted to talk to you is because this today is the first time I have seen that, and this was a disposal plan that he suggested, and in this disposal plan he states the program will be started with an initial commercial offering of approximately 500,000 carats.

When we convened on February 4, with Mr. Harlan, and incidentally in all the years that I have been coming here, this is the biggest meeting I ever saw. My company has been making diamond tools, diamond drills, diamond wheels, diamond saws, since 1943. There were 44 men from industry at that meeting and 16 from Government.

This has aroused intense interest on the part of the taxpayers. At that meeting we were given two lists by Mr. Harlan. I have copies of them here. I am sure that you do too. One shows that he wishes to dispose initially as soon as possible of some 3 million carats. The other shows that he wants to dispose of a total of 8 million carats, all told, as is covered by the bill.

Now when you speak of disrupting a normal market, the usual market, how can we, or Government, determine what is usual market, if we, for example, don't even have a copy of the survey that has been made? And the survey that was made in 1961-62, is now obsolete because of improved techniques, because of different types and usages of types and forms of diamonds, and this was the main reason why the task force was suggested, and frankly, sir, it seems to me that this is Congress' prerogative to determine how much should be thrown on the market, not that I have little faith in Mr. Harlan, I think he has a wonderful reputation. But I think it is up to Congress every 2 or 3 years to say how much we are going to put on the market in terms of disruption to the average market of industry as it is.

You asked Mr. Freed a question this morning, and I can tell you that if I had been he, I might have answered a little bit differently. I think probably 80 percent of the diamonds under consideration, the type of diamonds we are talking about here today, are handled by the members of the Industrial Diamond Association.

I was a director of that association for 4 years, a vice president for 2 years, and a president for 1. I know a little bit about it, and I can speak also for several other members who are here today and will speak for themselves if you want them to.

But if you put 8 million carats of diamonds on the market, or if you put 3 million carats of diamonds on the market, you are going to put some of these import dealers out of business, and it is just that plain and simple.

This should only be done after a sincere and real study has been given. An importer-dealer, who is not included in the bill—it just says processor, producers, and consumers—but in this particular type of merchandising, an importer-dealer is of vital importance. He has to carry a stock of diamonds for super cut. He has to carry a different stock of diamonds for wheel chewing, and when he goes to London or Antwerp to buy he has to buy sites, including many types of diamonds.

He has to invest a lot of money, sort the goods out, distribute it, and then sell it. If you put on the market 5 years' or 10 years' supply, you are just going to run the importer-dealer out of business, and I don't think it is right, sir.

Mr. PHILBIN. If I may interrupt you for a moment, that is the purpose of the task force set up here by GSA, so everybody could come in, have an opportunity to present your views. You have a plan, or your friend has a plan that you referred to, you can present it. It will receive consideration. You are entitled to get the surveys available currently.

In other words, you can try to get together with people in your industry and GSA to see if you can't work your will together on this matter and make sure the disposal is going to be orderly and not disruptive, and agreeable in every way.

Mr. METZGER. I agree.

Mr. PHILBIN. That is the way Congress likes to see it work. Obviously, there are going to be some instances where there will be some disagreement in a segment of the trade. That is why we insisted on these industry conferences to give you people who are in the trade an opportunity to work your will wherever you can.

Obviously, there must be some regard given to the overwhelming majority opinion. I am not saying that exists in this case at all.

In fact, there might be some doubt about that. But in any event, aren't you satisfied, since you have an agreement now, to have a task force who will work on this, to join with GSA to see if you can't work up some sort of a satisfactory agreement?

Mr. METZGER. Sir, my life may go out tomorrow. I have great respect for Mr. Harlan, but I think it is basically wrong for Congress to pass a bill that disposes of from 6 to 15 years' supply of industrial diamonds. I think what Congress should do is to put into the bill a restriction of some kind that gives a percentage of usage, or a total number of carats that is equal to a percentage of usage for 2 or 3 years, based on some kind of an equitable study.

I just don't like to see a blank check like that.

Mr. PHILBIN. I know, but obviously that is something Congress can't administer, in every bill that is passed, as you understand that. That is why we have administrative agencies.

Mr. METZGER. I am an idealist, I guess.

Mr. PHILBIN. What we have done here is the same thing you suggest. We maintain in the committee a very careful check, and we lay down very careful safeguards in all these matters.

We keep in practically constant touch with GSA and any other agencies involved to see how this is working out. We have commitments from them. One of these commitments you heard today, is a provision for a task force, which should be, I think, a good practical way of getting your industry together to see what would be agreeable, and arriving at some figure, some rate of disposal, so to speak, and the quantity of disposal for each period of time may be agreed upon.

In other words, work up some arrangement, some plan, some formula that will accomplish what the acts provide, and it will not bring any disruptive forces to bear on your industry.

That is what we are seeking to accomplish here. Congress could not possibly administer all these sales. It would be impossible. It was never the intent under the law. If it had been, Congress never could do it.

Don't you think you could work in the harness with the administrative agency here?

Mr. METZGER. Sir, I am a novice in this, obviously you can tell that from my ideas.

Mr. PHILBIN. To the contrary, your ideas are very sensible, and I am very much impressed with them. But I do think you have an opportunity here, or you will have an opportunity—of course I am not going to venture any suggestion as to what is going to happen to this

bill, it is under the advisement of the committee, and it will be up to the membership of the committee what will be done with it.

In the event the bill is passed, or even now before the bill is passed, you have an open invitation and an excellent opportunity to come in contact and come in conference with Mr. Harlan and those associated with him to present your views, to urge your views upon them, and to bring your influence to bear on the plans that are going to be effectuated to carry out the purposes of this bill.

Mr. METZGER. Well, if I may repeat what Mr. Arends and you were saying earlier in the day, it would seem wiser to me if Congress got the results of this task force before they set up 8 million carats of diamonds to sell.

Mr. PHILBIN. Of course, that is an opinion. I think we will have the results, and I think we have the assurance that nothing will be done until these results are received by us.

Mr. METZGER. That would be wonderful.

Mr. PHILBIN. Sir?

Mr. METZGER. That would be wonderful, because this is a complex technical thing.

Mr. PHILBIN. Reports are made to us periodically. As I say, we are in touch with the agency practically all the time, in connection with the proposed programs. I think if you talk with Mr. Harlan, and his associates, you can come to some agreement. I am sure you can, and I have an understanding, I am convinced in my own mind—I know it may be difficult to convince you—but I am convinced in my own mind as to this and any other disposal program, that there will be orderly disposal that will be fair to the trade, and that will carry out all the objectives of the act, which relate to not disrupting the market or the prices, and be fair to the industry, and all those people who are interested, or who are concerned with the legislation.

I personally think perhaps some of the fears you express may be unfounded, and I wish you would at least make a good try, a good strong endeavor, to see if you couldn't join with those that feel as you do, and get into a meeting, in a conference with GSA, to see if you couldn't work out something.

Mr. METZGER. I agree. I think once you set a course you should follow it and cooperate.

Mr. PHILBIN. Right.

Mr. METZGER. Yes, I think some of the political things that have happened in the last week or 10 days may make it very hazardous. I think there is going to be a shortage of diamonds, without question. Your own Bureau of Mines can verify this.

I submitted with my proposal some literature to this effect. I think in the long-term pull it might be wiser to keep these diamonds and not sell any. But if you decide to do it, and I am told this is what Congress decides, I am for you. I will do anything I can to help. But, for heaven's sake, do it on a scientific, technical basis, rather than just say 3 million carats of diamonds or 8 million carats of diamonds.

Mr. PHILBIN. That is why we assign it to the agency, to make sure they do this on a commonsense basis.

You participated in some of these conferences?

Mr. METZGER. Yes. I went away very happy.

Mr. PHILBIN. You have an option forum here, and you will have a task force. We are very glad to have you here. We find your views very interesting. They will be of benefit to us.

Mr. METZGER. Fine.

Mr. PHILBIN. What we want to do is to move any excess materials that we have in the stockpiles that can be safely removed, when we make a finding consistent with the national defense and national security, this should be done, and when we make a further finding that it is not going to be disruptive. In that respect, we rely a great deal on the agency. While we have had extensive delegation with the agency, we never on any one occasion as yet—and we disposed of literally billions of dollars' worth of these excess materials—we have never had any unpleasant experience with the agency in the respect that they have gone back on any commitment. They have never gone back on any commitment they made to us.

Mr. METZGER. They have that reputation, sir. And I think frankly—

Mr. PHILBIN. For that reason I wanted to make clear to you that I thought you could first enter into a discussion with them, and try to see if you could—I know your views would be received, and I know they would be sympathetically viewed and considered, together with all of the other views and opinions of members of your industry, and others that might want to have their views presented to the agency.

I am sure that procedure will be followed, will it not, Mr. Harlan?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. There wouldn't be any question about it.

Mr. METZGER. I have personal faith in Mr. Harlan, but he may not be here all the time. Someone else may come who is not as reasonable. This is why I say, Congress maybe shouldn't give the full \$8 million, or shouldn't give the total quantity.

Mr. PHILBIN. That is something quite open now; we have your opinion about that, and we will consider it, when the time comes we will be glad to have it.

Mr. METZGER. Thank you.

Mr. PHILBIN. Thank you very much for coming here.

Mr. METZGER. Thank you very much for letting me appear.

Mr. ARENDS. If understand you correctly, you prefer, prior to any action taken by this committee, the findings of the task force be reported, so that we have an opportunity to study their recommendations?

Mr. METZGER. I certainly would, sir. I certainly would.

Mr. ARENDS. We didn't ask the question, I don't believe, Mr. Chairman, as to how this committee would be constituted? Who will appoint this task force committee? Will it be appointed part from your organization, part from industry, and pretty well mixed up?

Mr. HARLAN. Yes, sir.

Mr. ARENDS. Have they been appointed as yet, any of them?

Mr. HARLAN. At the meeting we agreed each of the industries represented would write their recommendations to us.

I think I have almost all of those recommendations now. The last few I received in the last day or so.

Mr. ARENDS. It is anticipated then you will shortly establish this committee?

Mr. HARLAN. Yes, sir.

Mr. ARENDS. It should go into action in what might probably be termed a reasonable time, 6 months, to come up with a finding or recommendation?

Mr. HARLAN. I hope we can work it out faster than that.

Mr. ARENDS. Faster than that?

Mr. HARLAN. Yes, sir.

Mr. ARENDS. Maybe time isn't so much of the essence here.

I noticed you said the initial disposing plan was 500,000 carats. Would this be agreeable to you, the 500,000 carats? Would this be effective? Or are you sticking with the policy of nothing now until we get a clear picture?

Mr. METZGER. 500,000 carats, sir, is a whole year's supply, depending on what categories are sold. It may be 6 years' supply if the categories are just in 1, 2, or 3.

Mr. ARENDS. In other words, this could be a choosing of some individual, is that right?

Mr. METZGER. Well, the category probably would be set up by Mr. Harlan. But if, for example, you only had one category in the 500,000 carats, it could well be a 10-year supply.

Mr. ARENDS. Thank you, Mr. Chairman.

Mr. PHILBIN. With further reference to the task force now, Mr. Harlan, I address my question to you: This is admittedly a rather unusual procedure for you to name a task force, isn't it?

Mr. HARLAN. Yes, it is.

Mr. PHILBIN. Don't you normally convene the industry and then try to develop through an industry conference some consensus of the industry?

Mr. HARLAN. That is right.

Mr. PHILBIN. When you found out there were objectors, like the gentlemen who testified here, you decided that the views they presented were so weighty that you would have a task force committee for them, to make a complete survey of this matter, work together with you to see if you could come to some agreement?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. Is that what you had in mind when you established the task force?

Mr. HARLAN. That is right.

We recognized as a result of the meeting there were a number of complicated problems that needed to be looked into.

Mr. PHILBIN. You are to cooperate with the gentlemen to the extent of getting their views, consulting with them, and all of those who want to consult with the agency, before coming to any decision in this matter?

Mr. HARLAN. That is right.

Mr. PHILBIN. Your purpose is to try to get a consensus of the industry, to see if you could bring all the industry into agreement. That isn't always possible?

Mr. HARLAN. No.

Mr. PHILBIN. In a great many instances it is possible.

Mr. HARLAN. Yes.

Mr. PHILBIN. In that respect, you should have no problem. But in any event, we will carefully consider your views.

Mr. METZGER. Thank you very much, gentlemen, for letting me talk.

Mr. PHILBIN. Is there another witness who wants to be heard?
Come forward.

Give your name to the reporter, give the name of the company you represent, and your address.

**STATEMENT OF LEON D. WEINDLING, ANTWERP INDUSTRIAL
DIAMOND CO.**

Mr. WEINDLING. Leon D. Weindling, of the Antwerp Industrial Diamond Co. of New York, 580 Fifth Avenue.

Mr. PHILBIN. Have you submitted a written statement?

Mr. WEINDLING. Yes; we have, Mr. Chairman.

I would like to read it, and in the light of what has gone on before, I should like to amplify it a little.

We want to thank you for the opportunity to express our views before this committee.

We are importers, exporters, and distributors of industrial diamonds and while our company has been in business over 50 years, I myself have been part of it for 25 years with the exception of 4 years during the war.

Industrial diamonds, unlike most other materials in the stockpile, are subdivided in a great variety of qualities, shapes, and sizes used for a wide range of industrial applications. In fact, the National Stockpile Specifications list 168 different types.

At this point, if I may, I should like to deviate from the prepared text and submit to the committee a sample of industrial diamonds.

These include, among others, 11 different qualities in one size range.

By nature, the supply of lower grade stones is far greater than that of better quality and special purpose stones required for today's highly automated precision industries.

While ours is a relatively small industry, it is essential and indispensable and any disruption in this industry would have repercussions throughout all manufacturing and particularly defense industries, because today's advanced technology requires extremely close tolerances which can be achieved only by the use of industrial diamond tools.

H.R. 13320 would authorize the disposal of 8,200,000 carats of industrial diamonds.

According to a breakdown received from GSA, at a meeting on February 4, approximately 7.5 million carats of this amount are in categories of other than stones for such uses as oil drilling, coring, and reaming shells. Of these 7.5 million carats a large proportion is in sizes and qualities currently in oversupply.

According to the last available Department of Commerce figures which are for 1961-62, the annual consumption of stones other than those for drilling, coring, and reaming shells was approximately 600,000 carats.

Therefore, the amount proposed for disposal would be 12.5 years' full supply, if all the stones to be released conformed to current demand.

However, due to technological developments, the pattern of consumption has changed, and the demand for better quality and special purpose stones is increasing, while that for lesser quality is decreasing.

and these are now in oversupply. As far as we can judge from available data, the diamonds to be disposed of contain a very small proportion of currently desirable stones and none at all of some of the very scarce categories.

When the importer acquires material from the prime source, he is required to buy a complete package consisting of a full range of sizes and categories. Some of these are in oversupply.

Any uncontrolled large-scale disposal would add to the oversupply condition of less desirable stones and severely limit the importer's ability to further acquire the material in present demand. This liquidation of stockpile diamonds would have adverse effects on industry and defense production.

We respectfully call this committee's attention to precedents in the disposal programs, such as aluminum disposal, where the yearly amount released from the stockpile corresponded to approximately 5 percent of consumption.

We further respectfully submit that any legislation concerning the disposal of industrial diamonds should include clear, well-defined, and mandatory provisions for consultation with industry, including importers and distributors. It should also include a statutory limit on the amount to be released annually, not only by quantity, but also by quality in current demand. These qualifications should naturally be subject to an annual review by Government and industry jointly.

I should like to deviate from my text in the light of what has transpired this morning.

I would earnestly recommend that the committee not favorably act on the bill in its present form at this time. I would like to associate myself with Mr. Harlan's position as well as others, that have been expressed here this morning; that we need to know a great deal more about consumption and about needs and the political situation before we attempt to develop a disposal program for the attention of the Congress.

In closing, we respectfully request that this committee not recommend passage of H.R. 13320. Or if in its judgment, this committee feels that it should recommend its passage, the text should be amended and clarified to include the points set forth above.

Thank you.

Mr. PHILBIN. Thank you very much. You made a very clear and frank statement. You may be sure the committee will take it under careful advisement.

Mr. WEINDLING. Thank you very much.

Mr. PHILBIN. Thank you.

I would suggest you give your name, address, and the concern you represent for the reporter.

STATEMENT OF EDWARD A. ZUZELO, CARDINAL ENGINEERING CORP.

Mr. ZUZELO. My name is Edward Zuzelo. I am president of the Cardinal Engineering Corp. in Philadelphia.

I have a prepared statement which I will not read, particularly in view of the testimony which has gone on before, and in view of the fact I don't want to take any more of the committee's time than necessary.

Mr. PHILBIN. If you wish, we will insert your prepared statement for the record; then we will have any comments you care to make.

(The prepared statements of Mr. Zuzelo are as follows:)

CARDINAL ENGINEERING CORP..
Philadelphia, Pa., March 18, 1966.

Hon. PHILIP J. PHILBIN,
Chairman, Subcommittee No. 1, House Armed Services Committee,
Rayburn Building, Washington, D.C.

DEAR CONGRESSMAN PHILBIN: Cardinal Engineering Corp., a manufacturer of diamond products containing various types of crushing board, desires to be on record as opposing the disposal of industrial diamonds held in the Government stockpile without adequate consultation with members of the diamond industry.

At the meeting held in Washington on February 4, chaired by John G. Harlan, Jr., Commissioner of General Services Administration, and attended by approximately 44 members of this industry, as well as 16 members of Government. Mr. Harlan indicated that it was the intention of Government to provide a disposal program which would not impose a hardship or financial burden on industry. At this meeting it was concluded that the best approach would be the selection of an industry task force to intelligently study the matter and make recommendations to GSA.

One of the first requirements of a prudent disposal program would be the availability of current diamond usage figures which are simply not available at this time. From this data a program could be developed which would recommend the annual disposal of say 10 percent of the annual usage of each specific type of diamond held in the national stockpile. Practical limits could be placed on the total amount to be disposed over a 10-, 20-, or 30-year period as warranted by the information studied.

The second step to be considered is the actual method of disposal. More details on this can be obtained in our letter of February 9, 1966, addressed to John G. Harlan, Jr., and made a part of this statement.

It appears that the exercise of wisdom on the part of the subcommittee at this time will avoid the disruption, if not the complete destruction, of an industry so vitally required for the defense of the United States.

Very truly yours,

EDWARD A. ZUZELO, President.

FEBRUARY 9, 1966.

GENERAL SERVICES ADMINISTRATION,
Defense Materials Service,
Washington, D.C.

(Attention of Mr. John G. Harlan, Jr., Acting Commissioner).

GENTLEMEN: Pursuant to the meeting of February 4 regarding the intention of your department to release excess industrial diamond stones, we have outlined below our thoughts on the matter. Knowing that you will probably receive voluminous correspondence on this matter, we have attempted to keep our comments as brief as possible.

We are in agreement with the consensus of opinion of those in attendance at the meeting that the most prudent and practical approach would be through a task force or industry advisory committee.

Our first thought would be that this committee should be made up of nine industry members at least six of which would be selected from the membership of the Industrial Diamond Association of America, since member companies of this association account for and supply at least 80 percent of the industry volume on products containing tool stones. The committee should also have at least three members from Government. Four of the nine industry members should be heavily oriented in the manufacturing of products using toolstones because tool-stone disposal presents the greatest complications. Three members should be importers or wholesalers in order that they contribute information regarding matters directly affecting them and other members of their facet of the industry on the mechanics and logistics of disposal. The remaining two industry members should be drawn from the classification of general manufacturers who would be familiar with the use of other types of diamonds in the stockpile.

It would appear that the first objective to be considered is the advisability of disposal of each specific class of material. In order to arrive at intelligent conclusions in this respect, the primary point to be considered is the availability of

the necessary diamonds in today's market with respect to the quality and quantity of the material on hand.

Assuming that this conclusion indicates an excess of material in the stockpile, the disposal figures should be further refined by taking into account present-day usage, particularly with reference to recent technological developments. In other words, perhaps the Government has based their tentative disposal figures on outdated information which may indicate the need to dispose of more or less diamonds than would have been indicated at first. This may require more recent usage figures than those now available, or it may be possible to interpolate from the present statistics.

Assuming that meaningful conclusions are obtained from this initial study, it would then be the next objective of the task force to determine how to physically accomplish the orderly release of such material from the stockpile without disrupting industry business interests and at the same time producing the greatest return to the Government. For example, should the material be offered to domestic suppliers, manufacturers, or original sources. Perhaps some program can be developed wherein such material can be offered to manufacturers for use in products to be sold in the export market, thereby aiding the United States in their balance of payments. Is there a possibility that the material, or products made from the material, can be used for barter or foreign aid. Government representatives can also indicate whether there would be any objections to the material ultimately reaching certain foreign countries. If the material is to be disposed of domestically, what quantities are to be offered per lot, at what time intervals.

We are all cognizant of the implications of your program particularly because of the uniqueness of our industry with respect to its limited sources of raw material. At the Washington meeting, one exporter voiced the comment that the disposal of a single specific class of diamonds could raise havoc with the domestic market purely from the standpoint that raw materials are not purchasable from original sources in separate specific classes, but rather are a part of so-called tie-in sales. Certainly the attendance at your Washington meeting indicates a keen interest on the part of all industry members.

I would personally be most happy to serve on the task force committee as a member from the general manufacturing group and if selected would pledge to do an unbiased job to the best of my ability. I would like to take this opportunity to commend you on your handling of the meeting as well as the consideration you have given our industry.

Very truly yours,

CARDINAL ENGINEERING CORP.,
EDWARD A. ZUZALO, *President*.

Mr. ZUZALO. I would like to make a comment here. It was my original intent to come up here and perhaps reflect the thoughts of Chairman Philbin, where it was originally suggested that nothing be done with respect to bill 13320 until the material prepared by the task force, which was promised to us by Mr. Harlan, be reviewed.

However, it appears, at this point, that perhaps the chronological order of business necessitates that some authorization be given by Congress for diamond disposal, in which case I am now in agreement with Congressman Arends, to perhaps reduce somewhat the quantity of diamonds that are authorized for disposal to a more practical amount, such as 500,000 carats as suggested by him.

My statement, of course, is available in the written presentation, but this is about all that I have to say at this time.

Thank you.

Mr. PHILBIN. Thank you very much. We will keep your suggestion in mind with regard to the limitations and coverage of the bill. Thank you very much for your excellent testimony.

Does that conclude the witnesses who wish to testify on the bill?

Come forward and be seated and give your name and address and the concern you represent to the reporter for the record.

Mr. POLLOCK. Thank you, Mr. Chairman. My name is Henry Pollock of the Henry Pollock Diamond Corp. I am an importer and

dealer, and I sell yearly about 40,000 carats of stones, for roughly an amount of \$1.5 million.

Mr. PHILBIN. Are these for industrial purposes?

Mr. POLLOCK. Yes, sir; only the type of stones that is proposed to be disposed of.

Mr. PHILBIN. No precious stones?

Mr. POLLOCK. No, sir; only industrial diamonds.

My whole capital is invested in industrial diamonds, and the idea that 8,200,000 carats hangs over my head, if I take the figure given this morning of \$13 per carat, it is \$106 million makes it very difficult to stay calm and to stay in business this way. I am afraid to go buy diamonds to supply my customers, as this amount is really staggering.

This morning, in the chrome area, I think it was——

Mr. PHILBIN. How many do you think could be disposed of a year without disrupting the industry?

Mr. POLLOCK. I wrote a cable, sir. The annual consumption—we only have the figure for 1962—was 600,000 carats. I feel confident this industry can take 10 to 15 percent more, let us say another 100,000 carats, without doing it harm.

Mr. PHILBIN. In other words, if you had a disposal program of about 100,000 carats a year?

Mr. POLLOCK. How much, sir?

Mr. PHILBIN. Did you say 100,000 carats?

Mr. POLLOCK. Yes, in addition to the usual supply, because we have commitments we have already.

Mr. PHILBIN. You can stand that?

Mr. POLLOCK. Yes, this is my personal opinion.

Mr. PHILBIN. In any event, you wouldn't even want that to be done, as it would affect the prices currently and the market currently?

Mr. POLLOCK. Like I said, this is my personal opinion. One hundred thousand additional carats can be disposed of yearly, but a half million, 3 million, or 8 million, this can ruin myself and my colleagues. We would feel much more at ease if we can take the suggestion made by yourself this morning, sir, to first form the task force, first study, and then pass this bill. We have full confidence in the gentleman back of me; nevertheless to give him carte blanche——

Mr. PHILBIN. Did you attend the industry meeting?

Mr. POLLOCK. Yes, sir; I did.

Mr. PHILBIN. You gave your views to GSA?

Mr. POLLOCK. Yes, I did, sir.

Mr. PHILBIN. You think it is a good idea to have the task force?

Mr. POLLOCK. Definitely.

Mr. PHILBIN. Do you have any fears the task force isn't going to work out well?

Mr. POLLOCK. No, I feel it will work out well, but I would feel much more at ease if the decision is made by the task force and then the bill filed. If you give carte blanche—I have great respect.

Mr. PHILBIN. This task force is the first time it has ever been inaugurated in a disposal proceeding. This is the very first time.

Mr. POLLOCK. Yes, sir.

Mr. PHILBIN. The usual practice is to have what we call industry meetings, industry conferences, to seek consensus, as we do in every case.

Mr. POLLOCK. Yes, sir.

Mr. PHILBIN. Have you attended one of those?

Mr. POLLOCK. Oh, yes.

Mr. PHILBIN. When it became obvious there was considerable difference in the industry about what should be done, if anything, and how it should be done, then GSA representatives, Mr. Harlan, in his desire to be very helpful and considerate, inaugurated this entirely new procedural device of the task force, and that is now going to be formed, and the industry conference has already been held. They are usually a condition precedent to any hearings on the part of this committee?

Mr. POLLOCK. I understand, sir.

Mr. PHILBIN. We will give careful consideration in any event to the report.

Mr. POLLOCK. Thank you very much.

Mr. PHILBIN. Do you have any questions to ask?

Mr. ARENDS. Just a matter of interest—off the record, it doesn't make any difference—being a layman I know little, if anything, about an industrial diamond. Can you give a comparison what a good diamond is worth, what would an industrial diamond be worth? Can you make them down that way? I don't even know.

Mr. POLLOCK. One carat stone, the top quality would be today around \$45 a carat.

Mr. ARENDS. How much?

Mr. POLLOCK. \$45 a carat, going down in six or seven different categories, all the way down to \$6 or \$7 a carat.

Mr. ARENDS. Thank you. That was a matter of interest. Thank you.

Mr. POLLOCK. Yes, sir.

Mr. PHILBIN. Mr. Machen.

Mr. MACHEN. No questions.

Mr. PHILBIN. Mr. Stratton.

Mr. STRATTON. No questions.

Mr. PHILBIN. Thank you very much, you have given us excellent testimony.

Are there any further witnesses on this bill?

Mr. COOK. No, sir.

Mr. PHILBIN. The hearings will be concluded on this bill. We will move to the next bill.

Mr. ARENDS. May I ask permission to insert a letter from the American Mining Congress?

Mr. PHILBIN. That may be inserted in the record in the hearing.

(The letter from the American Mining Congress, dated March 18, 1966, is as follows:)

AMERICAN MINING CONGRESS,

March 18, 1966.

HON. PHILIP J. PHILBIN,
Chairman, Armed Services Committee,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: The American Mining Congress is very appreciative of being permitted this opportunity to comment upon the 18 specific commodity stockpile disposal bills which you have announced will be considered by your subcommittee March 21 through March 24, 1966.

H.R. 13369, calling for the disposal of 1,034,300 pounds of molybdenum from the national stockpile without regard to section 3 of the Strategic and Critical

Materials Stock Piling Act, is endorsed by the American Mining Congress. The amount contemplated for release is a small fraction of U.S. annual consumption and we are advised by industry that the material is much needed at this time.

There are four bills (H.R. 13364, 12412, 13569, 13570), each of which has in common the authorization of the release of some 316,300 troy ounces of platinum from the stockpiles without regard to section 3 of the Strategic and Critical Materials Stock Piling Act. The release of this amount, which is the total surplus over conventional war objectives of the platinum in the stockpile, is endorsed by the American Mining Congress because the material, we are advised, is greatly needed by industry at this time and because we are of the opinion that this release would not disrupt domestic markets. The American Mining Congress has no comment on the various technical differences between the bills.

H.R. 13366 calls for the release of approximately 920,000 short tons of aluminum from the national stockpile, " * * * notwithstanding any other provision of law * * * " The American Mining Congress supports this bill because it implements an industry-Government agreement entered into last fall after extensive negotiations.

With the exception of six bills—H.R. 13368 (bismuth, H.R. 13661 (synthetic manganese dioxide), H.R. 13370 (crude aluminum oxide), H.R. 13580 (amosite asbestos), H.R. 13367 (acid grade fluorspar), and H.R. 12694 (metallurgical grade bauxite)—all the bills to be considered by your subcommittee calls for the disposal by the executive branch of all the presently declared surpluses in each commodity without further supervision by the Congress. As for the indicated six, the disposals contemplated amount to substantially all the surplus.

The American Mining Congress has consistently regarded with concern proposals for legislation, or any other plans, which would turn over to the executive branch either general authority for stockpile disposals or authority to dispose of a large quantity of any particular material over an extended period.

Pending before you now are two classic examples of this problem as it affects the mining industry. H.R. 13365 calls for disposal of 2,300,000 short dry tons of metallurgical-grade chromite from stockpile. This amount, together with the approximately 985,000 tons presently in the Defense Production Act inventory (releases from which do not require congressional authority), would place a total of approximately 3,285,000 tons of chromite, representing all the surplus, in the hands of the administration for disposal without further congressional review. This amount is the approximate equivalent of 3 years U.S. annual consumption. In the same vein, it should be noted that the amount of metallurgical bauxite contemplated by H.R. 12694 is the equivalent of more than 6 months U.S. annual consumption.

It is essential that stockpile disposals continue to be handled in a manner which does not disrupt employment and activity in the raw material industries of this country or of our foreign suppliers. This objective can best be served by adhering to a pattern of making limited sales of surplus materials from time to time, after due consultation with industry in each such instance and specific approval by the Congress.

As I am sure you will recall, this position of the American Mining Congress is exactly the same position which we took last summer when the full Committee on Armed Services was considering S. 28. Although we did not testify prior to the adjournment of those hearings, our prepared testimony then, as now, emphasized the absolute necessity of the retention of congressional control over disposals from stockpile. The result of each of these individual disposal bills is exactly the same as if S. 28 had been passed, giving the administration complete control without congressional supervision over all surplus disposals from stockpile.

The American Mining Congress continues in its position that these Government stockpiles of metals and minerals are such valuable assets that the Congress should not, under any circumstances, relinquish control thereof.

We would very much appreciate your including this expression of the American Mining Congress views in the hearing record.

Sincerely yours,

J. ALLEN OVERTON, Jr.,
Executive Vice President.

H.R. 13372—CRUDE SILICON CARBIDE

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE NO. 1 OF THE
ARMED SERVICES COMMITTEE,
Washington, D.C., March 21, 1966.

The subcommittee met, pursuant to notice, in room 2118, Rayburn Building, Hon. Philip J. Philbin (chairman of the subcommittee) presiding.

Mr. PHILBIN. What is the next bill?

Mr. COOK. H.R. 13372, crude silicon carbide.

(The bill reads as follows:)

[H.R. 13372, 89th Cong., 2d sess.]

A BILL To authorize the disposal of crude silicon carbide from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately one hundred and sixty-six thousand five hundred short tons of crude silicon carbide now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: Provided, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

(The statement of Mr. Philbin on crude silicon carbide is as follows:)

**OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN,
SUBCOMMITTEE NO. 1**

Mr. PHILBIN. Another portion of the administration package releasing excess materials from the stockpiles is a bill relating to crude silicon carbide.

We have in our inventories contained in the national and supplemental stockpiles 196,502 short tons. This includes approximately 56 short tons of materials authorized for disposal pursuant to Public Law 89-252, enacted on October 9, 1965. The stockpile objective is 30,000 short tons. Thus, we have a total excess in our inventories of 166,502 short tons.

Silicon carbide is manufactured by fusing clean silica sand, coke, salt, and sawdust in an electric furnace. This process requires 36 hours for fusion and 24 hours for cooling. The cooled mass is crushed to provide crude material with no lumps in excess of 4 inches for the stockpile. Silicon carbide is exceeded in hardness by boron carbide and diamonds.

Abrasive grain is processed from crude silicon carbide and is used in the manufacture of grinding wheels, coated sheets, belts, and disks. Silicon carbide is preferred for grinding stone, materials that are hard or brittle or of low-tensile strength, such as cast iron, brass, aluminum, and leather. Silicon carbide does not soften or melt at temperatures

below 4,550° C. and is used for metallurgical refractory, but is less resistant to molten steel and basic slags. It is not attacked by most acids and is used in the chemical industries. This metal is obtained in the United States and Canada. The average acquisition cost of carbide in the stockpile was \$194 per short ton and the present market value is approximately \$219 per short ton.

Mr. Lawrence?

(The prepared statement of Mr. William N. Lawrence on crude silicon carbide is as follows:)

STATEMENT BY WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. Mr. Chairman and members of the subcommittee, I appreciate the opportunity of appearing before you to support H.R. 13372, 89th Congress, a bill, to authorize the disposal of crude silicon carbide from the national stockpile and the supplemental stockpile.

This bill would authorize the disposal of approximately 166,500 short tons of crude silicon carbide which the Director of the Office of Emergency Planning has determined to be excess to stockpile needs pursuant to section 2(a) of the Strategic and Critical Materials Stock Piling Act, as amended.

Silicon carbide is obtained chiefly from Canada and the United States. It is used as an abrasive, a refractory, and in metallurgical, chemical, and electrical applications. It is preferred to other abrasives for grinding stone and materials that are hard and brittle or of low tensile strength, such as cast iron, brass, and aluminum. It is an emergency substitute for the far more expensive and efficient diamond bort in grinding and sharpening tungsten carbide tools.

The stockpile objective for silicon carbide was reduced April 2, 1964, from 100,000 short tons to 30,000 tons. Current inventories as of December 30, 1956, is 196,502 short tons.

The proposed disposal program for this material has been reviewed with interested industry representatives and affected Government agencies.

The Office of Emergency Planning favors the passage of this legislation and respectfully request prompt and favorable consideration of this bill.

Mr. PHILBIN. You wouldn't have conferences, but there is no objection by any of the agencies here. All the agencies you cleared it with are favorable?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. There are no questions. Thank you very much.

Mr. Harlan, let us have your views on this bill, H.R. 13372, for crude silicon carbide.

Mr. HARLAN. I think, sir, with your permission I won't repeat some of the information which was given.

(The prepared statement of Mr. John G. Harlan, Jr., on crude silicon carbide is as follows:)

**STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES
ADMINISTRATION**

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13372.

This bill would authorize the disposal of approximately 166,500 short tons of crude silicon carbide now held in the national and supplemental stockpiles. The Office of Emergency Planning has determined this quantity to be in excess of stockpile requirements.

Silicon carbide is an abrasive, manufactured by fusing sand and petroleum coke, along with salt and sawdust in an electric furnace.

Canada is the principal world producer, accounting for 38 percent. The United States produces about 26 percent.

Approximately 90 percent of the annual Canadian production is of crude material which is exported to the United States for processing into finished grain. It is used in the manufacture of grinding wheels and applied to coated sheets, belts, and discs.

The total inventory of silicon carbide held by GSA is 196,502 short tons. The present stockpile objective is 30,000 short tons. The excess of approximately 166,500 short tons is covered by H.R. 13372.

The approximate acquisition cost of the stockpile inventories of silicon carbide was \$194 per short ton. The present market value is in the area of \$220 per short ton.

Industry representatives and affected Government agencies were consulted in the development of the disposal program on the excess of 166,500 short tons. On February 4 we held a meeting with the major producers and consumers of this material to discuss the proposed disposal.

Although industry representatives had strong reservations against disposal at this time because of present supply-demand conditions, we are still working with them and believe that we will develop a program designed to make a modest start, with which industry will agree, and which will result in a minimum of disruption. Authorizing legislation will be needed to permit this beginning.

This agency strongly recommends the enactment of H.R. 13372.

This concludes my prepared statement, Mr. Chairman. However, if you or members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. PHILBIN. We are more interested in finding out if you have had an industry conference and what the result was.

Mr. HARLAN. Yes, sir; we did hold an industry conference on the 4th of February, we held a meeting with the major producers and consumers of this material to discuss the proposed disposal.

Although the industry representatives had strong reservations against the disposal at this time because of the present supply-demand

conditions, we agreed to keep working with them and believe that we will develop a program designed to make a modest start, with which the industry will agree, and with which we will be able to carry out the disposal with a minimum of disruption.

Mr. PHILBIN. You did have some disagreement with the proposed disposal too, didn't you?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. You didn't have unanimous agreement?

Mr. HARLAN. We have not reached unanimous agreement; no, sir.

Mr. PHILBIN. How many people were in disagreement?

Mr. HARLAN. How many of the people at the meeting were in disagreement?

Mr. PHILBIN. How many people in the industry generally, approximately—what percentage of the industry was in disagreement?

Mr. HARLAN. I would say pretty near all of them were in disagreement. They have reservations about the possible disruption of the market with the disposal program, and they also have some concern as to whether or not the quantity to be held for the stockpile is sufficient. But as I explained this morning, we feel very strongly that we've got to get started with these disposal programs, and that a modest disposal program can be got underway for this and other commodities where there is reservation by the industry, and if it is handled carefully and carefully watched that the disposals can be carried out without real disruption in the industry.

Mr. PHILBIN. Under the plan which you developed here, over what period of time would you make the disposal, as provided for by the bill?

Mr. HARLAN. Initially we expected it would last for at least 10 or 12 years. However, I would like to say that this figure as far as we are concerned is still very much open, depending on what we can work out with the industry.

Mr. PHILBIN. Some of the industry feel that the disposal would be disruptive of the price or prices and the market?

Mr. HARLAN. They feel it will; yes, sir.

Mr. PHILBIN. Did they present their reasons to you?

Mr. HARLAN. They did.

Mr. PHILBIN. In writing, I suppose, and verbally at the meetings?

Mr. HARLAN. That is correct, sir.

Mr. PHILBIN. You are willing to give them full consideration?

Mr. HARLAN. My reason for recommending we proceed with this is I am fully confident a program, a very modest program albeit, can be worked out and successfully carried out.

Mr. PHILBIN. That is not going to interfere with prices or the market or conditions of the industry?

Mr. HARLAN. That is right.

Mr. PHILBIN. It will not, of course, be inconsistent with the defense needs of the security needs?

Mr. HARLAN. No.

Mr. PHILBIN. That was testified to by Mr. Lawrence.

Do you have some questions, Mr. Stratton?

Mr. STRATTON. No.

Mr. PHILBIN. Mr. Randall?

Mr. RANDALL. No.

Mr. PHILBIN. Thank you very much.

Is there anyone from industry here that wants to be heard?

Mr. COOK. Mr. Allen Wherry, manager of Abrasive Grain Association, accompanied by Mr. J. S. Tomlinson, president, General Abrasives Co., Inc.

Mr. PHILBIN. Give your names. Do you both want to testify individually? Do you have prepared statements?

Mr. TOMLINSON. Mr. Wherry will testify. I represent one company, and in the absence of my competitors I don't want to get in too deeply because they might not be in full agreement with what I have to say, but I am available if there are any questions.

Mr. PHILBIN. Do you want to start your testimony? Have you given your name and address to the reporter, and the concern that you represent?

Mr. WHERRY. My name is Allen P. Wherry, with Thomas Associates, Cleveland, Ohio. We manage the Abrasive Grain Association, which is a trade association composed of manufacturers of crude aluminum oxide and abrasive grain produced from these crude materials.

The association represents a major portion of the manufacturers in the United States.

Mr. Chairman, we have made a prepared statement and have submitted it to Mr. Cook, the counsel.

(The complete prepared statement of Mr. Wherry is as follows:)

STATEMENT OF ALLEN P. WHERRY OF THOMAS ASSOCIATES OF CLEVELAND, OHIO, ON BEHALF OF THE ABRASIVE GRAIN ASSOCIATION

Mr. WHERRY. We have been advised that the General Services Administration has submitted a disposal plan to your committee proposing the sale of 166,052 short tons of crude silicon carbide from the national stockpile and the supplemental stockpile. We further understand that this action is as a result of a decision made by the Office of Emergency Planning that this amount has been declared as excess to stockpile needs.

The manufacturers of crude silicon carbide have had two meetings with the various governmental agencies involved in this action. The first was held on February 11, 1965, under the auspices of the Office of Emergency Planning, and the second was held on February 4, 1966, under the auspices of the General Services Administration.

Following the first meeting with the Office of Emergency Planning, the industry wrote to Mr. E. J. Talbert, Director of the Miscellaneous Metals and Minerals Division, Business and Defense Services Administration, U.S. Department of Commerce, expressing concern over the contemplated disposal of this material, not from an economic point of view but, rather, from the national security standpoint. Apparently, our position had very little impact on the thinking of the Office of Emergency Planning since they have not changed their original view on the amount of crude silicon carbide which should be maintained in the stockpile since the amount in question has not changed significantly.

The meeting held on February 4, 1966, with the General Services Administration, was solely for the purpose of determining the methods to be used for disposal with no consideration being given to the industry's position regarding the need for the maintenance of the stockpile.

We felt, therefore, that it was desirable to express our views to you and your subcommittee so that you will have this information available when you consider the GSA request. The industry's position is:

(1) The pertinent figures to consider are as follows:

	<i>Short tons</i>
Silicon carbide, current inventory-----	196, 502
Declared excess to stockpile needs-----	166, 052
Inventory stockpile objectives (established April 2, 1964)-----	30, 000
Industry sales of crude SiC (yearly average over 5-year period 1961 through 1965) domestic and foreign sales (tons per year)-----	3, 750

As you can see by the above figures, the total amount contemplated for disposal is equivalent to industry sales of crude silicon carbide for 44.4 years. Therefore, the impact of the contemplated disposal would be serious and could have an extremely disruptive effect on the market for crude silicon carbide.

(2) Although the production of crude silicon carbide is somewhat dispersed, a large portion is concentrated on the Niagara frontier and, therefore, extremely vulnerable, in our opinion, to enemy attack and sabotage. The destruction of the facilities on the Niagara frontier would eliminate a principal source of an important ingredient for the abrasive-consuming industry such as grinding wheels, coated abrasives, high temperature refractories, etc. It is also used by such strategic industries as electrical, metallurgical, electronic, and chemical. It is, therefore, self-evident that the destruction of even a portion of the production capacity for silicon carbide would seriously hamper the ability of the U.S. industry to continue at a pace required during a period of national emergency.

The production of 1 pound of silicon carbide requires approximately 3 kilowatts of electric power; therefore, the silicon carbide stockpile also represents a substantial stockpile of electric power.

(3) The contemplated stockpile objective of 30,000 tons is, in our opinion, inadequate and also would pose a serious threat to the ability of the U.S. industry to maintain the production capacity necessary during any emergency. We have been advised that the Office of Emergency Planning has established, as a criteria for their stockpile objectives, a 3-year supply of the material.

We cannot resolve this with the 30,000 tons established as the stockpile objective. It is our considered judgment that during a period of mobilization the U.S. producers would be required to supply approximately 150,000 short tons of silicon carbide crude material per year. Thus the 3-year objective established by OEP, in our opinion, would require that 450,000 short tons of the material be maintained in the Government stockpile.

(4) In point (1) above, we mentioned that industry sales of crude silicon carbide averaged 3,750 short tons per year for the 5-year period 1961 through 1965. In point (3) above, we stated that, in our opinion, during a period of mobilization the U.S. producers would be required to supply approximately 150,000 short tons of silicon carbide crude material per year.

At first glance, these figures might appear to be in conflict; however, the difference is explained by the fact that in the first instance we are referring to the market for crude material, whereas in the second instance we are talking about total usage of the material. All producers of crude silicon carbide convert a major portion of their production into grain which is then sold for use in the manufacture of grinding wheels, coated abrasives, refractories, etc. Only a small portion is sold as crude silicon carbide since there are only a few users of silicon carbide grain who are equipped to convert crude material into grain sizes.

(5) The importance of the abrasive industry to the maintenance of industrial production cannot be stressed too strongly. To support this point, we call your attention to restricted document ST49-20 (the abrasives industry) of the Industrial College of the Armed Forces, published April 15, 1949, which describes the industry as follows:

The abrasives industry is one of those small industries upon which all other production is dependent and is vital to mass production (p. 36).

The abrasive industry is specifically included in the list of essential industries published by the U.S. Department of Commerce, August 3, 1950; major group 32, code No. 3291. The essentiality of this industry is also recorded in great detail in the files of the National Security Resources Board.

While grinding wheels are themselves expendable production tools, they are indispensable for manufacturing the machine tools and metal cutting tools which are the primary requisite of munitions production. The product is the same in peace or war. The grinding wheel and abrasives in other forms are also indispensable in the direct production of planes, engines, guns, tanks, motor vehicles, shells.

The Industrial College report also concludes that the industry must be assured of a supply, in most cases in relatively small quantities but nevertheless indispensable, of raw materials which in a wartime economy become critical.

Evidence that the industry must operate at full volume to sustain the productive capacity of all other segments of the economy is found in the fact that capacity in World War II was increased to four times its greatest previous output.

In conclusion, we emphasize again that if there is any validity at all in the necessity of stockpiling strategic materials, the contemplated reduction in the silicon carbide crude stockpile would seriously jeopardize the ability of the U.S. manufacturing industry to meet wartime requirements. We, therefore, strongly urge that the decision regarding disposal be reviewed in light of the foregoing comments.

For your information, the members of the Abrasive Grain Association are as follows:

Abrasive Products Co., Lansdowne, Pa.
 American Abrasive Co., Westfield, Mass.
 The Carborundum Co., Electro Minerals Division, Niagara Falls, N.Y.
 Electro Refractories & Abrasive Corp., Buffalo, N.Y.
 The Exolon Co., Tonawanda, N.Y.
 General Abrasive Co., Inc., Niagara Falls, N.Y.
 Hamilton Emery & Corundum Co., Chester, Mass.
 Macklin Co., Jackson, Mich.
 Mid-West Abrasive Co., Owosso, Mich.
 Simonds Abrasive Co., Philadelphia, Pa.
 Washington Mills Abrasive Co., North Grafton, Mass.

The contemplated stockpile objective of 30,000 tons is, in our opinion, inadequate and also would pose a serious threat to the ability of the U.S. industry to maintain the production capacity necessary during any emergency. We have been advised that the Office of Emergency Planning has established, as a criteria for their stockpile objectives, a 3-year supply of the material.

Mr. PHILBIN. What do you think it should be?

Mr. WHERRY. In our opinion it would require 450,000 short tons of the material be maintained in the stockpile.

Mr. PHILBIN. What did you base that amount on?

Mr. WHERRY. This estimate is based on the projection that the current usage of silicon carbide crude, for all purposes, is approximately 150,000 short tons per year.

Mr. PHILBIN. Annually?

Mr. WHERRY. Using the multiplier of a 3-year supply as established by the Office of Emergency Planning we come up with the 450,000 short tons.

Mr. PHILBIN. Who made that evaluation?

Mr. WHERRY. Pardon?

Mr. PHILBIN. Did you make that evaluation or was it done in your industry?

Mr. WHERRY. It was done by our industry in conjunction with my office through the industry statistics.

Mr. PHILBIN. It was not the industry as a whole, your own industry?

Mr. WHERRY. We represent the industry as a whole. These are industry figures.

Mr. PHILBIN. These are industry figures?

Mr. WHERRY. That is right, sir.

Mr. PHILBIN. You think you should have 450,000 rather than 30,000?

Mr. WHERRY. Well, if this 3-year supply criteria is valid, then it should be 450,000 short tons; yes, sir.

Mr. PHILBIN. Well, you know the procedure that we follow on that question. We have to take the views of those who are very highly placed, so highly placed we can't always mention their names in public hearings, and who are concerned in a very vital way with maintaining the security of the United States. These are the people who make the evaluations that we receive here in our evidence, and we can't go behind them very well when they come from such a highly placed source in our Government. These are men who have devoted their entire lives to national security matters, and who are acquainted with all of the needs of the national security, and who have, with painstaking evaluation, given us their figures. We feel bound by those figures.

Do you consider yourself to be as competent as the Joint Chiefs of Staff to determine what is in the interest of the national security of the United States?

Mr. WHERRY. Let me say that in this—

Mr. PHILBIN. I won't press that question. That represents the kind of assertion we have to make here now, as a matter of policy, on our committee. You understand.

Do you have a comment, Mr. Stratton?

Mr. STRATTON. I didn't want to interrupt what you were saying.

Mr. Chairman, if I could ask a question, I would like to ask the witness why it is that setting the stockpile at 30,000 tons would impair the ability of the industry to produce silicon carbide? I don't understand that.

Is your purpose to sell what you produce to the Government, and if we didn't have that stockpile you would be unable to sell it? Is that the point?

Mr. WHERRY. No, sir. There is no current sale being made to the Government of silicon carbide that I am aware of.

Mr. STRATTON. Well, then, why does the size of the stockpile have any bearing on your ability to produce? I can understand how getting rid of the stockpile at a too rapid rate could create or could impair your market, but I don't get the point that you have to maintain a particular stockpile in order to make it possible for your company to produce.

You have indicated, and I would certainly agree, that we have a large production capacity concentrated along the Niagara Frontier in my State. I certainly wouldn't want to see anything happen to that productive capacity. But I don't quite understand how this would threaten, as you say here in point (3), a serious threat to the ability of the U.S. industry to maintain the production capacity necessary during any emergency. I don't understand that.

Mr. WHERRY. In that case, sir, we are referring to the consumers of silicon carbide as being able to continue the production of the materials required for a wartime effort. If, because of the high concentration of the industry in the Niagara Frontier, the facilities for the manufacture of silicon carbide were put out of action the 30,000 tons contemplated in the stockpile would be grossly inadequate to take up the slack in production caused by knocking out even a single production facility.

Mr. STRATTON. What is the annual production there in the Niagara Frontier, how many tons is that?

Mr. TOMLINSON. I don't think I can answer that, because not all of the industry is concentrated there. In the case of silicon carbide there was one operation in Vancouver, Wash. There is another at Three Rivers, Quebec. And there is another one at Shawinigan Falls. I can't say all of that is concentrated there.

Mr. WHERRY. Mr. Stratton, I would like to clear up one other point. I am not a representative of a manufacturer of silicon carbide. I represent the Association of Manufacturers of Silicon Carbide, the trade association to which all of these people belong.

Mr. STRATTON. I am just trying to understand the argument. I don't think anybody on the committee wants to do anything to impair the security of the country, and if this is a product for which there will be such a great demand and which the annual supply is itself limited and is as you suggest subject to being knocked out, then maybe we ought to explore this a little bit further. But I just wanted to try to get an idea of what we were talking about.

Do I understand from your testimony the annual production of this product, and I haven't got the vaguest idea what silicon carbide is, to tell you the truth, but do I understand the annual production roughly is 3,700 tons per year?

Mr. WHERRY. No, sir.

Mr. STRATTON. What is it?

Mr. WHERRY. The 3,700-ton figure we quote in our statement is the actual average sale per year over the past 5 years. This is the sale of crude material. The actual production and use of silicon carbide during any one year—it approaches 150,000 tons.

Mr. STRATTON. 150,000 tons?

Mr. WHERRY. Are consumed.

Mr. STRATTON. Are consumed.

Mr. WHERRY. I wouldn't want to be held precisely to that figure, sir, because I don't have those figures with me. But approximately that.

Mr. STRATTON. Well, now, again, maybe I am just a layman in this field, how does that jibe with the sales of 3,000 tons a year?

Mr. TOMLINSON. That is one of the difficulties in this situation. The big producers, the biggest producer is the Carborundum Co., and the Norton Co.

Mr. STRATTON. Excuse me, just to get it straight, they don't produce this material, do they?

Mr. TOMLINSON. Yes, they do.

Mr. STRATTON. I thought this was a raw material from which they produce—

Mr. TOMLINSON. They are integrated companies, from the raw material right up to the finished product. There are five producers. There is the Norton Co., the Carborundum Co.; there is General Abrasive, which is the company I represent; the Exolon Co., in North Tonawanda, and Electro Refractories & Abrasives Corp.

Now, most of the crude silicon carbide which is produced is used in the manufacture of end products, whether they be grinding wheels, refractories, as we were mentioning before, coated abrasive and such, by the companies that produce the crude material. That is why, with such a large requirement each year, and such a large production, and such a large amount in the stockpile is what worries me personally, there are so small sales each year, because there isn't very much sold.

In the case of our own company, we do not make end products. We and Exolon do not make end products, but we make this into abrasive grain, which we in turn sell. Actually the market—this is what I don't understand, where all this going to be sold, because there isn't that big a market for it.

I don't know that I clarified or confused the original question.

Mr. STRATTON. Well, if I understand it, again, what you are saying is that almost all of what is currently being produced is currently being used in end products of one kind or another.

Mr. TOMLINSON. By the people who produce it. So there isn't a market for the crude, as such.

Mr. STRATTON. Right. And this is largely in the civilian end of the economy?

Mr. TOMLINSON. Yes; I would say so at the present time.

Mr. WHERRY. Civilian and military, and there is no difference. There is no difference between its use, whether it be military or civilian. Its use is exactly the same whether we are in a peacetime economy or wartime economy.

Mr. STRATTON. Is the rate of use the same?

Mr. WHERRY. No; the rate of use is not the same in a wartime economy, as industrial activity increases so does the demand for silicon carbide.

Mr. STRATTON. That is right. So that if you had or if you were in an increased emergency situation, the demand would become greater, and therefore you wouldn't have the ability to produce the excess that would be needed; is that right?

Mr. WHERRY. And if we lost any of the production capacity through enemy action, this would become even more serious.

Mr. STRATTON. So the stockpile that is being recommended by the Government, by the General Services Administration, represents only one-fifth of the annual production, and your proposal is that it ought to represent 3 years' production; is that the point?

Mr. WHERRY. If there is any validity to the formula of 3 years; yes, sir.

Mr. TOMLINSON. I don't know if we actually make that as a proposal. But what we are saying is if you use the 3-year period, and you talk about the usage, then you are drawn to that conclusion. We don't propose that. We are not proposing an addition to the stockpile.

Mr. STRATTON. As I say, I am a novice in this field, but it does seem to me that a safety factor of only 20 percent is a pretty slim safety factor; even an airplane is supposed to have about 50 percent in its fuel supply. And I would certainly think, Mr. Chairman, that subject to some technical points here that I don't understand, that this is a very slim proposal indeed, for only a 30 percent stockpile factor.

Mr. RANDALL. Mr. Chairman.

Mr. PHILBIN. Yes, Mr. Randall.

Mr. RANDALL. I am trying to follow these. I understood the testimony to say, the sale—is that the right word?—that you had sold 3,750 tons per year.

Mr. WHERRY. This is the average industry sales, sir.

Mr. RANDALL. You also said there were 150,000 tons consumed?

Mr. WHERRY. I am "guesstimating," sir, I don't have those figures with me. I think the confusion arises because the producers and the consumers are one and the same in most cases, you see.

Mr. RANDALL. This is sort of a surplus you are selling here?

Mr. WHERRY. No; there are some people who buy crude material for further processing. But this segment of the industry is extremely limited.

Mr. RANDALL. What do you mean by "used"; it is abrasive, ground up in dust, and that is all you see or hear of it again?

Mr. WHERRY. They buy the crude material and they crush into grain sizes for their own use, rather than buying grain sizes. This is a three-step product.

No. 1, you produce the crude material from raw materials. Your end product there is crude silicon carbide. This crude silicon carbide then is crushed and graded for sizes, much the same as, well, take sugar, for example. This would be one of the grain sizes. But it goes from the size of the tip of your finger, down to very fine powders. This is known as abrasive grain. This abrasive grain is then used for the manufacture of grinding wheels, coated abrasives, lapping compounds, buffing compounds, refractories, and so on.

In the case of carborundum, they make the crude abrasive, they reduce it to abrasive grain, and they produce grinding wheels, refractories, and coated abrasives.

In the case of Mr. Tomlinson's operation, he makes the crude, and reduces it into grain sized for sale to grinding wheel manufacturers who do not make their own material. Now, he also sells a limited amount of crude material for people who have their own crushing and screening facilities.

It is these people that represent the market for the crude abrasives. This is where you get the 3,750 tons.

Mr. RANDALL. Yes. And the 450,000 tons that you say should be maintained in the stockpile, represents 150,000 tons consumed times 3 years?

Mr. Wherry, may I have the benefit of your conclusion as to what you believe could be disposed of without disrupting the industry? Have you got around to that yet?

Mr. WHERRY. No, sir. I am not in a position to comment on that question, because our discussions have been limited to the strategicness of the situation.

Mr. RANDALL. That is all.

Mr. STRATTON. Mr. Chairman, may I ask a question?

Mr. PHILBIN. Yes, Mr. Stratton.

Mr. STRATTON. Your figures, here, give the current inventory as 196,000 tons. Is that the current inventory in civilian hands?

Mr. WHERRY. This is the inventory that has been reported to us by the GSA.

Mr. STRATTON. In the stockpile?

Mr. WHERRY. Yes, sir.

Mr. STRATTON. In other words, your feeling would be that the stockpile itself is not up to what the requirements should be?

Mr. WHERRY. If the 3-year requirement is valid; yes, sir.

Mr. STRATTON. Right. Let me see again if I understand what we are talking about.

By abrasive grains, do you mean the kinds of things that are on sandpaper, are those abrasive grains?

Mr. WHERRY. Yes, those are abrasive grains.

Mr. STRATTON. Therefore, an individual that Mr. Tomlinson's company might supply with abrasive grain would be somebody like the Behr-Manning Co., Watervliet, for example, that makes papers of that kind?

Mr. TOMLINSON. Yes. May I give you a specific example. Maybe this will clarify the other point, the difference between consumption in your own company, and a sale.

For instance, the Behr-Manning Co. is a division or a subsidiary of the Norton Co. The Norton Co. makes crude silicon carbide. They crush and grade it into grit sizes, so called, and then they sell it or transfer it to the Behr-Manning Co., and they put it on sandpaper.

Now, take the case of the 3-M Co., in St. Paul. The 3-M Co. does not have a furnace plant, so they do not make crude silicon carbide, but they buy crude silicon carbide from one or more of the producers of crude silicon carbide. They then crush this, grade it, make grit sizes of it, and put it on their sandpaper. That is the sort of thing that would constitute a sale of crude silicon carbon.

Mr. STRATTON. I understand.

Thank you.

Mr. TOMLINSON. I confused you more.

Mr. RANDALL. This is one of the ingredients of sandpaper?

Mr. WHERRY. It sure is.

Mr. TOMLINSON. Yes. Probably the major use of abrasives as such is in grinding wheels. Now 15 years ago I didn't know much about a grinding wheel but I know a little more now. Another use is in refractories; that is not an abrasive use, though.

Mr. PHILBIN. Do you think there is some prospect of coming to an agreement with GSA, about a plan?

Mr. TOMLINSON. A modest start, as the Commissioner phrased it—to make a modest start on the disposal. Do you think there would be a prospect of reaching some kind of agreement on that basis?

Mr. TOMLINSON. Well, I don't think Mr. Wherry can speak on that from the industry standpoint, because the industry has prepared a brief, and I think we all stand by it.

I'm a little reluctant to speak as an individual company. I thought my competitors would be here. I do raise the question, though, is this quantity of 166,000 tons of crude silicon carbide to be sold? This 3,750 tons per year, that is going to take, what, 50 years to do that?

Now, in 1965, this figure had gone up a little. It was about 5,000 tons. But the total production of my company, for instance, of this No. 1 grade, is less than 10,000 tons a year. So I see a new competitor hovering over me who has many times my annual capacity, and I wonder where in the world he is going to sell it, unless he possibly reduces the price to such a point that new companies come into the field, merely to take advantage of this, perhaps on a marginal basis.

I certainly, as an individual—I'm not speaking for the association or the members—as an individual, our company would be glad to cooperate, but I'm a little overwhelmed at the moment as to what course this action can take.

Mr. PHILBIN. Would you be willing to continue to cooperate to the extent of attending any meetings with the Department?

Mr. TOMLINSON. Yes, sir; I would be happy to attend a meeting.

Mr. PHILBIN. You may be able to work out something agreeable.

Mr. TOMLINSON. Yes, sir.

Mr. RANDALL. Mr. Chairman—

Mr. STRATTON. Mr. Chairman, I wonder if we could come back to the GSA representatives. If the point the industry makes here is a valid one, it seems to me they are poles apart. The point I tried to make a moment ago, Mr. Chairman, was that we had here a product which is certainly vital to industrial production, whose annual manufacturing rate is roughly 150,000 tons a year. The proposed stockpile of this vital product is only one-fifth of that amount.

Now, I have never heard of the GSA coming in here before and suggesting, or OEP or whoever it is, coming in here and suggesting we can get along safely on just one-fifth of an annual year's production of a vital product.

Mr. PHILBIN. I would suggest you might ask Mr. Lawrence.

Mr. STRATTON. I would be glad to hear what they have to say. Unless there is some factor in here that escapes us, it just doesn't seem to make sense to me.

Mr. PHILBIN. Would you talk to that point, Mr. Lawrence?

Mr. LAWRENCE. We are working from the wrong premise here. The stockpile objective is not the total requirement of the United

States for 3 years. The stockpile objective is determined by the deficit between the requirements and the expected wartime supply.

Now, it is true that we did discount certain supply sources where there is a concentration, but the production of silicon carbide crude in 1964 was about 132,000 tons in the United States and Canada. The Canadian production is not particularly vulnerable. We can count on that in wartime. We usually do.

I don't have the basic data sheet with me on silicon carbide, but I could show the members of this committee very clearly how we reduced the stockpile objective, from what it is, to 30,000 tons.

You've got to remember, also, in the stockpile, we have a number of other abrasives. We have aluminum oxide. We have carborundum. And we have diamond bort. All of them are abrasive.

Mr. STRATTON. You mean one is just as good as another?

Mr. LAWRENCE. They can be substituted. And we certainly do provide for substitution.

We don't have 100 percent of every type, for use of the entire abrasive industry.

Mr. STRATTON. In other words, you say your stockpile objective is based on the excess of wartime demands over production capacity; is that right?

Mr. LAWRENCE. That which is available to us. As I say, we take a discount on any capacity which represents a certain percentage of total production.

Mr. STRATTON. Let's try to get the figures now. Are these figures correct? Is that what your figures show, the total production is 150,000 tons a year?

Mr. LAWRENCE. I don't have anything like that for 1965. My latest figures here are for 1964. We had total production in the United States and Canada in that year of about 132,000 tons.

We had imports principally from Canada of 80,000. We had U.S. exports of 14,000. You had U.S. consumption, which is an estimated figure, at 109,000 in 1964.

Mr. STRATTON. You say we had a total production in the United States and Canada of 132,000, and then we imported 80,000 from Canada?

Mr. LAWRENCE. No; we had total production in the United States and Canada combined, 132,000. Canadian production was 87,000. Of the total 87,000—

Mr. STRATTON. Wait a minute now, that means then we produced in this country 132 minus 87, is that right, 50,000 tons?

Mr. LAWRENCE. 44,000, that is right.

Mr. TOMLINSON. As far as I know there is no crude silicon carbide produced in this country, except in Vancouver, Wash.

I think—would you excuse me a minute, Mr. Lawrence?

I think possibly some of the confusion arising here is caused by the dividing line between the United States and Canada on the Niagara frontier, which is simply the Niagara River. Our plant at Niagara Falls, N.Y., is within approximately 4 miles of our furnace plant in Niagara Falls, Ontario. Exolon's plant is at Thorold, Ontario. Norton has a silicon carbide furnace plant in that general area of Niagara Falls, Ontario, at Chippewa, Ontario. When Mr. Wherry refers to the dangers of a concentrated industry, we are so used to dealing back

and forth with our subsidiary companies in Canada that we think of this as a common area.

Now, I will agree with Mr. Lawrence, that there is Vancouver, Wash., for the Carborundum Co. There is Three Rivers, Quebec, for electrorefractories which is only 5,000 tons a year. There is Shawinigan Falls for Carborundum Co., all big producers. You can't distinguish between United States and Canada, because they are all lumped at the Niagara frontier.

Mr. WHERRY. That is what we mean by the frontier, Mr. Stratton. We are not differentiating between geographic locations in the United States versus Canada.

Mr. STRATTON. Is this where the production stems from, we come down to the total figure which Mr. Lawrence has of 132,000, as compared to your sort of offhand figure of 150,000. Are these close enough to be acceptable from your point of view?

Mr. WHERRY. Yes, sir. He is quoting 1964; 1965 was a bigger year than 1964. And also, if you will refer to our statement, we say, during a period of an emergency, the supply would be approximately 150,000 tons. So I would accept Mr. Lawrence's figures for the purposes of this discussion. I would, however, like to add one other point in response to a point Mr. Lawrence made, and this is in regard to substitution.

He said that they had made ample provisions for substituting other materials for silicon carbide.

Now, he mentioned carborundum as one of the substitutes. Carborundum is a trade name for silicon carbide of the Carborundum Co.

He mentioned diamond. I don't know of any direct practical substitution of diamond for silicon carbide. And he also mentioned aluminum oxide.

Now, these abrasives, these materials are all abrasives, but they are not directly substitutable.

Mr. STRATTON. The aluminum oxide comes up in the next bill, doesn't it?

Mr. WHERRY. Yes, sir.

Mr. STRATTON. I think you made a good point there. I caught the reference to carborundum, too.

Mr. LAWRENCE. I made a mistake, I should have said corundum, which is a different substance.

Mr. WHERRY. Corundum, sir, is imported from South Africa, and that is the sole source. It is used primarily for glass grinding, and there is some usage of it for the grinding of cast iron, but it is very limited.

Mr. STRATTON. If they get in the same trouble Rhodesia is in, we might not get any of that material then.

Mr. LAWRENCE, what is—if you have an annual production of 132,000 tons, what is your estimate of the requirements that would exist if there were a war, or an emergency, or what we have now for that matter?

Mr. LAWRENCE. 150,000. So you have an 18,000-ton spread here. Which means 54,000 tons. I'm sure there are reasons why our figure is down to 30.

Mr. STRATTON. Well, that is just a 1-year—

Mr. LAWRENCE. No; it isn't. You have an 18,000-ton-spread deficit in 1 year.

Mr. STRATTON. That is right. I thought we did have a 3-year figure here, so that would make it 3 times 18; wouldn't it?

Mr. LAWRENCE. That is right. But there are other discounts that have not been shown here. I suspect one of them is this; we have not provided for all of the nonessential uses for grinding wheels.

Mr. STRATTON. On the other hand, didn't you say you made a special consideration where an industry was concentrated, and therefore more subject to sabotage or destruction?

Mr. LAWRENCE. Yes; we do.

Mr. STRATTON. So that ought to increase the figure rather than decrease it, shouldn't it?

Mr. LAWRENCE. It should, but it didn't in this case. That is why I prefer that we wait until tomorrow. I can bring the figures up and show them to the committee.

Mr. STRATTON. I have no objection to that, Mr. Chairman, but I think since you had talked about the possibility of an agreement here, that maybe we might agree on 1 year's production of 130,000, as being a reasonable figure, rather than, say, 30,000. I would think that would be a considerable decline from what the industry is suggesting, and yet a substantial figure over the 30,000, and I would myself think that you should have some kind of a pad in there, and I'm a little amazed that the proposed pad is so small, particularly when you have an industry that is as vulnerable as this one is.

After all, we lost all our electricity up in Niagara Falls not too long ago. Nobody has as yet guaranteed it won't happen again. You can't make much of the stuff without electricity; can you, Mr. Tomlinson?

Mr. TOMLINSON. No; you can't make any. It represents about a third of the total cost involved. So silicon carbide, and also with aluminum oxide, which we will discuss later, we refer to powder as a raw material in our production.

Mr. WHERRY. I think I mentioned, sir, we calculated it takes 3 kilowatts of electricity to produce 1 pound of silicon carbide crude material.

Mr. STRATTON. There is an element of vulnerability.

Mr. PHILBIN. We will hear more from Mr. Lawrence. Maybe we will have to go into executive session to touch on some of these top security questions involved in his testimony.

However, we will consider that further, and we thank you gentlemen for your fine testimony.

(Whereupon, the subcommittee proceeded to further business.)

H.R. 13370—CRUDE ALUMINUM OXIDE

HOUSE OF REPRESENTATIVES,
ARMED SERVICES COMMITTEE.

SUBCOMMITTEE No. 1,
Washington, D.C., March 21, 1966.

The subcommittee met, pursuant to notice, Hon. Philip J. Philbin (chairman of the subcommittee) presiding.

Mr. PHILBIN. We will take up the next bill, which is crude aluminum oxide.

(The bill reads as follows:)

[H.R. 13370, 80th Cong., 2d sess.]

A BILL To authorize the disposal of fused crude aluminum oxide from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately one hundred and thirty thousand short tons of fused crude aluminum oxide now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided*, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

(The statement of Mr. Philbin on crude aluminum oxide, H.R. is as follows:)

**OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN,
SUBCOMMITTEE NO. 1**

Mr. PHILBIN. The General Services Administration has forwarded a bill calling for the disposal of 130,000 short tons of fused crude aluminum oxide now held in the national stockpile.

Crude aluminum oxide abrasive is produced by fusing calcined abrasive bauxite, coke, iron, and titanium oxide under intense heat of an electric arc reduction for about 24 hours. After cooling, the product is crushed to minus 6 inches for the stockpile.

Practically all of the fused aluminum oxide is used in the manufacture of grinding wheels, sharpening stones, coated abrasives, grinding and lapping compounds, and nonskid stair treads and walkways.

We have in our inventories in the national and supplemental stockpiles 433,359 short tons. While the stockpile objective currently is 160,000 short tons, the recommended objective which is now awaiting Interdepartmental Materials Advisory Committee action, is 300,000 short tons. Thus, if we assume the Advisory Committee objective will be established, we would have 133,359 short tons of excess.

The approximate acquisition cost of the stockpile inventories of crude aluminum oxide was about \$117.57 per short ton. The present market value is approximately \$144 per short ton.

Canada is the principal producer of this metal, and accounts for approximately 36 percent of world production. Canadian and United States production together averaged about 160,000 short tons per year with Canada producing about 148,000 short tons and the United States about 12,000 short tons per year. U.S. consumption in recent years is approximately 157,000 short tons.

Mr. Lawrence, will you come forward.

**STATEMENT OF WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY
PLANNING**

Mr. LAWRENCE. We wish to support H.R. 13370, a bill to authorize the sale of approximately 130,000 short tons of fused crude aluminum oxide from the national and supplemental stockpiles.

Fused crude aluminum oxide is obtained chiefly from the United States and Canada. The principal uses of the material are for the manufacture of grinding wheels, sharpening stones, and coated abrasives.

On the basis of the last full-scale review of wartime supply requirements for fused crude aluminum oxide held April 2, 1964, the stockpile objective was established at 160,000 short tons. Preliminary studies recently completed indicate that the increased wartime requirements will necessitate an upward revision of the stockpile objective to 300,000 short tons. This action is currently awaiting approval by the Interdepartmental Materials Advisory Committee. As of December 31, 1965, the total inventory amounted to 433,359 short tons. On the basis of the presently proposed objective of 300,000 tons, the quantity of 130,000 short tons specified for disposal under bill H.R. 13370 is determined to be excess to stockpile needs.

The Office of Emergency Planning favors the passage of this legislation and respectfully requests your favorable consideration.

Mr. PHILBIN. Thank you, Mr. Lawrence. If this bill is acted on favorably we would dispose of practically all of the present surplus in the stockpile for this material?

Mr. LAWRENCE. That is right. In other words, we are using a new objective that has gone up sharply from the old one, and we haven't yet made it official.

Mr. PHILBIN. Up from 1964?

Mr. LAWRENCE. That is right. We are using the new one rather than the old one.

Mr. PHILBIN. Do you have some questions, Mr. Stratton?

Mr. STRATTON. Well, this is certainly a much more substantial figure than the other one. What is the difference if these are interchangeable as an abrasive material?

Mr. LAWRENCE. I suspect when I go back and look at the figures I will find aluminum oxide is being used more extensively than silicon carbide is today. What we are reflecting here may be the changes in the practices of the manufacturing.

Mr. STRATTON. Just to try to put this on the same basis as the other, what is the annual production? I don't think you have those figures in your statement do you?

Mr. LAWRENCE. About 150,000 tons.

Mr. STRATTON. 150,000 tons, and you are proposing a stockpile objective which would be equal to twice the annual production?

Mr. LAWRENCE. That is right.

Mr. STRATTON. Thank you, Mr. Chairman.

Mr. PHILBIN. Mr. Randall.

Mr. RANDALL. Mr. Chairman.

I am trying to pin down a few of these things as we go along. You pointed out, I think you said it is 160,000 tons, was that your 1964 stockpiling objective?

Mr. LAWRENCE. That is right.

Mr. RANDALL. You raised that to 300,000, but you are still 130,000 tons long, that is it in essence?

Mr. LAWRENCE. That is right.

Mr. RANDALL. If I understood your response to the question, did you answer Mr. Stratton's question that the need for this aluminum oxide was greater than silicon carbide?

Mr. LAWRENCE. I suspect this will probably be true. I am not completely familiar with the facts. I want to wait until tomorrow.

Mr. RANDALL. Where is the differentiation between the two? They are both abrasives?

Mr. LAWRENCE. One cuts better than the other on metals.

Mr. RANDALL. Which is that?

Mr. LAWRENCE. That is the aluminum oxide.

Mr. RANDALL. Thank you.

Mr. PHILBIN. Thank you, Mr. Lawrence.

Mr. Harlan, we would like to have your testimony on this bill.

Mr. HARLAN. Mr. Chairman, from my point of view, we have here a situation almost identical with the commodity we just discussed.

We met with the industry, which in most cases are the same people, at the same meeting. As I described before, the industry does have reservations about proceeding with the proposal, but the primary reservation has to do with the quantities to be held in the stockpile.

I feel, Mr. Chairman, very confident this industry will work with the Government in working out a disposal program, and I feel equally confident that if your committee grants us the authority to move ahead with this we can get together with the industry immediately and work something out on this.

Mr. PHILBIN. I have a feeling there will be a good chance. These gentlemen who appeared here seem to be very cooperative. They, of course, are stressing their points, and want to go over them with you very carefully. I think you will make an effort here, that will be a good, real hard effort, to try to come to some agreement. I think I would suggest that course. I think you propose to follow that course. You have heard them say they are willing to cooperate with you.

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. These two disposals are tied in, as you said, tied together, and you would want to try to reach a decision that would be mutually agreeable.

Mr. HARLAN. That is right, sir. It should be apparent, I think, any disposal program that is to be worked out will have to be worked out with the producers, since these producers are 90 percent also the consumers.

Mr. PHILBIN. That is right.

(The statement of Mr. John G. Harlan, Jr., is as follows:)

STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES ADMINISTRATION

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Material Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 13370.

This bill would authorize the disposal of approximately 130,000 short tons of fused, crude aluminum oxide now held in the national and supplemental stockpiles.

The material covered by this bill is classified as stockpile grade. The Office of Emergency Planning has determined that the entire quantity is excess to stockpile needs.

Fused, crude aluminum oxide is produced by fusing abrasive grade bauxite, coke, and iron. The fused mass is then crushed and graded into various particle sizes which are of greater uniformity in structure, lower in price, and more readily obtainable than natural abrasives. Most aluminum oxide is produced in Canada. Approximately 85 percent of the annual Canadian production of crude material is exported to the United States for processing.

About 95 percent of the fused, crude aluminum oxide produced is used for the manufacture of grinding wheels, sharpening stones, and coated abrasives such as sheets, belts, disks, and sleeves.

The average acquisition cost of the stockpile inventories of fused, crude aluminum oxide was \$117.57 per short ton. The current average market price is about \$144 per short ton, delivered Niagara Falls, N.Y.

Industry representatives and affected Government agencies were consulted in the development of the disposal program on the excess of 130,000 short tons. On February 4 we held an aluminum oxide industry meeting with the major producers and consumers of this material to discuss the proposed disposal.

Although industry representatives had strong reservations against disposal at this time, because of present supply-demand conditions, we are continuing to work with them to develop a program designed to make a modest start, with a minimum of disruption. Authorizing legislation will be needed to permit this beginning.

This agency strongly recommends the enactment of H.R. 13370.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. PHILBIN. Mr. Stratton.

Mr. STRATTON. Mr. Harlan, since these are similar and appear to be on all fours with one another, can you tell the committee why in the one case you are proposing a stockpile of twice the annual production, and in the other case are proposing a stockpile one-fifth of the annual production?

Mr. HARLAN. I would like to be able to answer that question, Mr. Stratton, but this is out of my bailiwick.

Mr. PHILBIN. That is in Mr. Lawrence's area. That is all tied up with some security matters.

As I told you, if you want to go into that, the means by which the stockpile was determined, we will have to go into executive session tomorrow and have that done.

Mr. STRATTON. I will just leave the question on the record, Mr. Chairman.

Mr. PHILBIN. That is fine, Mr. Stratton. Thank you very much.

We have the industry witnesses. Do you want to make another presentation on this, or does what you said on the other pertain to this also? Do you have about the same objections?

Mr. WHERRY. There are a couple of other points.

Mr. PHILBIN. If you have new evidence we would like to have it. We don't want any rehash of what you said, as good as it was.

Mr. TOMLINSON. We will try to not be unduly monotonous, but this is of great concern to us.

Mr. PHILBIN. I ask you to avoid repetition as much as you can.

Mr. TOMLINSON. Yes, sir.

Mr. PHILBIN. It seems to me these two products are tied in pretty closely together. I believe that is the way they are considered by those faced with the responsibility of the stockpile.

Mr. TOMLINSON. That is right. When we meet with the GSA and OEP we discussed both subjects together.

Mr. WHERRY. I might like to point out, Mr. Chairman, we have submitted a prepared statement to Mr. Cook registering our views on this bill, and taking full objection, complete objection to it.

Again on the basis of the strategic nature of the material, and the unique situation the industry is in, particularly from the standpoint of concentration of industry in a vulnerable geographic area, and, secondly, particularly in this case, aluminum oxide, we have a unique situation in regard to the supply of raw materials.

The major ingredient of aluminum oxide is bauxite, which comes from sources outside of the continental United States, both of which are, in our opinion, subject to political implications because of the instability of their Government.

I would like to also comment on the statement Mr. Lawrence made in support of the quantity that they recommend for stockpile, the 300,000 tons. If I remember correctly, he said that the reason for the 300,000 tons, as opposed to 30,000 tons for silicon carbide, was that aluminum oxide cuts better. I do not know whether he said this, or whether he inferred it could be substituted for silicon carbide.

Again, I want to point out to you these materials are not directly interchangeable. There are some marginal areas where one will work well enough to be used, but from an efficiency standpoint, a production efficiency standpoint, this is not the case. And, bear in mind, the grinding wheel is a high production tool, gentlemen. This is not something that you just take an ordinary grinding wheel and put it on the machine and start producing with. This is a highly refined production tool, and it has to be tailored to the specific job for which it is intended to be used.

Therefore, a substitution of aluminum oxide for silicon carbide flatly across the board is not a practical situation. Furthermore, silicon carbide cuts better than aluminum oxide on glass, and aluminum oxide cuts better than silicon carbide on high-tensile strength steels. So you cannot lump the two together and say they are both abrasives, and therefore they can be substituted freely for one another.

Mr. PHILBIN. We want to hear you a little further on that, Mr. Lawrence. Possibly we will have to go into executive session to do it, but some time during the hearings I would like to have you give us a full briefing, and a full answer to the questions he has raised here on that point, that is as to the interchangeability of these materials, whether one is a substitute for the other, and take the whole picture, and how it was arrived at, and what the final analysis was, and the reason for it.

Mr. STRATTON. Mr. Chairman, could I ask the witness whether he agrees with the statement made earlier that the annual production figure was roughly 150,000 tons? It seems to me you have in here 220,000.

Mr. WHERRY. 220,000 tons; yes, sir. Again, these are estimates based on the performance of the industry during World War II, and the effect the conflict had on the industry.

Mr. STRATTON. I see.

Mr. WHERRY. If we are subjected to the same type of thing, all-out mobilization, based on our past experience, we would "guestimate" that the 220,000 short-ton figure would be within the ball park, as what would be required.

Mr. STRATTON. Well, now, if you would agree that the current production is 150,000 tons, then the stockpile recommended in this case is twice the annual production?

Mr. WHERRY. Yes, sir.

Mr. STRATTON. Would you not agree that this was a more satisfactory situation than the one proposed in the case of the silicon carbide?

Mr. WHERRY. Absolutely, sir, and I call your attention to the fact that OEP did increase their objectives. They at one time—let me see if I can find it—it is in the statement.

They at one time reduced them—yes, they reduced them; at one time they declared excess was 218,000 tons. Currently, it is 133,000 tons. So apparently, because of their reevaluation of the situation, they felt that they required more in the stockpile.

Mr. STRATTON. Therefore, from your point of view, although your own statement seems to be almost equally strong, and your own proposed objectives is considerably higher, you would still feel, I would take it, that this bill is not as bad as the other one?

Mr. WHERRY. Oh, yes, sir; this is correct.

Mr. STRATTON. Is the vulnerability of the industry much the same in the case of this material as in the case of the other one?

Mr. TOMLINSON. It is higher for two reasons. In the first place, all of the bauxite currently available as the raw material for making aluminum oxide comes from the Guianas, British and Dutch Guiana. This involves foreign countries, transporting, and that sort of thing, which I am sure Mr. Lawrence is fully familiar with.

The other thing is the industry is even more highly concentrated in the Niagara frontier, than is the silicon carbide industry.

There is only one operation that I think of offhand that is not there, and that is the Simond's Abrasive Co., up at Arvida, Quebec. I think all the other aluminum oxide capacity is right there in the Niagara frontier. So it is a more vulnerable situation than silicon carbide.

Mr. STRATTON. What is the raw material for silicon carbide?

Mr. TOMLINSON. Petroleum coke, and silica sand. The petroleum coke comes from wherever such is available in the United States, and the silica sand comes primarily from Ottawa, Ill., and there is some in Pennsylvania. Mostly from Ottawa sands. Those are domestic materials. There is no problem on materials.

Mr. WHERRY. But you see this concentration, I think we can't stress this too highly, because when we say concentration of the silicon carbide production facility in the Niagara frontier we are also talking about the concentration of the aluminum oxide production facility in the same location. So they are both equally vulnerable to the same attack.

The substitution of one for the other becomes academic, because if you knock out the facility of one, you knock out the facility of the other, you see. We have got a unique situation.

Mr. PHILBIN. When you start putting your case on the basis of evaluations that are being made by high security people of the Government, you are far more suppressive than you are when you put your case on the needs of your own industry.

I might say we here in this committee would have to rely on the sources that we have for evaluating security questions. We would be bound by that.

Mr. TOMLINSON. Yes. With all due respect we are simply trying to point out we may be more familiar with some of the difficulties involved here, than either the committee is. We are not arguing with you.

Mr. PHILBIN. This is a matter of strategy, and how they are going to affect the security of the United States. While I would be very willing to arrange an appointment with you with the Joint Chiefs so you can give them your opinion, I think this committee will have to be bound by the opinions of the Joint Chiefs, as we are related with them, connected with them, and related with them, in giving their evaluations. I say that with all due respect because you have given us some very good testimony here.

I want to repeat and emphasize when you get into the business of determining security factors your testimony is less impressive than it has been in other respects, so far as I am concerned.

Mr. TOMLINSON. May I testify very briefly? I came here primarily as an observer because I am very deeply concerned with this. I had no intention to testify. But I have been very much impressed with the cooperative attitude, and the fact that in all of these materials that have come up, you, sir, and your committee, have taken into consideration the things which necessarily are my own deepest concern, because I am responsible for the welfare of my own company.

Again, aluminum oxide, for instance, the average sales were 18,000 tons per year over a 5-year period. Last year they were 25,000 tons. Now, these are the outside sales, and again this is like the case of the sandpaper, where they are the producers who produce their own, and this is the only market that is left over. So that if GSA took over the total aluminum oxide outside sales, rather than own use, it would take them 5 years. And in the case of my own company, our production last year was 22,000 tons, so this time we have a competitor who has six times the inventory—his inventory is six times our annual production. So this is a source of concern, but I am sure we are in good hands.

Mr. PHILBIN. I want to assure you we are greatly concerned about anything that affects you. And we want, of course, to follow the law here as strictly as we can, and we will do it, and we want to cooperate with you in every way we can, and we will. I feel very sure you are going to have some very fruitful conferences with the General Services Administration and their representatives. They indicated here they welcome your cooperation, and will give you theirs as best they can.

I think as we go along here we may be able to work out a formula that will be satisfactory to everyone concerned. I hope that will be

the case. But you can be assured we will do everything we can toward that end, and make sure as well as we can here that there will be no disruption of your markets or your business, or the conditions that affect your business.

I am glad you feel that we are endeavoring to give everybody an opportunity to be heard here, and to be fair. Not only in that regard, but in conducting these proceedings, and in carrying out our duties as members of this committee in the House of Representatives.

Of course you know we have to not only get this legislation in shape, but we also have to present it to the House, and let the House work its will on the bill we present. That is our problem and the problem we will have to meet. But we are very thankful that you should come here and give us such splendid, illuminating, enlightening, evidence, and present your views as strong as you have. You made a very good case for your side, I must say.

MR. TOMLINSON. We appreciate the opportunity and the fine treatment we have received.

MR. STRATTON. Mr. Chairman, could I ask Mr. Tomlinson another question before he leaves, since we probably won't have the benefit of his testimony after we have heard the material in executive session. I don't know what the classified material is, and I would be interested to get it, but presumably it would bear on the question of why we don't need much of a stockpile of silicon carbide and do need a larger stockpile of aluminum oxide.

I wonder if you could first answer two questions for me. First of all, from your point of view in the industry, do you think this difference between one-fifth of the annual supply for silicon carbide, as compared with twice the annual supply for aluminum oxide is justified on any ground that you can think of, interchangeability, or what have you?

And, my second question is, if there is some difference, would you, in this spirit of compromise and agreement that the chairman has referred to, be willing, for example, to agree that 1 year's supply in the case of silicon carbide would be acceptable in comparison with 2 years' supply in the case of aluminum oxide?

MR. TOMLINSON. Well, Congressman Stratton, I don't think I am capable or in a position to give my opinion on your conclusion. As I sit here wondering about this, it strikes me possibly the difference is that aluminum oxide is used in grinding wheels, sandpaper, and so forth, which are used in heavy duty grinding, and grinding of steel and metals, and so forth, whereas a lot of silicon carbide is used in cutting granite, in polishing granite, glass, and things like that, and it may be that the committee, or whoever passes on these things, has examined the uses of the two materials and said that in the case of aluminum oxide, in a time of emergency, there would be more of the type of grinding and cutting that is done with aluminum oxide than is done in the case of silicon carbide.

For instance, maybe you don't cut headstones for a cemetery, or something like that with silicone carbide during a period of emergency. That is all I can think of. Maybe Mr. Wherry can answer that.

MR. WHERRY. I think maybe another point they probably considered is the difference in the availability of raw materials. In the

case of aluminum oxide the basic material is obtained from outside the continental United States, whereas in the case of silicon carbide it is domestically available. I think this may be one of the factors they considered.

Another factor they probably considered roughly, Jim, would you say there is twice as much aluminum oxide used currently in industry as silicon carbide?

Mr. TOMLINSON. Our sales are just about our sales of silicon carbide. I don't know if that pertains to everyone.

Mr. WHERRY. These might be some of the factors.

I would like to enter into the record, Mr. Chairman, the fact that our prepared statement lists the members of the Abrasive Grain Association, but it does not include the Norton Co., who is not a member of the Abrasive Grain Association, but I have been advised by the Norton Co. that they are in full accord with the contents of my two prepared statements.

Mr. PHILBIN. That will be shown in the record.

Mr. WHERRY. Secondly, not to belabor the point, but again to just get this on the record, I would like to quote very briefly from a document issued by the College of Armed Forces, published in 1949, which describes the abrasive industry very concisely, as follows:

The abrasive industry is one of those small industries upon which all other production is dependent, and is vital to mass production.

(The complete statement of Mr. Wherry is as follows:)

STATEMENT OF ALLEN P. WHERRY OF THOMAS ASSOCIATES OF CLEVELAND, OHIO, ON BEHALF OF THE ABRASIVE GRAIN ASSOCIATION

Mr. WHERRY. We have been advised that the General Services Administration has submitted a disposal plan to your committee proposing the sale of 133,359 short tons of crude aluminum oxide from the national stockpile and the supplemental stockpile. We further understand that this action is as a result of a decision made by the Office of Emergency Planning that this amount has been declared as excess to stockpile needs.

The manufacturers of crude aluminum oxide have had two meetings with the various governmental agencies involved in this action. The first was held on February 11, 1965, under the auspices of the Office of Emergency Planning, and the second was held on February 4, 1966, under the auspices of the General Services Administration.

Following the first meeting with the Office of Emergency Planning, the industry wrote to Mr. E. J. Talbert, Director of the Miscellaneous Metals and Minerals Division, Business and Defense Services Administration, U.S. Department of Commerce, expressing concern over the contemplated disposal of this material, not from an economic point of view but, rather, from the national security standpoint. Apparently, our position has had some impact on the thinking of the Office of Emergency Planning since the amount declared surplus has been reduced from 218,350 to 133,359.

The meeting held on February 4, 1966, with the General Services Administration was solely for the purpose of determining the methods to be used for disposal with no consideration being given to the in-

dustry's position regarding the need for the maintenance of the stockpile.

We felt, therefore, that it was desirable to express our views to you and your subcommittee so that you will have this information available when you consider the GSA request. The industry's position is:

(1) The pertinent figures to consider are as follows:

Aluminum oxide (short tons) current inventory-----	433,379
Declared excess to stockpile needs-----	133,359
Inventory stockpile objectives-----	300,000
Industry sales of crude aluminum oxide (short tons yearly average over 5-year period 1961 through 1965) domestic and foreign sales-----	18,044

As you can see by the above figures, the total amount contemplated for disposal is equivalent to industry sales of crude aluminum oxide for 7.4 years. Therefore, the impact of the contemplated disposal, although not as serious as in the case of crude silicon carbide, could have an effect on the market for crude aluminum oxide.

(2) The major ingredient in the manufacture of aluminum oxide abrasive is bauxite. Abrasive grade bauxite is available from only two sources, both of which are located outside the continental United States. There is no calcined abrasive grade bauxite commercially available to the abrasive industry within the boundaries of North America. While there is a supply of bauxite in the Government stockpile, it is of refractory grade which is economically unsuitable for the manufacture of fused aluminum oxide.

Current world demand is such that all available facilities for the production of abrasive grade bauxite are being fully utilized to meet the current requirements and all abrasive crude producers are on an allocation basis. Furthermore, the aluminum oxide crude material currently in the stockpile is not only an effective means of stockpiling abrasive grade bauxite but, also, a means of storing manpower and electric power.

In addition, the sources of abrasive grade bauxite are located in British and Dutch Guiana, of which the government of one is regarded as politically unstable, thus further complicating the situation. These factors alone are, in our opinion, sufficient reason for maintaining the stockpile.

(3) Practically all of the production facilities for aluminum oxide abrasive crude are located on the Niagara frontier within a 10-mile radius and they are, therefore, extremely vulnerable to enemy attack and sabotage. The destruction of the facilities on the Niagara frontier would completely eliminate the source of the major ingredient of the abrasive consuming industries, such as grinding wheels, coated abrasives, high temperature refractories, and so forth. There is no known substitute for aluminum oxide.

To point up how critical the bauxite situation is, we call your attention to the problem the industry has recently faced because of the dock strike in New York, Philadelphia, and Baltimore. If the strike had not been settled when it was, a large portion of the production facilities for aluminum oxide abrasive crude would have had to be shut down because of the lack of raw material. If this can happen in normal times, consider what the situation would be in time of national emergency.

(4) The contemplated stockpile objective of 300,000 tons is, in our opinion, inadequate and also would pose a serious threat to the ability

of the U.S. industry to maintain the production capacity necessary during any emergency. We have been advised that the Office of Emergency Planning has established, as a criteria for their stockpile objectives, a 3-year supply of the material.

We cannot resolve this with the 300,000 tons established as the stockpile objective. It is our considered judgment that during a period of mobilization the U.S. producers would be required to supply approximately 220,000 short tons of aluminum oxide crude material per year. Thus the 3-year objective established by OEP, in our opinion, would require that 660,000 short tons of the material be maintained in the Government stockpile.

(5) In point (1) above, we mentioned that industry sales of crude aluminum oxide averaged 18,044 short tons per year for the 5-year period 1961-65. In point (4) above, we stated that, in our opinion, during a period of mobilization the U.S. producers would be required to supply approximately 220,000 short tons of crude aluminum oxide per year.

At first glance, these figures might appear to be in conflict; however, the difference is explained by the fact that in the first instance we are referring to the market for crude material, whereas in the second instance we are talking about total usage of the material. All producers of crude aluminum oxide convert a major portion of their production into grain which is then sold for use in the manufacture of grinding wheels, coated abrasives, and so forth. Only a small portion is sold as crude aluminum oxide since there are only a few users of aluminum oxide grain who are equipped to convert crude material into grain sizes.

(6) The importance of the abrasive industry to the maintenance of industrial production cannot be stressed too strongly. To support this point, we call your attention to restricted document ST49-20 (The Abrasive Industry) of the Industrial College of the Armed Forces, published April 15, 1949, which describes the industry as follows:

The abrasives industry is one of those small industries upon which all other production is dependent and is vital to mass production (p. 36).

The abrasive industry is specifically included in the list of essential industries published by the U.S. Department of Commerce, August 3, 1950; major group 32, code No. 3291. The essentiality of this industry is also recorded in great detail in the files of the National Security Resources Board.

While grinding wheels are themselves expendable production tools, they are indispensable for manufacturing the machine tools and metal cutting tools which are the primary requisite of munitions production. The product is the same in peace or war. The grinding wheel and abrasives in other forms are also indispensable in the direct production of planes, engines, guns, tanks, motor vehicles, shells.

The Industrial College report also concludes that the industry must be assured of a supply, in most cases in relatively small quantities but nevertheless indispensable, of raw materials which in a wartime economy become critical.

Evidence that the industry must operate at full volume to sustain the productive capacity of all other segments of the economy is found in the fact that capacity in World War II was increased to four times its greatest previous output.

In conclusion, we emphasize again that if there is any validity at all in the necessity of stockpiling strategic materials, the contemplated reduction in the aluminum oxide crude stockpile would seriously jeopardize the ability of the U.S. manufacturing industry to meet wartime requirements. We, therefore, strongly urge that the decision regarding disposal be reviewed in light of the foregoing comments.

For your information, the members of the Abrasive Grain Association are as follows:

Abrasive Products Co., Lansdowne, Pa.
 American Abrasive Co., Westfield, Mass.
 The Carborundum Co., Electro Minerals Division, Niagara Falls, N.Y.
 Electro Refractories & Abrasives Corp., Buffalo, N.Y.
 The Exolon Co., Tonawanda, N.Y.
 General Abrasive Co., Inc., Niagara Falls, N.Y.
 Hamilton Emery & Corundum Co., Chester, Mass.
 Macklin Co., Jackson, Mich.
 Mid-West Abrasive Co., Owosso, Mich.
 Simonds Abrasive Co., Philadelphia, Pa.
 Washington Mills Abrasive Co., North Grafton, Mass.

Mr. PHILBIN. Thank you very much.

Mr. TOMLINSON. Thank you.

Mr. WHERRY. Thank you.

Mr. PHILBIN. That will conclude our hearings for the day.

We will meet tomorrow at 10 o'clock to consider four bills as scheduled.

Mr. Cook, do you have the list of those bills? You gave them to me a moment ago. I misplaced them. Maybe you took them back.

Mr. Cook. Amosite asbestos, H.R. 13580; acid grade fluorspar, H.R. 13367; phlogopite mica, H.R. 13371; and muscovite mica, H.R. 13373.

Mr. PHILBIN. We will hear those bills tomorrow starting at 10 o'clock, in order.

Thank you all, gentlemen. The meeting will adjourn until 10 o'clock tomorrow morning.

(Whereupon, at 4:31 p.m., the committee adjourned until Tuesday, March 22, 1966, at 10 a.m.)

H.R. 12694—JAMAICA AND SURINAM TYPE BAUXITE

HOUSE OF REPRESENTATIVES,
 SUBCOMMITTEE NO. 1 OF THE
 ARMED SERVICES COMMITTEE,

Washington, D.C., Wednesday, March 23, 1966.

The subcommittee met, pursuant to notice, in room 2118, Rayburn Building, Hon. Philip J. Philbin (chairman of the subcommittee) presiding.

Mr. PHILBIN. Now the next bill we will consider this morning is H.R. 12694, Jamaica and Surinam type bauxite, metal grade.

(The bill reads as follows:)

[H.R. 12694, 89th Cong., 2d sess.]

A BILL To authorize the disposal of bauxite from the national stockpile and the supplemental stockpile

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately

five million, four hundred thousand long dry tons of Jamaica and Surinam types of metallurgical grade bauxite now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704 (b)). Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided, That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.*

(The statement of Mr. Philbin on Jamaica- and Surinam-type bauxite is as follows:)

OPENING STATEMENT OF HON. PHILIP J. PHILBIN, CHAIRMAN, SUBCOMMITTEE NO. 1

Mr. PHILBIN. H.R. 12694 is a bill introduced by our very able colleague, the Hon. Charles N. Wilson, of California. Mr. Wilson is a distinguished member of the House Armed Services Committee.

This bill would provide for the disposal of approximately 5,400,000 long dry tons of Jamaica and Surinam types of metallurgical-grade bauxite now held in the national and supplemental stockpiles.

There are presently in the national and supplemental stockpiles in excess of the stockpile objectives, approximately 5,400,000 long dry tons of metallurgical-grade bauxite consisting of 3,200,000 tons of Jamaica type and 2,200,000 tons of Surinam type. The stockpile objective for Jamaica-type bauxite is 5 million tons and the stockpile objective for Surinam-type bauxite is 5,300,000 tons. In addition, 345,509 tons are being held for possible reclassification to chemical grade upon instructions from the Office of Emergency Planning.

The average cost of Jamaica-type bauxite held in the national stockpile is \$15.83 per ton while that held in the supplemental stockpile is \$15.35 per ton. The present market value for Jamaica-type bauxite is \$11.64 per ton. For the Surinam-type bauxite the average cost is \$15.83 per ton for that held in the national stockpile and \$15.44 for that held in the supplemental stockpile. The present market value for Surinam-type bauxite is \$15.35 per ton.

World production of bauxite in 1964 was estimated at 33.1 million long dry tons. The United States is a minor supplier of the Surinam-type bauxite but this accounts for only 6 percent of the year's free world supply. Over 60 percent of free world production comes from British Guiana, Surinam, and Jamaica. The latter country accounts for about 24 percent of the total free world production.

Bauxite is a mixture of minerals composed principally of hydrous oxides of aluminum. There are two basic ore types: a trihydrate (gibbsite) and the alpha monohydrate (boehmite). North and South American deposits are largely trihydrate. Caribbean Island deposits are a mixture of trihydrate and monohydrate. For purposes of distinction, the trihydrate is arbitrarily labeled "Surinam type" and mixed Caribbean "Jamaica type."

About 80 percent of total bauxite product is metallurgical grade which is used for the production of aluminum. The bauxite ore is processed to extract alumina (aluminum oxide) which is reduced to aluminum metal in electrolytic cells. Approximately 4 tons of bauxite

are chemically processed to make 2 tons of alumina which, by electrolytic reduction, becomes 1 ton of aluminum.

Since our able colleague and friend on the committee, Mr. Wilson, is now here we decided this would be the appropriate time to take it up.

Do you desire to make your presentation? We would like very much to have you testify.

Mr. CHARLES H. WILSON. I want to apologize for not being here when I should have at the beginning of the meeting to present this in order.

Mr. PHILBIN. We are very glad to have you here. As you know, we would be happy to have your testimony and proceed in your own way and give us the benefit of what we know will be your very valuable views on this legislation.

Mr. WILSON. I introduced H.R. 12694, Mr. Chairman and members of the committee, at the request and after consultation with one of the fine aluminum companies in our country that is in my area, in Los Angeles. It provides for the disposal of Jamaica and Surinam-type bauxite.

I have a statement here that I will introduce into the record, and just indicate to my knowledge there has been no opposition expressed to the bill. Perhaps there may be some controversy in connection with it, but it has not come to my attention, however, if there is.

The principal purpose of the bill, of course, is to make available at public bidding this type of bauxite for companies other than the larger ones that have had pretty much of a monopoly on this business and have had the access to their own deposits.

This, Mr. Chairman, will suffice for my statement at this time.

Mr. PHILBIN. We will take your excellent statment for the record. You do state your industries are in need of these materials?

Mr. WILSON. Yes, very much so.

Mr. PHILBIN. You have given us an excellent statement. I want to commend you on it. Thank you very much on behalf of the committee and myself.

Mr. WILSON. Thank you.

(The statement of Mr. Charles H. Wilson on Jamaica and Surinam type bauxite is as follows:)

STATEMENT OF HON. CHARLES H. WILSON, OF CALIFORNIA

Mr. WILSON. Mr. Chairman and other distinguished members of this committee, I appreciate this opportunity to appear before you on this very important subject of the disposal of bauxite which has been found to be excess to the needs of our present stockpile objective.

It is my understanding that the administration has determined that without jeopardizing our current stockpile needs, we can safely dispose of 5,400,000 long dry tons of metallurgical grade bauxite which is of two types, Surinam and Jamaica.

Assuming the soundness of this determination—and I have no facts upon which to question it—I want to register my wholehearted support for the disposition of this material. Due to our military commitments, particularly in Vietnam, and our programs to benefit our own citizens, we are faced with a shortage of money in the Federal Treas-

ury. Since the bauxite is in surplus, the Government no longer has use for it.

Furthermore, it is stored in the open and subject to progressive deterioration. And of necessity, the Government must stand continuing expenses of storage including administration. The receipt of the cash sales prices for the bauxite and the savings of the storage and administrative costs will help the position of the Federal Treasury and will, in part at least, diminish the need to generate revenue from other sources.

There are other advantages which will accrue to our economy if the committee will endorse some methods of disposal which I will now suggest:

Apparently there are three established primary aluminum companies which sold or bartered this bauxite to the U.S. Government and have their own bauxite supplies and reserves. The acquisition of this material by them would not therefore increase, in any way, their production of our much needed aluminum.

On the other hand, there are several newer and smaller companies which do not have captive bauxite mines or access to other sources of supply. For those smaller companies, availability of stockpile bauxite can assure continuance of their aluminum production for our military and other needs. This will also broaden the base of supply in the primary aluminum industry, thereby helping to diminish the dominance of the industry by the present oligopoly.

It is my information that the processing facilities available to these smaller and newer companies are geared largely to the uses of Surinam bauxite. The Jamaica type bauxite has been taken into the stockpile only since 1951 and then only at the request of two of the established producers which had large reserves in that area and then had, or were constructing, processing facilities to treat the Jamaica type specifically. I therefore suggest that, to the greatest extent consistent with the maintenance of the current stockpile objective, the preponderance of the bauxite sold should be of the Surinam type.

It is my understanding that arm's-length sales of bauxite in the United States have been and are practically nil, so there has been no opportunity for a general market price to develop.

It is also my understanding that the acquisition cost to the Government of the bauxite in both the stockpile and the supplemental stockpile averages approximately \$15.40 per long ton. This is probably substantially more than the material is worth in a competitive market, for instance.

The value of Surinam metallurgical grade bauxite received at New Orleans in 1964 as reported to the U.S. Customs Service was about \$6.80 per long ton free on board Surinam. I do not say this particularly in criticism of the officials who did the purchasing because most of the bauxite, particularly that in the supplemental stockpile, was acquired through barter transactions where other considerations than the price of bauxite were important.

Under these circumstances, the only fair way both to the Government and to the prospective purchaser is to dispose of the bauxite by open competitive bidding that has always been the true test of value under our American system of free competitive enterprise.

To recapitulate, I suggest that this bauxite be disposed of as quickly as possible; that it consist of Surinam type bauxite; that it be offered to those American companies which do not now have or are not operating their own captive bauxite deposits; and, that the sales price be determined on the basis of open competitive bidding.

May I again thank the chairman and members of this distinguished committee in hearing my suggestions which I believe will both help the Government in its present need for financing and will promote the development of a competitive aluminum industry.

Mr. PHILBIN. Mr. Lawrence, let us have your testimony on the pending bill.

STATEMENT OF WILLIAM N. LAWRENCE, OFFICE OF EMERGENCY PLANNING

Mr. LAWRENCE. The Office of Emergency Planning appreciates this opportunity to appear before you to support H.R. 12694.

As of December 31, 1965, the total excess of metallurgical grade bauxite in Government inventories amounted to 6.1 million long tons. This is on the basis of the combined stockpile objectives for Jamaica and Surinam types and the respective strategic storage retention programs for these materials. Of this total excess (6.1 million long tons), 714,000 long tons of the Jamaica type only is held in the Defense Production Act inventory and is presently available for disposal.

It is the objective of the proposed legislation under consideration to make 2.2 million long tons of Surinam type of bauxite and 3.2 long tons of Jamaica type bauxite available through the release of additional excesses of both Jamaica and Surinam from the national and supplemental stockpiles. When Congress approves such action, the disposal of bauxite from the stockpile will be coordinated with the releases from the Defense Production Act inventory and periodic offerings will be made in approximately equal quantities of Jamaica and Surinam types.

Mr. PHILBIN. Perhaps at this point you would amplify the statement you made in that last sentence, with respect to the difference between Jamaica and Surinam bauxite. Would you tell us briefly what are the differences between these two materials?

Mr. LAWRENCE. Well, it is—

Mr. PHILBIN. Also, whether you have separate categories in the stockpile for these materials, or whether they are all bracketed in under the general heading of "bauxite."

Mr. LAWRENCE. No, we have separate stockpiles of them. Some industries use Surinam and some use Jamaica. You can't use the ores interchangeably, without a modification of your equipment.

Mr. PHILBIN. Would you tell me, first, whether these disposals would bring the stockpiles of these two materials under the stockpile requirements or not?

Mr. LAWRENCE. These are over the stockpile requirements. We are retaining in inventory all the bauxite we need to meet the objectives of both materials.

Mr. PHILBIN. After these are disposed of, you would still have the amount that would be meeting the stockpile requirements?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Now, would you briefly describe what these substances are—Jamaica and Surinam bauxite?

Mr. LAWRENCE. You mean the ores themselves?

Mr. PHILBIN. Yes. What are the differences between them, and how do they differ from other bauxites?

Mr. LAWRENCE. Bauxite is a mixture of minerals composed principally of hydrous oxides of aluminum. There are two basic ore types: a trihydrate (gibbsite) and the alpha monohydrate (boehmite). North and South America deposits are largely trihydrate and monohydrate. Caribbean island deposits are a mixture of trihydrate and monohydrate. For purposes of distinction, the trihydrate is arbitrarily labeled "Surinam type" and mixed-Caribbean "Jamaica type."

Mr. PHILBIN. That explains it. That is very illuminating, very enlightening.

Anyway, we are glad to have it on the record for those who have the expertise to understand it.

Mr. LAWRENCE. Yes.

Mr. PHILBIN. Now we will discuss—you have cleared this as you cleared the other projects? You cleared this with the cooperating agencies?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Everybody is in agreement about it?

Mr. LAWRENCE. Yes, sir.

Mr. PHILBIN. Thank you.

Mr. LAWRENCE. Foreign sources supply about 85 percent of the total domestic consumption. Jamaican-type ore is obtained primarily from Jamaica, Haiti, and the Dominican Republic. The Surinam type comes chiefly from Surinam and British Guiana. The United States produces approximately 13 percent of the domestic supply. Over 90 percent of the metallurgical bauxite consumed is used to produce alumina, which, in turn, is converted into aluminum.

Discussion of these disposals of bauxite have been under way with the aluminum industry for approximately 18 to 24 months. As of today, a minority portion of U.S. importers and producers is seeking such a disposal. The representatives of the majority capacity oppose this disposal.

I feel that the stockpile objectives established for both types of bauxite on April 10, 1964, are the most realistic and factual that we have ever made for any stockpile material.

Consequently, the Office of Emergency Planning favors the passage of this measure. It will provide for the orderly liquidation of surplus Government inventories of both Jamaica and Surinam types of bauxite.

Mr. PHILBIN. Mr. Harlan.

Do you have a prepared statement?

Mr. HARLAN. Yes. May I submit it for the record?

Mr. PHILBIN. Submit it for the record and then amplify your views, and discuss the bill any way you so desire.

(The statement of Mr. Harlan on Jamaica and Surinam type bauxite is as follows:)

**STATEMENT OF JOHN G. HARLAN, JR., GENERAL SERVICES
ADMINISTRATION**

Mr. HARLAN. Mr. Chairman and members of the subcommittee, I am John G. Harlan, Jr., Commissioner, Defense Materials Service, General Services Administration. I have with me other staff members of GSA who are familiar with the Government's stockpile program.

On behalf of the Administrator, Mr. Lawson B. Knott, Jr., who has asked me to represent him at the hearing today, I want to thank you for the opportunity to appear before your subcommittee for the purpose of expressing the views of GSA on H.R. 12694.

This bill would authorize the disposal of approximately 5,400,000 long dry tons of Jamaica and Surinam types of metallurgical-grade bauxite now held in the national and supplemental stockpiles. The Office of Emergency Planning has determined this quantity to be excess to stockpile requirements.

Metallurgical-grade bauxite is used primarily for the production of aluminum metal. Other uses are for the production of abrasives and refractories and a small quantity in the chemical industry. It is obtained principally from Jamaica, Dominican Republic, Surinam, British Guiana, Ghana, and the Republic of Guinea.

The total inventory of metallurgical-grade bauxite held by GSA is 16,748,849 long dry tons. The present stockpile objective is 10,300,000 long dry tons. A total of 345,509 long dry tons has been held for possible reclassification to chemical grade in accordance with instructions of OEP. The total excess is 6,103,340 long dry tons of which approximately 5,400,000 long dry tons are in the national and supplemental stockpiles. The remaining excess of 714,000 long dry tons is in the Defense Production Act inventory.

The average acquisition cost per long dry ton was \$15.83 for the material in the national stockpile and \$15.40 for the material in the supplemental stockpile. The present market value per long dry ton is \$11.64 for Jamaica type and \$15.35 for Surinam type bauxite.

We have under active consideration a two-part plan for disposal of the 6.1 million tons of excess metallurgical-grade bauxite. The first part of the plan contemplates disposal of the 714,000 long dry tons of Jamaica-type bauxite from the Defense Production Act excess. The second part of the disposal plan which we have under consideration contemplates disposal of an additional 5.4 million tons of excess metallurgical-grade bauxite from the national and supplemental stockpiles. Disposal of this latter quantity requires congressional approval which enactment of the bill would provide.

Our plan contemplates disposal at an initial rate of 200,000 tons of Surinam type bauxite annually and 200,000 tons of Jamaica type bauxite annually, bringing the total initial disposal rate for both types of metallurgical grade bauxite to 400,000 tons per year. The annual domestic consumption of Jamaica and Surinam type bauxite is approximately 12 million tons. Thus, our planned annual disposal rate of all types of excess bauxite is only slightly more than 3 percent of total domestic consumption.

In developing our disposal plan, we have consulted with interested Government agencies and industry representatives. Although we have obtained the concurrence of the various Government agencies

concerned, we have encountered widely divergent views within the industry. Some industry members favor disposal of the excesses but other industry members oppose. We are now analyzing and evaluating these conflicting industry views and are continuing to confer with industry representatives in an effort to develop a program which will accommodate the opposing views. Obviously, this is a difficult task. However, we will exhaust every effort to work out a disposal plan that is generally acceptable to all members of the industry. We are confident that we will eventually be successful in this effort.

Since our inventories of metallurgical grade bauxite are in excess of stockpile objectives, we believe that the excesses should be disposed of at a rate which will meet the needs of that segment of the industry which requires it.

Therefore, while we favor the enactment of H.R. 12694, we assure the subcommittee that we will not initiate a metallurgical grade bauxite disposal program until we have worked out with the affected members of the aluminum-producing industry a plan that goes as far as possible in accommodating their conflicting interests.

We believe we have demonstrated our ability to work excess stockpile materials into the market a manner which protects the United States against avoidable loss and protects producers, processors, and consumers against disruption of their usual markets. H.R. 12694, if enacted, would expressly require us to respect these safeguards in the disposal of excess metallurgical grade bauxite. We are confident of our ability to dispose of the excess bauxite in a manner acceptable to industry and Government alike.

This concludes my prepared statement, Mr. Chairman. However, if you or other members of your subcommittee have any questions you may wish to ask, we shall be happy to answer them at this time or furnish the desired information for the record.

Mr. PHILBIN. What is the nature of the objections you have had from the different segments of industry regarding this bill?

Mr. HARLAN. Mr. Chairman, the industry doesn't seem to have any reservations about being able to absorb the excess readily without any problem, particularly at the rate we are discussing. Their primary concern seems to be that they believe this material should be held for emergency purposes.

Mr. PHILBIN. This is the industry statement. It doesn't need it at this time?

Mr. HARLAN. No; they don't particularly need it. I believe they could absorb these excesses without any problem. However, as I say, there seems to be a feeling the material is acquired for emergency reasons and should be held for those reasons.

Mr. PHILBIN. From the Government standpoint, this disposal is to dispose of the excess.

Mr. HARLAN. That is true.

Mr. PHILBIN. Not to take care of any shortages that exist in the industry?

Mr. HARLAN. That is correct, sir.

Mr. PHILBIN. What is the scheduling of your disposal program as it stands right now, having in mind that you do not have industry concurrence?

Mr. HARLAN. Well, we had a meeting with the industry, and have agreed to furnish the industry with details which have been sent to them, and I plan to meet with them again in the very near future.

Mr. PHILBIN. At the present time do you have any schedule concerning the disposal of these two types of bauxite?

Mr. HARLAN. No. We would begin disposing of it at the rates I described.

Mr. PHILBIN. The disposals will take place currently, or will they be deferred?

Mr. HARLAN. They will be deferred until we have worked up some arrangement with the industry; yes, sir.

Mr. PHILBIN. That is the practice you usually try to follow?

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. The committee expects you to follow, naturally.

Mr. HARLAN. That is right.

Mr. PHILBIN. To get an agreement with the industry, and then make the disposals in the orderly fashion you usually try to do.

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. That will be your procedure here. You think you will have to work over some period of time in order to get the industry concurrence?

Mr. HARLAN. Yes, sir. I don't think it will take an awful long time, but I believe it will take us some while to work it out.

Mr. PHILBIN. What will be your best guess on that, your best opinion, as to when you might have agreement, when you might be able to make the first disposal? Has any date been fixed for the first disposal at any time?

Mr. HARLAN. No, sir. As I said, we were proceeding on the basis that you just described.

Mr. PHILBIN. Waiting to get industry—have an industry conference, find out what the situation is, whether you can come to a resolution on the methods of the disposal; is that correct?

Mr. HARLAN. That is right.

Mr. PHILBIN. Tell us something about the price here. Suppose you were to make disposal as of now, say within the next year, would you regard the price or the marketing conditions to be favorable for the Government? Is this a favorable time for the Government to dispose of these materials?

Mr. HARLAN. Mr. Chairman, I think probably this is the most favorable time we have ever had, and may ever have, to dispose of almost all of these excesses, and therefore I would think I would answer your question yes.

Mr. PHILBIN. I can pinpoint my question better perhaps if I asked you, now, what is the average price of acquisition of these materials, and what is the present market price in each case?

Mr. HARLAN. Well, we paid a little different price for the two different types.

Mr. PHILBIN. Mention both of them.

Mr. HARLAN. The average price of the Jamaica bauxite was about \$15.04 a ton.

Mr. PHILBIN. What is the market price today?

Mr. HARLAN. This is hard to say, Mr. Chairman. We have acquired some bauxite under the barter program, and this price is pretty much the same today as it was.

Mr. PHILBIN. About \$15?

Mr. HARLAN. That is right, sir. Actually, what we would be able to get, if we put the material—

Mr. PHILBIN. There would be some difference, perhaps, in the barter price and the actual market price?

Mr. HARLAN. No, sir.

Mr. PHILBIN. No?

Mr. HARLAN. No.

Mr. PHILBIN. In every case when you acquire materials through a barter, do you get the market price?

Mr. HARLAN. Yes, sir. When the Department of Agriculture gets a proposal for barter transaction, we advise them as to what the proper market price should be. That is usually the level at which the transaction takes place.

Mr. PHILBIN. We have some information now, this is your own statement, that the present market value per long dry ton is \$11.64 for the Jamaica type, and \$15.35 for the other type of bauxite, as against the \$15.40.

Mr. HARLAN. You are correct, sir; I was looking at the Surinam type.

Mr. PHILBIN. So if this is true, there would be a loss?

Mr. HARLAN. There would be a slight loss on the Jamaica bauxite.

Mr. PHILBIN. Is that the statement that appears on page 2 of your own statement?

Mr. HARLAN. Yes.

Mr. PHILBIN. Would that be correct as to the market price?

Mr. HARLAN. It is correct; yes, sir.

Mr. PHILBIN. So if you did dispose of these materials at the present time, there would be a pretty substantial loss to the Government?

Mr. HARLAN. Yes. Let's see—

Mr. PHILBIN. I know you wouldn't dispose of all of them at one time. But any increment of the total authorized disposal that you might dispose of now, there would be a pretty substantial loss to the Government. Would that be true?

Mr. HARLAN. This is true, yes.

Mr. PHILBIN. Do you have some questions?

Mr. ARENDS. The only question I have, Mr. Chairman, there must be some reason on the part of industry why they would not like you to do this at this particular time. I believe you have told us. There is not an industry representative here, but they would rather you keep the whole pot of stuff now and do nothing about it, isn't that right?

Mr. HARLAN. That is right.

Mr. ARENDS. Would you give us their reasoning on it?

Mr. HARLAN. This material for the most part was acquired for their use in an emergency and stored close by, or actually on their facilities. And they feel we should just leave it there.

Mr. ARENDS. Keep it and hold it for them until they wanted it, is that it?

Mr. HARLAN. That is it, yes.

Mr. PHILBIN. That is the view of the industry, they are concerned lest in an emergency, if one should develop, they wouldn't have a readily available supply?

Mr. HARLAN. This is what they have said to me; yes, sir.

Mr. ARENDS. Thank you.

Mr. PHILBIN. Are there any questions?

If there are no further questions, Mr. Cook.

Mr. COOK. In your statement, Mr. Harlan, do I understand that you will be disposing—you have about a 3-year disposal program from the DPA inventory, before you would put on the market anything that this bill would dispose of?

Mr. HARLAN. No, sir.

Mr. COOK. Any congressional approval required?

Mr. HARLAN. We have a 3-year supply of the Jamaica type. We would start using the Surinam type immediately if we got the authority, in conjunction with the Jamaica-type bauxite.

Mr. COOK. We have no Surinam type of bauxite in the DPA inventory?

Mr. HARLAN. That is right.

Mr. PHILBIN. I would like to make another reference, to try to determine just what these different types are, and what they are used for.

What is the Jamaica type used for now? Is it used for making aluminum products?

Mr. HARLAN. Both are used for making aluminum, 94 percent. There are some other uses.

Mr. PHILBIN. What is the difference between the two of them in the making of aluminum products?

Mr. HARLAN. The Jamaica type is a mixture of trihydrate and monohydrate or mixed Caribbean bauxite. For a long time it was felt that it would be almost impossible to work with that material, but a process was developed. The companies who have developed that process are mining and using this material, and can only use that certain type of material in their facilities.

The other material, the trihydrate material, is easier to process and some of the other companies are set up to handle only that type material.

Mr. PHILBIN. For which is there the greater demand?

Mr. HARLAN. The Surinam type, the trihydrate material.

Mr. PHILBIN. If there are no further questions—pardon me, Mr. Wilson.

Mr. CHARLES H. WILSON. Is it the general consensus of the entire industry?

Mr. HARLAN. No, sir; this is split right down the middle.

Mr. CHARLES H. WILSON. That is what I thought. I think the implication you left was that the industry was in agreement.

Mr. HARLAN. I hope not, sir. In the statement I think I clearly said there is a very definite division within the industry.

Mr. CHARLES H. WILSON. There is a large part of the industry that does want to dispose of it?

Mr. HARLAN. They want to dispose of it, and wish to buy it; yes, sir.

Mr. PHILBIN. In any event, any disposal you made would be conducted as all your disposals are with reference to the act, with reference to doing it in the most orderly fashion possible.

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. With reference, not to disrupting prices or markets, following the usual standards that are understood to be the objectives of your agency, and of the law, and of this committee.

Mr. HARLAN. That is right, sir.

Mr. PHILBIN. That would be correct, would it not?

Mr. HARLAN. Yes, sir.

Mr. PHILBIN. Mr. Arends.

Mr. ARENDS. Are you saying, Mr. Harlan, in response to Mr. Wilson's question, that industry can't get together on an opinion on this any more than he can get all his voters together to think the way he wants them to; is that right?

Mr. HARLAN. That is right.

Mr. PHILBIN. Mr. Cook.

Mr. COOK. Just to clarify for the record, as I look at page 2 of your statement, you speak of disposing of 714,000 long tons of Jamaica-type bauxite from the DPA inventory. And the second part of the disposal contemplates the disposal of an additional 5.4 million. The bill provides for only the disposal of this 5.4 million. What portion of the inventory is in Jamaican-type bauxite and what is in Surinam bauxite?

Mr. HARLAN. Are you speaking of the excess inventory?

Mr. COOK. The excess inventories.

Mr. HARLAN. Jamaica type is 3.1 million tons, and Surinam 2.2 million tons.

Mr. COOK. We won't be disposing of any of the Jamaican type for at least 3 years, based on your proposed rate of disposal?

Mr. HARLAN. If we were successful in getting the authority to move on this material, we might dispose of some of this, because of its location. In other words, there might be some definite advantages in the types of materials and locations involved which would give us some flexibility.

Mr. PHILBIN. Are there any further questions?

Are there any further witnesses on this bill?

Mr. COOK. No, sir.

Mr. PHILBIN. That will conclude the hearings on this bill. The committee will go into executive session.

Mr. ARENDS. Mr. Chairman, before you do that, may I ask another question?

Mr. PHILBIN. Mr. Arends is recognized.

Mr. ARENDS. This is what I want to present this morning for the record, and I would appreciate you gentlemen being here when I read this into the record. I would appreciate your knowing about it.

This is a copy of a letter in relation to the disposal of copper, in the first instance. This individual that sent me the letter, I do not know him. He happens to be from Chicago, Ill., and apparently being from Illinois that is why he may have contacted me. After reading his letter, which was interesting indeed, and whether it is all based on complete fact I do not know. However, I want to read it, asking permission if I might read this into the public record, which he said I could.

This was under date of February 28, by the Interstate Smelting & Refining Co. I repeat, I read this into the record only because it raises the possibility of avoiding similar errors to this in the disposal of any further copper.

(The letter above referred to by Mr. Arends is as follows:)

INTERSTATE SMELTING & REFINING CO., INC.,
Chicago, Ill., February 28, 1966.

HON. LESLIE ARENDS,
*Member of Congress, Minority Whip, Armed Service Center,
Rayburn Building, Washington, D.C.*

DEAR MR. ARENDS: Last November the GSA was directed by Secretary of Defense McNamara, to release 200,000 tons of copper from the national stockpile to relieve the shortage of this material and to stabilize the price.

This shortage was caused by strikes during 1965, but mostly due to the unrestricted exports of copper and copper alloys to Japan and Europe. Much of this exported copper found its way to Red China and to Russia, as it was purchased in the United States by foreign companies who were fronts for these countries. The Department of Commerce was advised of this many times during these years, but nothing was ever done about it by the Department until November 1965, when the stockpile release and export restrictions were announced at the same time. The new regulation stated that 30,000 net tons of copper units would be licensed for export annually. The export regulations applied to all countries except Canada (please note p. 7 of the enclosed BDSA report).

Almost immediately after the restrictions were put into effect copper and copper-based alloys of all types went to Canada from the United States. Then they were exported from Canada, just as they were before out of the United States, only at much higher prices and profits. This export is still going on today despite the fact that in January 1966 the Canadian Government issued licenses and quotas for the export of copper and copper-based alloys from Canada. The quotas are extremely liberal, and the licenses are gotten by just asking for them. This actually served to increase the export, because of the higher prices paid across the Canadian border.

In November 1965, when the Government disposed of 200,000 tons from the stockpile it was with the intention of stabilizing the rising price of copper and its products. When the release was made official, the price for electrolytic copper was 36 cents per pound in the United States and also in the world market. The actual price for copper on the commodity exchange was 60 cents per pound. Three months later the U.S. market is 36 cents; the world market has gone to 42 cents and the U.S. commodity copper market is well above the 70-cent level. It is completely impossible to buy copper from the producers at 36 cents.

Most of this 36-cent electrolytic copper goes from the producer to their own captive mills where finished products are made out of it. Since last November, the price of copper and copper-bearing materials has risen close to 15 cents per pound depending on grade and type, and is still rising due to Canadian exports and strikes. The producer's price for copper outside the United States is 42 cents, so it is only natural that no copper ore, or other raw material from the world market will move to the United States into a 36-cent market level.

On February 9, 1966, I called Mr. W. A. Miesner, of the BDSA regarding the release of copper from the stockpile. Mr. Miesner is the head of the Copper Division in the Department of Commerce and he is the man who made the decision as to who and how much copper was to be allocated to the various industries. There were 19 ingotmakers that received allocation from the 7,175 tons allocated to this industry. Mr. Miesner informed me that no ingotmaker should have received any copper from stockpile. I asked why he released this copper to this industry, but he declined to answer the question.

Out of the 19 companies, 1 received 3,000 tons (6 million pounds). This was R. Lavin & Sons, Chicago. H. Kramer, Inc., of Chicago, received 1,300 tons (2,600,000 pounds). These two companies represent less than 20 percent of the industry that they are in and received almost 60 percent of the total released to this industry.

The only thing that Mr. Miesner and I agreed on was that no ingotmaker should have received copper from the stockpile. This copper should have gone to the critical industries such as wire mills and brass mills where it is in desperately short supply. The ingotmaker has no need for refined or electrolytic in his products. It is the function of the ingotmaker to smelt and refine brass, bronze, and copper-based scrap and produce his alloys from these basic raw materials.

If the price on the stockpile release had not been 36 cents, none of these companies would have bought it. They certainly do not buy it in normal times.

It is hard to understand why copper was released to ingotmakers and how the amounts of the release were arrived at. It also created a very bad crisis in a relatively small industry such as the ingotmakers exist on. Repercussion from this crisis will be felt in the many industries it serves.

With release of 3,000 tons, such as to R. Lavin & Sons received and 1,300 tons to H. Kramer Co., the Commerce Department gave these two companies several million dollars to put their competition into a very difficult position. It is almost impossible to compete with these two companies due to the subsidies they received from the BDSA under the guise of nonavailability of copper to produce brass and bronze ingot. The rest of the ingot industry feels that it has been discriminated against in every respect and this situation should be corrected by the Commerce Department.

Enclosed is an application from an earlier release in 1965, dated April 8, 1965, from the same Department of Commerce liquidating copper and copper material from the national stockpile. Had the pricing guidelines of this release been applied to the one in November, the situation would have been very different.

Copper from the national stockpile was sold by the BDSA to companies that do not produce anything from it at all; they are dealers and exporters of copper and copper base metals. Companies such as Commercial Metals Co., Dallas, Tex.; Joseph Beher Co., Rockford, Ill.; I. A. Berkson Co., Chicago and other companies that received copper ingot are smelters, but are also large trading companies, such as Barth, Inc., Newark, N.J.; M. Kettelman, Inc., Division of Philipps Bros., Baltimore, Md.

Many other companies that were awarded copper from the stockpile sold their inventories of copper and copper scrap out at tremendous profits and then replaced their inventories with the low priced stockpile copper. The profits on this copper, if it were conservatively figured would be 30 to 35 cents per pound average.

The total copper disposed of by the GSA amounted to 200,000 tons or 400 million pounds to the different industries. The windfall in dollars from the GSA to these industries would be approximately \$120 million. My company received copper from the stockpile and if we were to sell this material today we would show a 35 cents per pound profit.

In closing this letter I would like to point out again the serious lack of understanding by the BDSA as to what the situation in the copper industry is regarding price, demand, and the export situation.

It is also very hard to understand by what formula the BDSA justified the tonnages it released from the national stockpile to the different industries. The fact that 7,175 tons of copper were released to the ingotmakers who actually do not require this type of material is also hard to understand, but the discriminatory tonnages released to two producers of ingot, in our opinion, is completely unjustified in every aspect of the situation.

Yours very truly,

FRED M. ROTHSCHILD, *President.*

Mr. ARENDS. I read this in the record merely because of the anticipated release of additional copper as time goes along, and to raise some discussions in your minds and ours as to what you think might be constructive as we approach these problems.

Mr. PHILBIN. Yesterday the Chair put out a press release announcing we would take up H.R. 13774—Vanadium, on Thursday. This, of course, means we will not hold hearings on the other six bills which we have before us, but which were not definitely scheduled for hearings this week. These are as follows:

H.R. 13768—Celestite.

H.R. 13769—Cordage fiber (sisal).

H.R. 13770—Crocidolite asbestos (harsh).

H.R. 13773—Opium.

H.R. 13771—Diamond tools.

H.R. 13772—Metallurgical grade manganese ore.

The Chair also wishes to read into the record a letter received by Hon. L. Mendel Rivers, chairman of this committee, distinguished

chairman of this committee, as follows, from the General Services Administration, dated March 18, 1966:

(The letter above referred to was read by Mr. Philbin as follows:)

GENERAL SERVICES ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR.
Washington, D.C., March 18, 1966.

HON. L. MENDEL RIVERS,
Chairman, Committee on Armed Services,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: Legislative proposal submitted by our letter dated January 19 would authorize the disposal of approximately 1,034,300 pounds of molybdenum now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). The quantity of molybdenum covered by our proposal was the quantity in the stockpile which had been determined excess to stockpile needs by the Director, Office of Emergency Planning. The proposal was introduced in the House as H.R. 13369 and is now pending before your committee with hearings scheduled to begin on this and other disposal authorizations Monday, March 21.

We are now in receipt of a letter dated March 18 from the Acting Director, Office of Emergency Planning, advising that approximately 14 million pounds of molybdenum are excess to stockpile needs and that legislative authorization should be sought for disposal of that quantity.

Accordingly, during the hearings on H.R. 13369, we intend to support its amendment to authorize disposal of approximately 14 million pounds of excess stockpile molybdenum and to modify our plan of disposal to reflect the increased quantity. Although time has not permitted formal consultation with affected industries, a telephone sampling taken today with a representative number of producers and consumers indicates that the industry will fully support disposal of the total excess quantity. Your committee is assured that implementation of the plans for the disposal of the additional quantities of excess molybdenum will be worked out in close consultation with representatives of the industry with whom a meeting has been scheduled for March 29, 1966. Increasing industry demands for molybdenum will not only enable us to carry out the disposal without adverse affect but in a manner which will relieve, on a timely basis, a supply shortage situation rapidly becoming critical.

Sincerely yours,

LAWSON B. KNOTT, Jr., Administrator.

Mr. PHILBIN. Now the committee will go into executive session.

Thank you, gentlemen, for your testimony and your appearance.

(Whereupon, at 11:40 a.m., the subcommittee proceeded to executive session.)

INDEX

	Page
H. R. 12412—Platinum.....	5464
H. R. 12694—Jamaica and Surinam-type bauxite.....	5614
H. R. 13320—Industrial diamond stones.....	5547
H. R. 13364—Platinum.....	5464
H. R. 13365—Chromite, metallurgical grade.....	5388
H. R. 13367—Acid grade fluorspar.....	5425
H. R. 13368—Bismuth.....	5381
H. R. 13369—Molybdenum.....	5515
H. R. 13370—Crude aluminum oxide.....	5602
H. R. 13371—Phlogopite mica.....	5453
H. R. 13372—Crude silicon carbide.....	5587
H. R. 13373—Muscovite mica.....	5453
H. R. 13569—Platinum.....	5464
H. R. 13570—Platinum.....	5464
H. R. 13578—Rhodium.....	5414
H. R. 13579—Thorium.....	5461
H. R. 13580—Amosite asbestos.....	5422
H. R. 13661—Battery grade synthetic manganese dioxide.....	5538
H. R. 13662—Refractory grade bauxite.....	5417
H. R. 13663—Ruthenium.....	5485
H. R. 13774—Vanadium.....	5489

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[No. 51]

**SUBCOMMITTEE NO. 3 CONSIDERATION OF H.R. 12617, TO AMEND
THE ACT PROVIDING FOR THE ECONOMIC AND SOCIAL DEVELOPMENT
IN THE RYUKYU ISLANDS**

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE NO. 3 OF THE
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Wednesday, March 23, 1966.

The subcommittee met at 10:15 a.m., in room 2212, Rayburn House Office Building, Washington, D.C., Hon. Melvin Price (chairman of the subcommittee) presiding.

Mr. PRICE. The committee will come to order.

We have with us this morning Mr. Thaddeus Holt, Deputy Under Secretary of the Army for International Affairs, and Lt. Gen. Albert Watson, High Commissioner of the Ryukyu Islands.

I have had the opportunity to read both of their statements and that of General Watson is particularly detailed and will be useful in refreshing our minds with respect to a similar bill which we handled in 1962 and which passed the House, but failed to pass the Senate.

If there is no objection, I will now ask Mr. Holt to give his statement and General Watson will give his statement when Mr. Holt is finished.

(The bill, H.R. 12617, is as follows:)

[H.R. 12617, 89th Cong., 2d sess.]

A BILL To amend the Act providing for the economic and social development in the Ryukyu Islands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Act of July 12, 1960, Public Law 86-629, as amended (76 Stat. 742), is amended by striking out the figure "\$12,000,000" and inserting the figure "\$25,000,000" in place thereof.

**BIOGRAPHICAL SKETCH OF THADDEUS G. HOLT, JR., DEPUTY UNDER SECRETARY OF
THE ARMY (INTERNATIONAL AFFAIRS)**

Thaddeus Goode Holt, Jr., was appointed Deputy Under Secretary of the Army (International Affairs) effective December 10, 1965.

Previously Mr. Holt had been serving as Special Assistant to the Secretary of the Army and the Under Secretary since joining the Department of the Army on September 13, 1965. Before this Government service, he was a lawyer with the firm of Covington & Burling in Washington, D.C., specializing in litigation and administrative law matters.

Mr. Holt is responsible for advising and assisting the Secretary and Under Secretary on international security matters and foreign relations affecting the mission of the Army. Included in his areas of concern are the U.S. administration of the Ryukyu Islands, the Canal Zone Government and Panama Canal Company, positions for treaty negotiations concerning the Panama Canal and u

(5629)

prospective sea level canal, civil affairs, certain security and foreign liaison matters, military support of civil defense, and various special projects.

Mr. Holt was born in Birmingham, Ala., on November 26, 1929, son of Mr. and Mrs. Thad Holt, of Birmingham. He graduated from the University of the South in 1951 with a B.S. in mathematics, and from Yale University in 1952 with an M.A., also in mathematics. From 1952 to 1954 he was a Rhodes scholar in residence at Oxford University, where his college was Christ Church; he received a B.A. degree in jurisprudence from Oxford in 1954, with an M.A. in 1959. In 1956, he graduated from the Harvard Law School with an LL.B. degree.

A member of the Alabama and District of Columbia bars, Mr. Holt practiced law with the firm of Cabaniss & Johnston in Birmingham from 1956 to 1958, and with the firm of Covington & Burling in Washington from 1958 to 1965.

Mrs. Holt is the former Waring Inge of Mobile, Ala. They have two children: Sarah Oliver Holt and Francis Harrison Inge Holt. They reside at 4964 Allan Road, Washington, D.C.

STATEMENT OF HON. THADDEUS G. HOLT, JR., DEPUTY UNDER SECRETARY OF THE ARMY

Mr. HOLT. Mr. Chairman, gentlemen, I am Thaddeus Holt. I have been Deputy Under Secretary of the Army for International Affairs since December 10 last. I am representing the Department of Defense, and more specifically the Secretary of the Army, who, as you know, is responsible for supervising the civil administration of the Ryukyu Islands. I am glad to join with Lt. Gen. Albert Watson II, the High Commissioner of the Ryukyu Islands, in appearing before you in support of the bill before you, H.R. 12617, which would amend Public Law 86-629, familiar to us as the Price Act, to increase to \$25 million annually the standing aid authorization for the Ryukyus.

Mr. Chairman, I know that you and the members of this committee are familiar with the key role of the island of Okinawa, the principal island of the Ryukyus chain, in helping meet U.S. commitments in the western Pacific area. The strategic importance of the Ryukyus, and particularly Okinawa, is so well known that I do not need to discuss it at great length. However, a brief review may be helpful to your consideration of the proposed amendment.

The United States has developed a tremendous military base, comprising installations of all the military services, on Okinawa. These installations are important to us, principally because of their geographic location and the freedom of action which we enjoy in the Ryukyus.

The islands are located in the arc of free nations which runs from Japan and Korea in the north through Taiwan to southeast Asia. Under the terms of article III of the peace treaty with Japan the United States exercises full powers of administration, legislation, and jurisdiction over these islands, their territorial waters and their inhabitants. As a result we have freedom of movement of troops, weapons, equipment, and supplies into and out of the islands, without hindrance and without the delay which might otherwise occur in meeting procedural requirements of a foreign government.

The Ryukyus serve a threefold purpose in our deployments to meet our security commitments in the Western Pacific. They provide a centrally located logistical base; they provide a close-in staging area and operational base for U.S. forces with missions in the Western Pacific; and they are an important center of military communications and transportation. Moreover, the Ryukyus serve other important

purposes, such as providing sites for major Voice of America operations. The value of this base has been demonstrated repeatedly, from the time of the Korean war to the present day. Indeed, today this base is playing an increasingly important role in the support of operations in Vietnam.

Although we have the legal right to continue to use these islands freely for the important purposes which I have outlined, it is fundamental that with authority goes responsibility. Further, the effectiveness of any base obviously depends on a favorable attitude in the community in which it is located. So far, most of the people of the islands have given reasonable acquiescence to our presence, and our base on Okinawa has functioned generally in an atmosphere of cooperation and friendship.

There must also be cooperation among the United States, the Government of the Ryukyu Islands, and the Government of Japan. As to the Japanese relationship, you know that it is United States policy to retain this base only so long as conditions of threat and tension exist in the Far East. The United States Government has publicly declared that "residual sovereignty" over these islands rests with Japan. The Ryukyans are Japanese and would prefer to return to Japanese administrative control, despite their generally friendly attitude toward the United States.

In order to carry out the purposes of the Price Act that "every effort shall be made to improve the welfare and well-being of the inhabitants of the Ryukyu Islands and to promote their economic and cultural advancement, during such time as the United States continues to retain authority over the Ryukyu Islands," our efforts must be planned carefully and must be coordinated not only with those of the Ryukyans, helping them to help themselves, but also with those of the Government of Japan. To insure that effective use be made of the various sources of funds which are available, General Watson instituted a long-range planning and programing system jointly with the Government of the Ryukyu Islands shortly after his arrival on August 1, 1964. The goals of the plan are those which had been set forth by President Kennedy in 1962—to raise "the levels of public health, educational, and welfare services so that over a period of years they reach those obtaining in comparable areas in Japan." You may remember that following the President's 1962 announcement, the Congress raised the Price Act ceiling from \$6 million to its present level of \$12 million. Actual appropriations have reached this level in each of the last 2 fiscal years. In the development of the join plan it became clear that it would be necessary to request amendment of the Price Act to increase the authorization if these goals were to be reached.

An increased contribution from the Government of Japan for the economic development of the Ryukyus is part of the funding for this plan. On the occasion of Prime Minister Ikeda's visit to President Kennedy in June 1961, the President welcomed Japanese cooperation in efforts to enhance the welfare and well-being of the inhabitants of the Ryukyus, and arrangements for that purpose were worked out with the Government of Japan. A Japan-United States Consultative Committee on Okinawa was established as a means of coordinating the economic aid provided by the Governments of Japan

and the United States, and within this framework Japan took steps to increase its aid on projects agreed to by the United States.

During Prime Minister Sato's visit to the Ryukyus in August 1965 he announced the Japanese Government's desire to increase further its aid to the Ryukyus. This announcement was followed by an agreement within the Consultative Committee that the Japanese aid for Japanese fiscal year 1966, which begins on April 1, 1966, would amount to \$16.1 million, an increase of \$8.2 million over the \$7.9 million made available by the Government of Japan in the previous year. Our own budget proposes to increase U.S. aid from \$12 to \$17.3 million in fiscal year 1967. In considering the amounts of aid required in support of the long-range plan over succeeding years, gradual increases have been projected in both the Japanese and United States contributions. The amounts required on the U.S. side may reach approximately \$24.5 million by fiscal year 1971.

In summary, passage of the proposed legislation is needed to support United States interests and to enable the United States to discharge its responsibilities to the Ryukyuan people. Accordingly, on behalf of the Department of Defense, I urge your approval of H.R. 12617, and I can assure you that the Department of State similarly endorses this action.

This concludes my prepared statement. If you have no questions I suggest now that you hear from the High Commissioner, General Watson, who is prepared to testify concerning the details of the need for, and proposed uses of, the increased authorization and whom I am privileged to introduce at this time.

Mr. PRICE. Thank you, Mr. Secretary.

I think it might be wise to defer questions until we hear from General Watson, but in the meantime, could you provide for the record a comparison of the standard of living in the Ryukyus with that in Japan and include statistics that indicate the gap in the public health, education, and social welfare areas?

Mr. HOLT. Yes, Mr. Chairman.

Mr. PIKE. Mr. Chairman.

Mr. PRICE. Mr. Pike.

Mr. PIKE. In that regard, could we also have the comparison to show any change which has taken place in the relative standards of living over the last decade, say.

I would like to know not only how it compares today, but how it compared 10 years ago in relation to how it compares today?

Mr. PRICE. Also provide a comparison of the highlights of the proposed USA programs for fiscal 1967 with the approved Japanese program. Will you do that?

Mr. HOLT. We can do that readily, Mr. Chairman. We have information available for both fiscal years 1966 and 1967.

Mr. PRICE. And then summarizing the funding policies on which the fiscal 1967 United States and Japanese aid programs are based.

Will you proceed, General.

(The information is set out below :)

STANDARD OF LIVING: RYUKYUS VERSUS JAPAN

Past history: Before World War II, Okinawa was the poorest prefecture in Japan. Per capita income of Okinawa averaged about \$25 per year during the 1934-36 years; whereas in mainland Japan, annual per capita income averaged

about \$60 during the same period. However, despite the poor economic state of prewar Okinawa, the Government of Japan (GOJ) central government took measures to provide the Okinawans with schools, hospitals, and welfare facilities which were adequate for that time and comparable to those in other prefectures in Japan.

Current plans: Currently Okinawa still ranks with the poorer prefectures of Japan (1962) as indicated in table A, below, with five sections.

Sections I, II, and III compares the per capita national income, disposable income, and consumption expenditures in the Ryukyus with the average in all Japan, and with 12 prefectures that are physically closest to Okinawa. Fiscal year 1962 was the latest year available when a USCAR and a GRI representative personally visited these prefectures last fall to discuss conditions and obtain actual information.

As you can see, the Ryukyus rank ahead of Kagoshima and behind the other 11 prefectures.

Section IV of the table compares the Ryukyus with the Japanese national average for which we do have statistics through fiscal year 1965.

Section V compares fiscal year 1965 price levels against the Tokyo consumer price index which is 100. We have the figures for the 12 prefectures in this case. In fiscal year 1965, prices in the Ryukyus were slightly higher than in Japan. However, the price index in Japan has made some rapid increases in fiscal year 1966, which we estimate will show that Ryukyuan prices are now equal to or less than Japan.

In Japan and the Ryukyus, another important measure is the so-called fiscal level of the budgets of the individual prefectures. The Japanese Government, in a recent consultative committee meeting in Tokyo, provided us with a fiscal year 1963 comparison with seven selected (by them) prefectures. The average prefecture expenditure totaled \$86 per person which compares with \$59 per person in the Ryukyus including Central Government functions that would be borne by Japan if Okinawa were a prefecture. Excluding those costs, the average in the Ryukyus is \$45 per person, or 52.3 percent of the average in the seven prefectures. Concerning the three program areas of public health, education, and welfare, with which the Governments of the United States, Japan, and the Ryukyu Islands are concerned about, the serious gaps between the Ryukyus and Japan, table B, below, has certain key indicators showing these gaps.

Future plans: As stated in the opening statement, one of the primary goals of the long-range plan is to raise the levels of public health, educational, and welfare services to the extent possible by fiscal year 1971 to levels obtained in comparable areas of Japan.

TABLE A.—Comparison of income and cost of living, Ryukyus and Japanese prefectures

I. NATIONAL INCOME, PER CAPITA

[In dollars]

	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962
Japan.....	301	357	419
1. Tokyo.....	584	697	802
2. Tokushima.....	227	284	323
3. Kagawa.....	280	331	384
4. Ehime.....	260	308	354
5. Kochi.....	249	295	338
6. Fukuoka.....	337	393	451
7. Saga.....	235	266	306
8. Nagasaki.....	242	272	303
9. Kumamoto.....	213	248	292
10. Oita.....	234	259	301
11. Miyazaki.....	217	244	275
12. Kagoshima.....	178	203	240
Ryukyu Islands.....	202	237	261

TABLE A.—Comparison of income and cost of living, Ryukyu and Japanese prefectures—Continued

II. DISPOSABLE INCOME, PER CAPITA

	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962
All Japan.....	253	289	323
1. Tokyo.....	448	512	545
2. Tokushima.....	223	275	305
3. Kagawa.....	265	311	345
4. Ehime.....	247	285	315
5. Kochi.....	242	285	315
6. Fukuoka.....	306	340	375
7. Saga.....	227	258	290
8. Nagasaki.....	227	254	285
9. Kumamoto.....	206	239	270
10. Oita.....	226	249	280
11. Miyazaki.....	212	237	265
12. Kagoshima.....	177	201	225
Ryukyu Islands.....	199	236	265

III. CONSUMPTION EXPENDITURES, PER CAPITA

	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962
All Japan.....	206	229	253
1. Tokyo.....	315	366	405
2. Tokushima.....	168	200	225
3. Kagawa.....	190	196	220
4. Ehime.....	182	209	235
5. Kochi.....	169	192	215
6. Fukuoka.....	219	241	270
7. Saga.....	186	203	225
8. Nagasaki.....	171	189	210
9. Kumamoto.....	162	176	195
10. Oita.....	163	183	205
11. Miyazaki.....	172	187	205
12. Kagoshima.....	155	173	190
Ryukyu Islands.....	168	172	190

TABLE A.—Comparison of income and cost of living, Ryukyus and Japanese prefectures—Continued

IV. COMPARISON OF RYUKYU ISLANDS WITH JAPANESE AVERAGES

	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963	Fiscal year 1964	Fiscal year 1965
National income, per capita:						
All Japan.....	301	357	419	460	523	587
Ryukyu Islands.....	202	237	261	299	322	364
Disposable income, per capita:						
All Japan.....	253	289	337	477	431	488
Ryukyu Islands.....	199	236	255	285	304	344
Consumption expenditures, per capita:						
All Japan.....	206	229	263	299	342	384
Ryukyu Islands.....	158	172	194	215	237	261

V. COMPARISON OF PRICE LEVELS

[Tokyo=100.0]

	Fiscal year 1965		Fiscal year 1965
All Japan.....	95.1	All Japan—Continued	
1. Tokyo.....	100.0	8. Nagasaki.....	97.5
2. Tokushima.....	98.1	9. Oita.....	95.0
3. Kagawa.....	97.5	10. Kumamoto.....	97.0
4. Ehime.....	96.4	11. Miyazaki.....	93.1
5. Kochi.....	97.2	12. Kagoshima.....	96.1
6. Fukuoka.....	98.4	Ryukyu Islands.....	100.9
7. Saga.....	96.2		

TABLE B.—Comparative data on health, education, and welfare for the Ryukyu Islands and Japan

	Ryukyus, fiscal year 1965	All Japan, fiscal year 1964
I. HEALTH		
Doctors:		
Number.....	383	106,312
Population served per doctor.....	2,444	36
Dentists:		
Number.....	103	34,517
Population served per dentist.....	9,067	2,772
Nurses (clinical and public health):		
Number.....	846	218,021
Population served per nurse.....	1,106	139
Hospital beds:		
Total beds.....	3,704	794,434
Number per 100,000 population.....	396	436
TB beds.....	795	233,156
Number per 100,000 population.....	85	243
NP beds.....	473	136,367
Number per 100,000 population.....	51	142
Crude death rate per 1,000 population.....	5.3	6.9
Birth rate per 1,000 population.....	21.5	17.3
II. EDUCATION		
1. Per capita school expenditures (1964):		
Kindergarten.....	\$24.25	\$61.21
Elementary.....	45.84	96.53
Junior high.....	68.12	99.20
Special.....	348.86	748.21
Senior high (day).....	130.67	160.69
Senior high (night).....	70.93	150.02
2. Pupils per classroom (1963):		
School:		
Elementary.....	43.3	36.0
Junior high.....	46.9	42.3
Senior high (day).....	43.5	(1)
Senior high (night).....	38.8	(2)
III. WELFARE PROGRAMS		
1. Social insurance:		
(a) Public Service personnel retirement annuity.....	(3)	(3)
(b) Medical insurance program.....	(3)	(3)
(c) Unemployment insurance.....	(3)	(3)
(d) Workmen's accident compensation insurance.....	(3)	(3)
(e) Workmen's annuity insurance.....	(4)	(4)
(f) Old-age and survivors (national pension).....	(4)	(4)
(g) GRI Employees' Mutual Aid Association.....	(4)	(4)
2. Public assistance (livelihood protection)		
Total (per family per month) 1.....	\$27.28	\$36.15
Livelihood assistance.....	22.79	32.95
Housing assistance.....	4.17	2.67
Educational assistance.....	.22	.51

1 Not available.

2 July 1, 1966.

3 In operation.

4 Estimated, fiscal year 1967.

5 Estimated, fiscal year 1968.

6 Estimated, fiscal year 1971.

7 Payments to Ryukyuan and Japanese households of similar economic status residing in towns and villages. Amount based on household consisting of 5 members. Excludes surplus agricultural commodities (P.L. 480, title III, program). Data for May 1965.

TABLE C.—*Comparison between Ryukyus and Japan to show change which has taken place in relative standards of living over last decade*

PER CAPITA GROSS NATIONAL PRODUCT (GNP)

	Fiscal year 1955	Fiscal year 1965	Percent increase
Ryukyus.....	\$167	\$396	137
Japan.....	270	729	170

PER CAPITA NATIONAL INCOME

	1955	1965	Percent increase
Ryukyus.....	\$149	\$364	144
Japan.....	209	582	178

CONSUMERS' PRICE INDEX

	1955	1965	Percent increase
Ryukyus (fiscal year 1961=100).....	94.4	108.9	14.5
Japan (1960=100).....	90.7	126.0	35.3

AVERAGE ANNUAL INCOME PER WORKER

	1956	1964	Percent increase
Ryukyus.....	\$377	\$756	100
Japan.....	539	894	66

TABLE D.—*Proposed United States/Japan aid program budgets fiscal year 1967 (January fiscal year 1966)*

U.S. sub-project	Budget activity item	Fiscal year 1966			Fiscal year 1967				
		U.S. ARIA	Japan	Total external aid	U.S. ARIA			Japan	Total external aid
					Under current authorization	Increase under proposed authorization	Total proposed		
(1)	(2)	(3)	(4)	(4)	(5)	(6)	(7)	(8)	(10)
8731	Reimbursement for Government services	\$1,200		\$1,200	\$1,200		\$1,200		\$1,200
	1. Public safety	800		800	800		800		800
	2. Public health and sanitation	400		400	400		400		400
8732	Contribution to Government projects:								
	1. Education	2,955	\$1,082	4,037	4,235	\$4,175	8,410	\$7,697	16,107
	(a) Teachers' salaries	1,000		1,000	1,000	4,000	5,000	5,288	10,288
	(b) Construction	915	135	1,050	1,800		1,800	1,265	3,065
	(c) Equipment and supplies	720	802	1,522	1,085		1,085	976	2,061
	(d) University of Ryukyu and other	320	145	465	350	175	525	168	693
	2. Social welfare		395	395	560		560	1,050	1,610
	(a) Capital-GRI retirement annuity				395		395	389	784
	(b) Capital-medical insurance				165		165	167	332
	(c) Other		395	395				494	494
	3. Public health and medical	997	1,050	2,047	950		950	1,701	2,651
	(a) Disease control	430	55	485	450		450	76	526
	(b) Health and medical facilities and equipment	567	354	921	500		500	722	1,222
	(c) Treatment of patients		641	641				903	903
8733	4. Public safety	125	75	200	50		50		50
	5. Public works	4,988	1,795	6,783	2,865	935	3,800	1,814	5,614
	(a) Roads and bridges (excluding farm)	1,000	210	1,210	450	550	1,000	205	1,205
	(b) Air for Sakishima Islands								
	(c) Other system	2,835	8	2,843	1,435	385	1,820	1,430	3,255

SUMMARY OF FUNDING POLICIES FOR FISCAL YEAR 1967

As stated in my opening statement, our studies revealed that three programs seriously lag behind Japan. They are public health, education, and welfare. The communique issued in January 1965 following the talks between President Johnson and Prime Minister Sato of Japan stated that "they confirmed that the United States and Japan should continue substantial economic assistance to the Ryukyu Islands in order to advance further the welfare and well-being of the inhabitants of these islands." Our studies further indicated that Japan would be paying for a substantial portion of these costs if Okinawa were once again her prefecture; that Japan would be providing many other central government services, thus relieving the Ryukyus of a substantial financial burden.

We decided that it would be cumbersome for the United States and Japan to try in a partnership effort to assist the Ryukyus financially in defraying all the many costs of central government functions. Therefore, we proposed, and the Japanese Government accepted, a proposition that we channel substantial assistance into the three social programs, public health, welfare, and particularly education. By doing this, the Government of the Ryukyu Islands would not only have adequate funds for these programs, but would also have certain of its own revenues freed for use in adequately meeting costs of the other central government functions. Therefore, these three programs were our first priority for funding.

For the U.S. budget, we also placed a high priority on continuing our reimbursement to the local government for public safety, public health, and sanitation services rendered in support of U.S. forces.

The next funding priority for the United States and Japan funding was assigned to continuation of the key programs of technical education and training and technical cooperation.

The final priority went to continuation by the United States and Japan of vital economic and public works assistance. These were developed on a selected project basis to continue assistance to certain key projects that support continued rapid economic development.

General WATSON. I have a statement which I am prepared to read. However, should the committee desire, I will submit it for the record and I am prepared to brief orally, if you desire.

Mr. PRICE. Well, I think since the 1962 hearing has been such a gap, it may be well for you to go through the statement at least and give us the highlights of it so that the full committee will be familiar with the problem.

General WATSON. Very well, sir. Then I will not read the entire statement, but give the highlights.

Mr. PRICE. Highlights, significant enough that the committee would understand just exactly what is the problem that we are dealing with this morning.

General WATSON. Very well, sir. I will do that.
(General Watson's complete statement follows:)

BIOGRAPHICAL SKETCH OF LT. GEN. ALBERT WATSON II

Albert Watson II was born in Mount Vernon, Ill., January 5, 1909. He graduated from the U.S. Military Academy in 1930 and was commissioned a second lieutenant in the field artillery.

After 4 years of duty as a battery officer at Fort Myer, Va., he attended the regular course at the Field Artillery School, Fort Sill, Okla., graduating in 1937, and the advanced horsemanship course, graduating in 1938. He remained at the Field Artillery School as an instructor and detachment commander until he was reassigned to Fort Riley, Kans., in 1941 to command a firing battery of the 3d Field Artillery Battalion. After a year as battery commander he was placed in command of the battalion. During the period he commanded the battalion he attended the Field Artillery School field officers course. In 1943 he returned to Fort Sill, Okla., and served for a year as an instructor in the field officers course.

In June 1944, he graduated from the Command and General Staff College and was assigned as assistant artillery officer of the 10th Army. He went overseas in August 1944 and served with the XXIV Corps and 6th Army in Hawaii, Hollandia, and Leyte. Returning to the 10th Army, he remained through the Okinawa operation, reporting to General Headquarters, Pacific, for duty in the G-3 section in October 1945.

After serving for 2 years with G-3, General Headquarters in Tokyo, he was transferred to the United States for amphibious training duty with the Navy in Coronado, Calif. In May 1950, he was assigned to the faculty of the Army War College, first at Fort Leavenworth, Kans., and later at Carlisle Barracks, Pa.

In the summer of 1953 he was sent to Korea where he commanded successively the X Corps Artillery and the 3d Infantry Division Artillery. In September 1954, he was appointed Assistant Chief of Staff, G-3 for the 1st Army, Governors Island, N.Y. In July 1955, he was assigned to the Office of the Deputy Chief of Staff, Personnel, Department of the Army, Washington, D.C. His assignment in that office as Director of Programs terminated in July 1958. General Watson assumed command of the 24th Infantry Division Artillery, Munich, Germany, on September 16, 1958. In April 1960, he assumed command of the 3d Infantry Division and, in May 1961, became the U.S. Commandant and Commanding General, U.S. Army, Berlin. On February 2, 1963, he assumed command of 3d U.S. Army with headquarters at Fort McPherson, Ga. On August 1, 1964, General Watson became Commanding General, USARYIS/IX Corps, and High Commissioner of the Ryukyu Islands.

STATEMENT OF LT. GEN. ALBERT WATSON II, U.S. ARMY

General WATSON. Mr. Chairman, gentlemen, it is a pleasure to appear before you in support of the bill, H.R. 12617, which would increase the aid authorization to the Ryukyu Islands in the Price Act from \$12 to \$25 million. This proposed new ceiling is the same as that which in 1962 was approved by the House of Representatives. The 1962 proposal was based upon a report of an interdepartmental task force dispatched to the Ryukyus by President Kennedy in September 1961 to review the economic and social problems. The current request is based upon conditions some 4 years later.

The United States is responsible for promoting the welfare and well-being of the Ryukyans. We have made considerable progress in this respect over the past year. Economic growth, increases in national income, and the general standard of living have continued at a high level. The political situation, which was somewhat agitated by the attempted resignation of the GRI chief executive when I first arrived in Okinawa, has become relatively stable. It is an uneasy stability, and must be recognized as such, since for 20 years our tenure in the islands has been considered to be indeterminable, with the ultimate goal of returning the islands and the people to their status as a prefecture of Japan.

The past year has seen an increase of threats and tensions in Asia. This is caused primarily by the situation in Vietnam. The Okinawa military base is vitally important in the defense of the United States, Japan, and our other allies in the western Pacific. This was demonstrated during the past year when we were able rapidly to redeploy troops and supplies from Okinawa to Vietnam. Our unilateral flexibility of decision and movement lies in the exclusive administrative rights held by the United States under article 3 of the Treaty of Peace with Japan. The continuation of this unilateral flexibility is essential.

[Deleted.]

General WATSON. For the record, I believe it would be well to include a few pertinent historic facts. Prior to World War II, the

Ryukyu Islands constituted one of 47 prefectures of Japan, the Okinawa prefecture. After the war, the United States alone occupied the islands as a territory separate and distinct from Japan. The occupation of Japan proper was nominally under authority of the allied powers.

In 1952, the Treaty of Peace with Japan provided for the administrative separation of the Ryukyu, and in article 3 stated that—

the United States will have the right to exercise all and any powers of administration, legislation, and jurisdiction over the territory and inhabitants of these islands.

Since then, the United States has remained in the islands as the sole administrative authority, and has built its vital military support base which, as stated by the President in 1962—

* * * helps us assure our allies in the great arc from Japan throughout south east Asia not only of our willingness but also our ability to come to their assistance in case of need.

In the peace treaty, Japan did not renounce all right, title, and claim to the Ryukyus, as she did to Korea and Formosa. Since 1951, the United States has recognized that Japan has "residual sovereignty" over the islands, a term first used by former Secretary of State Dulles in describing the relationship of the islands to Japan. As a result of the recommendations of the aforementioned interdepartmental task force, President Kennedy stated in pertinent part that:

The report of the task force examines in detail the problem of reconciling the military imperative for continued U.S. administration with the desires of the Ryukyuan people to assert their identity as Japanese, to obtain the economic and social welfare benefits available in Japan, and to have a greater voice in the management of their own affairs. The report has also considered in the same context the desire of the Japanese people to maintain close contact with their countrymen in the Ryukyus.

I recognize the Ryukyus to be a part of the Japanese homeland and look forward to the day when the security interests of the free world will permit their restoration to full Japanese sovereignty. In the meantime we face a situation which must be met in a spirit of forbearance and mutual understanding by all concerned. I have directed that a number of specific actions be taken to give expression to this spirit by the United States, to discharge more effectively our responsibilities toward the people of the Ryukyus, and to minimize the stresses that will accompany the anticipated eventual restoration of the Ryukyu Islands to Japanese administration. These actions consist of * * * and I quote the two pertinent ones * * *

"(1) Preparing for submission to the Congress plans for the support of new programs in the Ryukyus to raise the levels of compensation for Ryukyuan employees of the U.S. Forces and the Government of the Ryukyu Islands, and the levels of public health, educational, and welfare services so that over a period of years they reach those obtained in comparable areas in Japan * * *."

"(2) Entering into discussions with the Government of Japan with a view to working out precise arrangements to implement a cooperative relationship between the United States and Japan in providing assistance to promote the welfare and well-being of the inhabitants of the Ryukyu Islands and their economic development, as discussed between Prime Minister Ikeda and myself during his visit to Washington last year * * *."

It was at this point that the President in 1962 requested the Congress to raise the Price Act authorization. The Congress has appropriated the full \$12 million approved in 1962 for the past 2 years, fiscal year 1965 and fiscal year 1966.

Continuing with the historical background, on the 12th and 13th of January 1965, President Johnson and Prime Minister Sato met in Washington to exchange views. The communique issued after the meetings stated in part:

The President and the Prime Minister recognized the importance of U.S. military installations on the Ryukyu and Bonin Islands for the security of the Far East. The Prime Minister expressed the desire that, as soon as feasible, the administrative control over these islands will be restored to Japan and also a deep interest in the expansion of the autonomy of the inhabitants of the Ryukyus and in further promoting their welfare. Appreciating the desire of the Government and people of Japan for the restoration of administration to Japan, the President stated that he looks forward to the day when the security interest of the free world in the Far East will permit the realization of that desire. They confirmed that the United States and Japan should continue substantial economic assistance to the Ryukyu Islands in order to advance further the welfare and well-being of the inhabitants of these islands. They expressed their satisfaction with the smooth operation of the cooperative arrangements between the United States and Japan concerning assistance to the Ryukyu Islands. They agreed in principle to broaden the functions of the existing Japan-United States Consultative Committee so as to enable the Committee to conduct consultations not only on economic assistance to the Ryukyu Islands but also on other matters on which the two countries can cooperate in continuing to promote the well-being of the inhabitants of the islands.

Over the past 18 months, additional authority and powers have been granted to the local government. With this growth in autonomy the local government has become more effective and responsible. A signal step forward on the road to increased autonomy occurred on the 20th of December 1965, when the President signed Executive Order 11263. Now the Ryukyu chief executive shall be elected by a majority of the Ryukyuan legislative body. This replaced nomination by the legislature and appointment by the High Commissioner.

Another important recent accomplishment has been the joint development by the Government of the Ryukyu Islands and the United States Civil Administration of a formal long-range planning system and a long-range plan, which were referred to earlier by Secretary Holt. This was done to insure that long-range goals and objectives were identified and relative priorities were established between programs to provide the optimum application of available resources. The first phase of the plan was completed on March 18, 1965. Since then the Ryukyuan Government and the United States Civil Administration have continued to identify those programs elements that needed acceleration to achieve the United States goals for the Ryukyus and meet the reasonable desires of the inhabitants. The goals of the long-range plan are derived from the U.S. policy set forth in the Price Act and in Executive Order 10713, and from the goals stated in the White House statement of March 19, 1962—which is the President's statement I referred to earlier. Those goals are to insure that—

1. The public sector contributes all it can to optimum economic development and promotes cultural advancement; and

2. The levels of public health, educational, and welfare services advance toward levels obtained in comparable areas of Japan and reach them, to the extent possible, by the end of fiscal year 1971.

Off the record.

(Discussion off the record.)

General WATSON. Analyses of the education, social welfare, and public health programs were completed in the summer of 1965 in time to revise the long-range plan for use in the simultaneous preparation of the proposed United States and Japanese Governments' aid programs for fiscal year 1967 and (JFY 1966).

Gentlemen, annually we have the difficult but most interesting problem of developing programs and budgets that will be acceptable to three separate governments. We attempt to insure that the total annual program for the Ryukyus is consistent with the goals of the long-range plan. The Ryukyus lag behind comparable areas of Japan in such important programs as public health, education, and social welfare.

[Deleted.]

In view of the foregoing, we proposed for fiscal year 1967 that the United States and Japan provide more needed financial assistance to the local Government of the Ryukyu Islands, particularly for education, public health, and welfare services. Since then, two significant actions have occurred.

The first action was on September 20, 1965, at a meeting of the United States-Japan Consultative Committee in Tokyo when the Japanese Government was invited to assist in raising the levels of public health, education, and welfare to those prevailing in comparable areas of Japan by the end of fiscal year 1971, and to continue to contribute to the economic development of the islands. [Deleted.] The Japanese Government agreed to provide \$16.1 million for JFY 1966, which is similar to our fiscal year 1967.

The second is the introduction of the bill before you to raise the authorization for U.S. aid at the request of the executive branch in order that the U.S. contribution can be increased to be commensurate with the situation today.

The budget proposal for fiscal year 1967 of \$17.3 million is based on requirements [deleted].

With the increase in its own revenues and those from the United States and Japanese Governments anticipated in fiscal year 1967, the budget of the Government of the Ryukyu Islands is expected to be about \$87 million.

The funds that are released by the increased United States and Japanese funding will be utilized by the Government of the Ryukyu Islands for a number of important activities. These include, among others, meeting the increased costs for operation and maintenance of the expanding school system, and for the government's increased contributions to the expanded social insurance program; financing additional much-needed economic and public works projects; and increasing its financial assistance to the municipal governments. Also, the released funds will assist the Government of the Ryukyu Islands in meeting the costs of Central Government functions which it must finance while separated from Japan, without neglecting other important activities.

At this point, I would like to insert in the record and discuss chart A, which shows gross national product and national income. This information is taken from the long-range plan, and it is in accord with the request that the chairman made earlier this morning.

Mr. PRICE. Without objection, it will be printed in the record along with any other charts that you desire to submit.

(The charts submitted with General Watson's statement are as follows:)

CHART A
GROSS NATIONAL PRODUCT
IN CONSTANT DOLLARS AFTER FY'65.

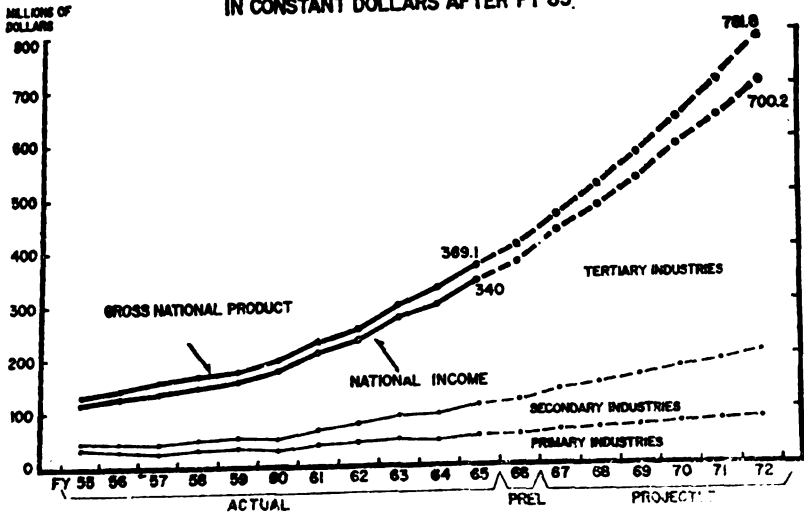


CHART B
COMMODITY EXPORTS AND IMPORTS

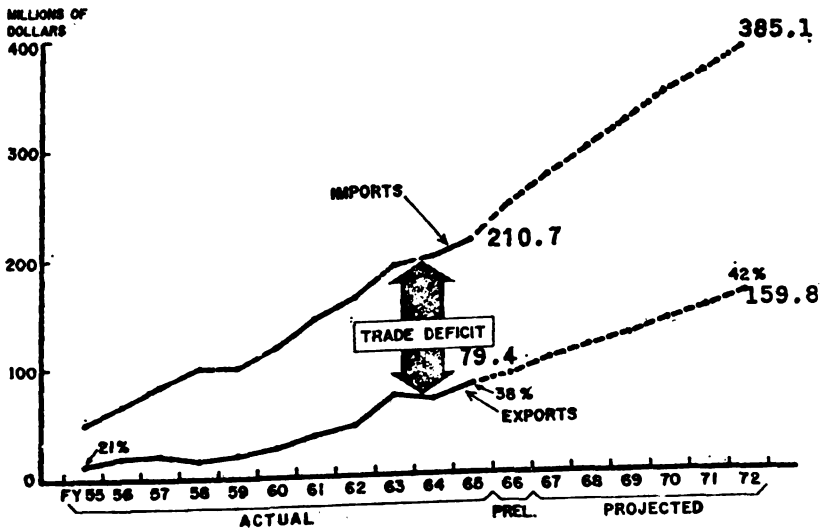
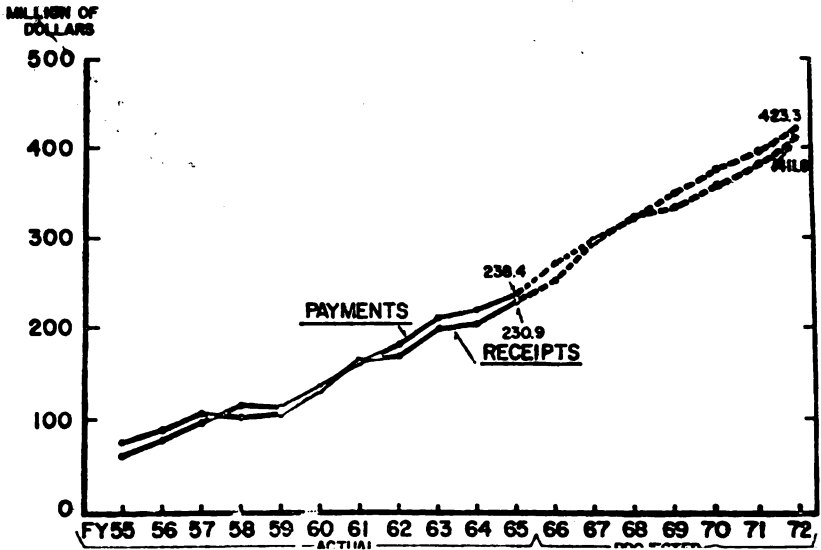


CHART C
FOREIGN RECEIPTS AND PAYMENTS
(EXCLUDING CAPITAL TRANSACTIONS)



General WATSON. The gross national product in fiscal year 1965 was \$369.1 million and is projected to reach \$781.8 million in fiscal year 1972 in terms of constant fiscal year 1965 dollars. The annual average rate of growth would be 11.3 percent compared to 13.1 percent during the period fiscal year 1960 through fiscal year 1965. This growth rate is one of the best in the world, but it is not indicative of the gap between the Ryukyus and Japan in public health, education, and welfare.

National income is anticipated to rise from \$340 million in fiscal year 1965 to \$700.2 million in fiscal year 1972, an average annual rate of growth of 10.9 percent.

Per capita income is expected to increase from \$364 in fiscal year 1965 to \$705 in fiscal year 1972, also in constant fiscal year 1965 dollars. This should put the Ryukyus further ahead of most of the lower prefectures of Japan since today they are equal to or slightly higher than a number of prefectures.

We have difficulty in making valid and timely economic comparisons with Japanese prefectures for three primary reasons. First, prefectural statistics become available about 3 years after those of Japan's Central Government. Second, the Ryukyus' statistical system differs from the prefectural system. The Ryukyuan system is designed as a national government and has no interprefectural duplications. Third, there are no precisely comparable prefectures to the Ryukyus as will be shown in these next two charts.

Chart B shows commodity imports and exports, actual through fiscal year 1965, and the long-range plan projections through fiscal year 1972. The large imbalance in trade results from the lack of raw materials in the Ryukyus. The main exports are sugar and pine

apple to Japan. Japan subsidizes the high cost of sugar production by paying much higher prices than she pays to other countries which are competitive on the world market. In the long-range plan, government measures, such as subsidies, are programed to assist private industry in increasing the ratio of exports to imports from 38 percent in fiscal year 1965 to 42 percent in fiscal year 1972. Although chart B indicates a heavy deficit in the balance of payments, this is not actually the case as shown on chart C.

Receipts and payments are about equal because the spending in the economy by the military base and U.S. personnel makes up the large imbalance in trade. There is no prefecture in Japan where the economy is propped for the most part by military spending. Our "comparable area" comparisons are derived from the lowest income prefectures because Okinawa was the lowest prior to World War II.

The rapidly expanding aid program of the Japanese Government has changed the character and complexion of our U.S. budget request. We seek to develop the most effective application of United States and Japanese aid so as to bolster the three social programs—public health, education, and social welfare—in which the Ryukyus are substantially behind Japan.

[Deleted.]

General WATSON. At the same time we seek to insure that the activities and individual items funded are of highest priority to the local government. Our principal programming job in the Ryukyu Islands is to insure that the government developments an annual program which is best suited to achieving the objectives of the long-range plan. With many unfilled requirements remaining in the developing society of the islands, we realize that the local government in its eagerness must not program beyond its execution capabilities and the ability of the economy to absorb the total government program. For fiscal year 1967, this limit is estimated to be about \$87 million.

Our current long-range plan is based upon our judgment that the Ryukyuan economy vitally needs and can absorb, and the Government of the Ryukyu Islands can administer, increases in budget planning levels averaging 13.3 percent for each year of the planning period, fiscal year 1968 through fiscal year 1972. If this proves true, the Government of the Ryukyu Islands budget will increase to \$163 million by fiscal year 1972. This will enable a substantial reduction of the gaps between the Ryukyus and Japan in the level of public health, education, and welfare.

[Deleted.]

General WATSON. Mr. Chairman, in order that the United States can assist the people of the Ryukyus in more rapidly achieving a standard of living similar to that in comparable areas of Japan, favorable action by the Armed Services Committee is respectfully requested. This concludes my opening statement.

Mr. PRICE. Thank you very much, General.

Now, basically, the principal policies of the Government of the Ryukyu Islands and the United States group, the long-range plan, is what?

General WATSON. In the briefest of terms, to provide a social and economic situation [deleted] which is similar to those obtaining in comparable areas of Japan. [Deleted.]

Mr. PRICE. Who sits on this United States-Japan Consultative Committee?

General WATSON. The U.S. representative is our Ambassador to Japan, the Honorable Edwin Reischauer, and the Foreign—

Mr. BURNS. Foreign Minister Shiina of the Japanese Government.

General WATSON. And the Director General of the Prime Minister's Office, Mr. Yasui.

Mr. PRICE. Do you get together on an annual basis or more frequently?

General WATSON. It is on an oncall basis which is more frequently than annual.

[Deleted.]

Mr. PRICE. [Deleted.] I was about to ask what system you now use in acquiring [deleted] land.

General WATSON. We have a system, of course, where the military service desiring the use of the land must completely justify the land and provide information which includes such things as whether or not the man may continue—the owner may continue—to farm the land if it is farmland or he may continue to use it even after we have taken control of it, whether any standing improvements must have to be removed, whether some land in another area would not do better. In other words, the military service must completely justify the requirement for this land.

Mr. STAFFORD. Mr. Chairman, could the general comment on to whom the justification has to be made? Who decides?

General WATSON. I, as the High Commissioner.

The next move is to go to the Government of the Ryukyu Islands and inform them of the problem. They look at it to determine what the local conditions are with regard to the impact upon the owners—the impact upon them of the requirement for this land. In other words, if they are forced to move off entirely, is it their sole source of revenue; is it their livelihood entirely? If they have a house there this is a serious matter and the Government of the Ryukyu Islands then attempts to see whether it has lands under its control to which these individuals may be displaced in order to minimize the adverse effect of the taking of the land.

[Deleted.]

Mr. PRICE. Do you recall what the land acquisition requirements were said to be back about 1957, I think it was, when we had the Bikini land acquisition problem there, that there was so much opposition and we made some adjustments then?

General WATSON. I would like to provide it for the record.

(The following material was received for the record.)

Initially, and subsequent to the occupation policy of land seizure under the rules of land warfare, the U.S. agencies acquired a so-called "determinable estate" interest which gave the United States full use and possession of the land with a single payment to be made in full at current fee value, title remained with the Ryukyuan owners. By 1958, this method of land-taking had generated violent opposition because landowners were convinced that title to lands taken under the determinable estates procedure had passed to the United States so that their lands were completely lost to them by subterfuge. This conviction gave rise to unusually serious consequences because of unique traditional relationship of a Ryukyuan to his land holdings. The sensitivity of this land question is further highlighted by the fact that in this area, with perhaps the world's greatest population density, the United States had, by 1964 acquired about 25 percent of the entire Ryukyu Islands land area and 26 percent of the land area

of Okinawa. Furthermore, the Government of Japan was so concerned in the matter that it made it the subject of official diplomatic representations.

Recognizing the inequity in the situation, and its potential for generating increasing Ryukyuan and Japanese dissatisfaction and resentment, a conference was held in Washington to review the land policy. This conference, held in the Pentagon and attended by representatives of the Government of the Ryukyu Islands (GRI), and Defense, Army, and State, resulted in the abandonment of the determinable estate, single-payment concept, and the adoption of an indefinite leasehold procedure, the details of which were to be determined by a Joint Land Conference to be convened in Okinawa. In a series of five meetings, this conference hammered out the details of the new leasehold procedure—a procedure which was formalized in HICOM Ordinance No. 18, dated January 13, 1959. Briefly, the new concept provided for U.S. land tenure under two types of leaseholds: temporary (less than 5 years), and indefinite (for 5 years or longer); all such leaseholds being acquired by the GRI under a master lease arrangement with the United States.

In September 1959, at the time of revision of our land acquisition program, our land holdings were 66,817 acres; as of December 15, 1965, they were 75,664 acres.

[Deleted.]

Mr. PRICE. Have there been any areas there that in the last 10 years—well, put it since the problem of 1957, the last 7 or 8 years that you have been able to turn back to the local economy?

General WATSON. Yes, sir. We make a periodic report on this subject, and I would be glad to provide that for the record, if I might.

(Approximately 2,260 acres of land have been relinquished since 1957.)

I might say in terms of total acreage, it is relatively minor, but we constantly review and turn back what we don't need.

Mr. PRICE. Has there been any local demand for return of additional U.S. occupied areas to the local economy?

General WATSON. Yes, there are demands from time to time, Mr. Chairman.

Mr. PRICE. Has there been any serious trouble?

General WATSON. Well, there is one—in a sense there is one that has one this—and this is a case where our jet aircraft are making so much noise that the schoolchildren for a great part of their schoolday are unable really to study. They can't study during those times because those jets are so noisy.

Mr. PRICE. But the amount of land you have turned back you say as been inconsequential in recent years?

General WATSON. Yes, sir.

Mr. PRICE. Has it been completely cleared for them and returned so that if it is farmland they could go right to work on it?

General WATSON. It has either been done or they have been compensated for it, whichever was appropriate in accordance with the rules.

We are not inconsiderate of these people. We are not cavalier with them at all. If an oversight or a failure to understand their position does occur, we rectify it as soon as it is called to our attention.

Mr. PRICE. So that you have not had any real trouble in the last few years because of the land acquisition problem?

General WATSON. That statement is correct, sir.

[Deleted.]

Mr. PRICE. I think that is important.

General WATSON. Yes, sir.

Mr. PRICE. Because I remember the time we had a program under way to encourage many of these people to move to other islands. Do we still have such a program?

General WATSON. It isn't effective. We have immigration to other continents such as South America.

Mr. PRICE. But not with any encouragement from——

General WATSON. Not as a program as such. There is movement to Japan of some of these people.

Mr. PRICE. I was not thinking of Japan. I was thinking of some of the other Ryukyu Islands.

General WATSON. Of the islands. No. There is no formal program.

Mr. HOLT. Mr. Chairman, if I may, one figure that might be of interest to the committee is that approximately 25 percent of the total acreage of Okinawa is now used by U.S. agencies.

Mr. PRICE. How many percent?

Mr. HOLT. Twenty-five percent.

Now much of that land is not suitable for production. The estimate we have is that approximately 7 percent of the arable lands is presently used by U.S. agencies.

[Deleted.]

Mr. PRICE. How has the amount of the Government of Japan assistance compared with that of the United States for the past 5 years?

General WATSON. We have these figures right here, sir. May I provide them—should I read them?

Mr. PRICE. Yes.

General WATSON. Beginning with 1962 and moving down in successive years through fiscal 1966, I will read these in two columns.

United States, \$5.4 million; Japan, \$0.6 million; 1963, United States, approximately \$7 million; Japan approximately \$3 million; 1964, United States, \$7.9 million; Japan, \$5 million. And then in the next 2 years the United States has \$12 million each, as against \$5 million in 1965 for Japan and roughly \$8 million in 1966 for Japan.

So we have been variously a hundred percent more or a little bit greater, and 50 percent more than Japan in the last 2 years.

[Deleted.]

Mr. PRICE. Well, now, since the cooperation program has been working, have we made any proposals that the Japanese have not been able to come up with funds for?

General WATSON. Nothing major that I know of, sir. [Deleted.]

Incidentally, we put our heads together in my administration and realized that we were going to have to make some changes. We realized back in the fall of 1964 that we didn't have a proper long-range plan, so we prepared one with the GRI. The plan made it clear that we needed more money in certain activities, particularly these three that Mr. Holt and I have been emphasizing today, education, public health, and public welfare, social security.

And as far back, as early as the late fall of 1964 we knew we were behind in some of these programs and really were going to have to get out and move forward if we were going to make any reasonable progress in order to be comparable with those areas of Japan which are similar to Okinawa. So we went ahead then and realizing that this situation was as it was, we worked up a current revision of the long-range plan and then went to the Japanese Government and suggested some of these increases to them. [Deleted.]

Mr. PRICE. Where are the major gaps in the programs?

General WATSON. The gaps are in these three, really: In education—

Mr. PRICE. Specifically, for instance, in the public health area, what are you thinking about?

General WATSON. Public health we need—

Mr. PRICE. Education we can understand.

General WATSON. Yes, sir.

Mr. PRICE. It is the cost of the teaching corps—

General WATSON. Buildings, school buildings, equipment for the school, so on.

Mr. PRICE. But in the public health area, what concerns you?

General WATSON. Primarily we have a shortage of doctors, nurses, and interns. We have a need of more hospitals, hospital facilities. We need money for surveys, health surveys to go out in the communities—for example, we have learned that in one area the incidence of trachoma is way up in the eighties—85 percent. In other words, almost 9 out of 10 of the people in that particular community have an eye disease called trachoma, which is caused by filth.

Also there is filariasis, which is an elephantiasis type of disease. They have made great progress on malaria. Tuberculosis is one that needs considerable assistance.

The numbers of doctors, nurses, and dentists per thousand people are very sad indeed, and if you like, we will present them for the record, the Ryukyu Islands compared to Japan.

Mr. PRICE. Yes. Will you.

(For information requested see p. 5636.)

General WATSON. The latest figures we have, we have in Okinawa an average population, sir, per doctor, of 2,444. In all Ryukyus, this is.

Mr. PRICE. And what do you say the Japanese figure is?

General WATSON. 898—that is just a little bit more than one-third of the number of people per doctor in the Ryukyu Islands. Population per dentist is about a fourth of the number in Japan, as compared to the Ryukyus. Ryukyus, 9,087 people per dentist; in all Japan, 2,772. Nurses, a similar sad picture. In the Ryukyus, population, sir, per nurse, is 1,106; in all Japan, 439. And the hospital beds, of course, number per 100,000 population in the Ryukyus, 396; in all Japan, 826. And I could go on down, sir.

Mr. PRICE. Will you supply these figures for the record?

(For information requested see p. 5636.)

General WATSON. Yes, sir. It happens that our death rate per thousand population is better in the Ryukyus right now than it is in Japan. Of course, their traffic problem in some of the cities up there I think is bad enough to make up for part of that difference, anyway.

Mr. BURNS. Mr. Chairman, we have also supplied similar statistics for the other areas in which we lag.

Mr. PRICE. What is the main problem in the social welfare area?

General WATSON. This is a matter of social security benefits. We actually have not only shortages in the coverage, but amount of coverage.

Mr. PRICE. Can you compare that with what it is in the rest—

General WATSON. In the homeland. Yes, sir.

(For information requested see p. 5636.)

Mr. PRICE. What is the population of Okinawa and the size of it?

General WATSON. The population is about 933,000, sir; a million in round figures.

Mr. HICKS. How large is Okinawa?

General WATSON. Sixty-two miles long; at the widest point some 16, 18 miles; at the narrowest point, 2 miles. It runs northeast and southwest. It is quite hilly in the northern sector.

Unfortunately, much of the land that is arable is only in one sector, that is in the southern third, and there is where the heaviest density population in the world exists.

Mr. HICKS. You say 7 percent of the arable land is used by—

General WATSON. Used by U.S. agencies.

Mr. HICKS. And how far is it from the Japanese homeland?

General WATSON. About 2 hours flying time. We have distances. Around 450 miles.

Mr. BURNS. 970 miles to Tokyo. About a half of that or a little less to the southern island of Japan, Kyushu.

Mr. HICKS. Thank you.

General WATSON. About 400 miles from China, the mainland of China.

Mr. PRICE. General, how much in dollars and by percent is the Government of the Ryukyu Islands contributing to its own operations?

General WATSON. Running down, sir, I have it all the way back from 1951 on up to estimate for the next fiscal year.

Mr. PRICE. Would you supply the general information for the record and then let us have now what the present situation is.

General WATSON. Yes, sir.

(The following information was received for the record:)

Receipts of the Government of the Ryukyu Islands, fiscal years 1951-66

(Dollars in thousands)

Fiscal years	Revenue internally generated	Total revenues and grants	Percent internally generated
1951 (April 1950 to March 1951).....	\$2,436.8	\$10,347.2	23.6
1952 (April 1951 to June 1952).....	8,621.9	17,547.9	49.1
1953 (July 1952 to June 1953).....	8,940.6	12,327.2	72.5
1954.....	11,818.8	14,398.3	82.1
1955.....	13,052.4	16,409.9	79.5
1956.....	16,408.1	19,834.9	82.7
1957.....	17,608.8	19,240.3	91.5
1958.....	18,093.2	20,577.6	87.9
1959.....	19,503.6	21,364.9	91.3
1960.....	21,660.0	23,303.0	92.9
1961.....	23,966.0	26,883.0	89.5
1962.....	28,486.0	32,881.5	86.6
1963.....	33,490.2	40,388.7	82.9
1964.....	38,964.2	47,736.3	81.6
1965.....	42,841.7	52,853.2	81.1
1966.....	49,651.0	63,165.0	78.6

In 1966 the percentage internally generally, that is, by the Government of the Ryukyu Islands, is 78.6 percent.

Mr. PRICE. How is the tax collection system that we authorized in legislation here some years ago—1962 I think it was—how are they working out?

General WATSON. Mr. Chairman, I regret——

Mr. PRICE. I do not have a copy of the 1960 law here, but I remember we had some provisions in there that permitted them to use certain funds that they were using previously but without authorization.

Mr. KELLEHER. Yes. Here is a copy of the 1960 act.

General WATSON. I have that information here, sir, I believe.

In section II of the act itself, all fines, forfeitures, tax assessments, and other revenues received by the Government of the Ryukyu Islands shall be covered into the treasury of the Ryukyu Islands and that will be available for the expenditure of the Government of the Ryukyu Islands.

Mr. PRICE. Yes. I think they were permitted to do that previously under the treaty, but the 1960 act gave them a specific legal authorization.

General WATSON. Yes, sir; that is currently in effect.

Mr. PRICE. And then they gave them authority in the 1960 act to use—section III of that act:

Revenues derived by the United States Civilian Authority of the Ryukyu Islands from the following sources shall be deposited in separate funds which are hereby authorized to be established by the High Commissioner of the Ryukyu Islands and shall be available for obligation and expenditure in accordance with the annual budget programs approved by the President.

I am just trying to get some idea of the amount of those revenues and how they fit into the financing system in the islands.

General WATSON. Well, Mr. Chairman, if I might, I would like to take those particular provisions of the act and match them for the record.

Mr. PRICE. Yes. Will you do that.

General WATSON. I will be glad to do that, sir.

(The following information was received for the record:)

Amounts provided under price act, by action, fiscal years 1965-67

[In millions of dollars]

Source of funds	Fiscal year 1965	Fiscal year 1966	Fiscal year 1967
Sec. 2—Revenues of the Government of the Ryukyu Islands...	42.8	49.7	58.7
Sec. 3—Revenues derived by the U.S. Civil Administration...	12.2	13.1	12.6
Sec. 4—Annual appropriations (administration, Ryukyu Islands, Army).....	12.0	12.0	17.3

¹ Under increased authorization proposed in H.R. 12617.

Mr. PRICE. I don't know whether we have the answer yet on the percent that the Government of the Ryukyu Islands is contributing to its own operations, the amount and the percentage.

General WATSON. Yes, sir. It was 78.6 in 1966, and it is estimated this year to be 71.8. And incidentally, it is quite interesting to note that even though we propose to increase in this coming fiscal year, if the authorization is provided and funded, 5.3 over 12 million dollars, in other words, we plan to increase almost 50 percent, the percent of its total budget which the Government of the Ryukyu Islands will generate drops only from 78.6 to 71.8, which is 6.8 percent; so with this tremendous increase that we are putting in there, their partici-

pation only drops some 7 percent approximately. We estimate that they will have some \$87 million in their budget for this coming year.

Mr. PRICE. What is the estimate—\$87?

General WATSON. Eighty-seven, yes, sir.

Mr. PRICE. What is the estimated cost of the Ryukyuan military base? In other words, what would we lose in dollars and cents if we were compelled to leave Okinawa?

General WATSON. I can provide that figure to the best—as close as estimation may permit it. We have some exact figures of cost and so on. It has roughly been estimated at being anywhere between half a billion and a billion dollars. And we can provide that for the record, showing what sort of a breakdown we have on it.

As far as real property is concerned, it's about \$700 million; and equipment, about a quarter of a billion dollars; inventory, about \$470 million; so that the total is about \$1.5 billion.

These must be rough, Mr. Chairman, and there is no way really to come out with a good tight dollar-figure on this.

Mr. PRICE. The only way you could do it is make a compilation of all the expenditures we have made over there, and it would take some time to do it.

General WATSON. Yes, sir; it sure would.

Mr. PRICE. What are our major capabilities in Okinawa?

General WATSON. Military capabilities there are to provide a base for military operations for all of the armed services, and this includes not only the staging and housing and training of troops there, but the provision of logistic support to those troops. [Deleted.]

Mr. PRICE. Now, in previous hearings on this matter, there was a question raised about the Ryukyus having no adequate sewer system. Has that situation been corrected?

General WATSON. No, sir; but we are making progress toward this.

The first problem, of course, before any sewer system can be developed anywhere, is to insure adequate water supply. And in 1963 we had such a very severe drought out there—it lasted for 11 months—that we were really in most serious condition for usable water. We had to lay pipes along the ground and use salt water, ocean water, to take care of some of our sanitary problems. We just didn't have fresh water to spare for it. So development of water supply has actually preceded the development of the sewer system. But we are now making progress. We have actually set up in our budget for the current year and for next year, some improvement, quite a way along the line.

You may be familiar, Mr. Chairman, with the fact that in 1964 and 1965 we did provide modest financial assistance to begin the development of this islandwide sewer system for the southern and central crowded areas of Okinawa. We had planned for the independent sewer systems for various municipalities, but these however are designed for later connection with two sewage treatment plants, one for the largest city—which is Naha—in the lower part of the island, and one in the central part of it. Funds were requested for fiscal 1967 from the U.S. aid appropriation which is \$1.3 million, and from the U.S. Civil Administration general fund, \$2 million for further development of the systems.

The Government of the Ryukyu Islands is also expected to make its initial contribution of funds in fiscal 1967 for the sewer program.

Mr. PRICE. What is the present situation with respect to electric power and what are your plans to meet future requirements?

Mr. HOLT. I will speak to that, if I may, briefly, Mr. Chairman. And perhaps General Watson can fill in more specifically.

An engineering study anticipates a need for additional power on the order of about 240,000 kilowatts—or 240 megawatts—over the next several years, and estimates a cost of construction for that of something in the area of \$40 million.

The last expansion of the power system there was financed by a loan from the U.S. Treasury in 1959. We are quite hopeful that we will be able to finance this next needed expansion by some means short of a direct loan from the U.S. Treasury. We have been exploring every avenue. We have held discussions with various U.S. entrepreneurs who might have an interest in doing this work on different sorts of bases. We plan to examine—we are in the course right now of examining some of these approaches to see what would be the most effective method of doing it with the least burden on the Treasury.

Our great hope is to avoid having to ask for a loan from the Treasury for this financing again.

Mr. PRICE. What is the present additional requirement for power there?

Mr. HOLT. Over the next 6 years or so, the additional requirement is projected to be on the order of two hundred and—well, 240 megawatts over about a 10-year period, I suppose.

Current projections are for on the order of a total of 250 megawatts by 1969, which will be already in excess of the present firm capacity, and probably progressive increases after that as the utilization of electricity by the civil population increases.

And one reason these predictions can't be any too firm right at the moment is because of [deleted]. But certainly our need for construction is going to be of the order of 240 megawatts over the next several years.

Mr. PRICE. Additional requirement?

Mr. HOLT. That's right.

General WATSON. Minimum.

Mr. PRICE. And you say now you do not have any firm proposal from anybody to supply this need?

Mr. HOLT. No firm proposal because it hasn't been done that way in the sort of a bricks and mortar contract approach of laying out specifications and asking for bids. Doing the work calls for a combination of financing, construction, and design and building of the electrical equipment. We have had communications from a number of groups of such enterprises who have outlined tentative approaches. We plan to explore these in more detail with them.

Mr. PRICE. How do you explore them? Do you call these people in and meet with them and see how serious their proposal is and what they actually intend to do in the event that they are successful?

Mr. HOLT. Precisely. And in addition, our present thinking is to set up a board within the Department with appropriate legal and engineering and other skills represented to examine and compare the possible alternative approaches, secure any additional information from these potential builders that might be needed, and come up with a recommendation of the best approach with the best net advantage to the Government.

Mr. PRICE. Is the situation such that it could be met with a brownout over there?

Mr. HOLT. Indeed it is, and perhaps General Watson is a little closer to that than I am, but the projection is for a brownout condition under present circumstances, to begin perhaps by the latter part of 1968.

And again, as I say, this could be affected in some degree [deleted].

Mr. PRICE. That's all the questions the Chair has. Does any other member have any?

Mr. STAFFORD. Mr. Chairman, I have one or two.

Mr. PRICE. Governor Stafford.

Mr. STAFFORD. [Deleted.] Could you comment on what you consider to be reasonable acquiescence of the inhabitants of the Ryukyu Islands to our presence?

General WATSON. I'm glad to do that because I want them to know what I consider reasonable.

This point came up when I went back last year. The first press conference after I got back there they got on me, "What do you consider reasonable acquiescence." And I said you people are always kind to me, you are very friendly, yours is a land of courtesy. I feel I am among friends, and I have no fear for my family; this is our home and we feel there is no hostility, and therefore I think there is a reasonable acquiescence. You are friendly to me. I just ask them and of course they are courteous and they wouldn't say they aren't. They actually are very friendly to us.

We have a wonderful program of public relations there, so good that—higher headquarters has sent us congratulations on it. I am not boasting; this is a fact. We do have a very good program.

[Deleted.]

Mr. STAFFORD. Looking into the future, to your knowledge might there be any future plans or policy on the part of this government to switch from the type of High Commissioner government which you represent to a civilian type of government. Can you comment in this field?

General WATSON. Yes, sir; I can comment on it, but I think that probably the one who is from the Department which would be most knowledgeable on this question besides the Defense Department sits near me in the presence of Mr. Fearey. I would like to take my part of it first, though, if I could.

[Deleted.]

General WATSON. As far as policy of any other departments of government or even the Department of Defense at this point, I am not qualified to answer.

[Deleted.]

Mr. STAFFORD. Thank you very much, General. Would you care to comment, sir?

Mr. FEAREY. Yes. I know of no consideration being given in State to making the High Commissioner a civilian. We feel that the job there is so heavily military that the top person should be a military man with capacities in the civil field too.

Frankly, we think we've got that.

Mr. STAFFORD. Thank you.

Mr. HOLT. May I add one other point to that, sir, that may be relevant.

Mr. PRICE. Mr. Holt.

Mr. HOLT. The Civil Administrator, the No. 2 post in the U.S. civil administration under the High Commissioner, is a civilian and has been since 1962.

Mr. STAFFORD. Thank you, Mr. Chairman.

Mr. PRICE. Thank you.

Mr. ICHORD. Mr. Chairman.

Mr. PRICE. Mr. Ichord?

Mr. ICHORD. Mr. Chairman, I am sorry I was called out to testify on another bill, and I possibly might ask a question which has already been answered in the record.

Now under the terms of the article III of the peace treaty with Japan, we have control and jurisdiction over the islands for an indefinite period of time. Is that correct?

General WATSON. Yes, we do. And I would like to ask Mr. Fearey if he would respond a little bit further to this point.

Mr. FEAREY. Yes. The treaty provides that we may remain there with full powers pending the placing of the islands under a U.N. trusteeship. There is no thought of placing them under a U.N. trusteeship. It is recognized that we can stay there and we will stay there as long as conditions of threat and tension continue in that area.

Mr. ICHORD. Our Government has no intentions in the immediate future, then, of turning—

Mr. FEAREY. None whatsoever.

Mr. ICHORD. No plans whatsoever for that.

What is the population of the islands?

General WATSON. 933,000, sir, approximately.

Mr. ICHORD. Now, I would like to have in the record—and it may already be in, Mr. Chairman; I apologize if I am dealing in duplication here.

We are putting in \$12 million a year now in aid. You have been spending the entire Price authorization; haven't you?

General WATSON. Yes, we have.

Mr. ICHORD. What other moneys do we put into the economy?

General WATSON. I would like to provide this for the record. I might just briefly touch upon them.

Mr. ICHORD. We have about 53,000 people that we employ on our bases there; don't we?

General WATSON. This is true, Mr. Congressman. And of these 53,000 of course only about a half are actually directly employed by U.S. officialdom—in other words, appropriated or nonappropriated funds. That comes to I think about 24,000 of that total of 53,000.

We have done some work—

Mr. ICHORD. How much does that amount to?

General WATSON. About \$196.3 million is the figure we estimated—and we worked on this a long time—for fiscal year 1965. We can give you some other data which shows the sources and how much from each source comes to the economy.

Mr. ICHORD. I would like to have that for the record. I didn't hear all of the testimony, but I am a little concerned that we might be letting ourselves get blackjacked into giving more aid to the islands when—and I am not particularly impressed by the argument that the people of the islands don't have a standard of living comparable to

Japan. There is not enough out there on the islands to develop to give them a living that is comparable to the Japanese islands. I don't think they have the resources available that we could ever raise their standard of living with what they have unless we did pump in large amounts of aid.

(The following information was received for the record:)

U.S. EXPENDITURES IN THE RYUKYU ISLANDS

The overall input of money resulting from the presence of the U.S. Government, and Americans as individuals—military and civilian, official and private—reflect the following expenditures in fiscal year 1965:

	Millions
Expenditures by the U.S. Government and personnel-----	\$121.5
U.S. direct aid to GRI-----	12.7
Capital transactions (public and private)-----	44.0
Export of goods and services to the United States-----	18.1
Total-----	196.3

General WATSON. That is true, sir.

On the other hand, the Japanese Central Government does provide for its less favorably disposed or endowed prefectures with certain subsidies which help them in their own internal expenses.

Mr. ICHORD. Well, most of the trade of the islands is carried on with Japan; is it not?

General WATSON. That is correct; yes, sir, definitely.

Mr. ICHORD. What is their trade, how much trade do they carry on with Japan?

General WATSON. I have those figures right here. I will provide them for you.

In trade with Japan, the Ryukyu Islands import about \$151 million as contrasted to exporting about \$73 million to Japan, so that they have a deficit balance with Japan of about \$78 million in fiscal year 1965.

In the case of the United States, the Ryukyus import about \$8.1 million from the United States and export about \$5.1 million. So there is a deficit balance there of \$26 million. And all other countries, about \$28 million imported by the Ryukyu Islands, and only \$1.6 million exported. So they've got about a \$26 million deficit there too.

The total deficit is about \$131 million. This is in trade, now.

Mr. ICHORD. Now did I understand you to say the salaries, the compensation we pay to island workers amounts to 193—

General WATSON. No, sir; this is all sources for all purposes, \$196.3 million.

Mr. ICHORD. Well, actually as a practical matter, if we were to pull that out of the island, the whole economy would fold; would it not?

General WATSON. It would collapse. And we have two charts that are appended to my statement here, B and C, which give a graphical picture of this.

Mr. ICHORD. Well, I am just a little concerned. I am sure that probably they can use more money to raise their standard of living, but I am a little concerned that you might just be following suit with Japan here and we are more or less being blackjacked into giving them more aid.

General WATSON. I can see the reason for your concern and I do not think that this is in fact taking place. [Deleted.]

Mr. ICHORD. \$193 million into a little nation of some 900-odd thousand people is a pretty good chunk of money to put into the economy of the island.

General WATSON. We figured up the Ryukyus per capita income in comparison with the inhabitants of the homeland of Japan, and we found out it is considerably lower.

I should point out that this \$196.3 million we put in there was not a gift. We get a return on that, on a great part of it.

Mr. ICHORD. That is true.

General WATSON. So that the aid we put in there is really quite small; \$12 million this year, this current year, and the preceding year was only \$12 million.

Mr. ICHORD. Well, the income per capita for the State of Wyoming is considerably lower than the State of New York, too.

General WATSON. We have the per capita figure in the Ryukyu Islands of \$364 a year. That's a dollar a day. And that compares with \$587 in the homeland of Japan.

Mr. ICHORD. \$587?

General WATSON. Yes, sir. I can see your concern, Mr. Congressman. I don't want you to feel that I am advocating just a giveaway program [deleted]. These people compare their lot with that of their brothers and sisters and cousins who live in the homeland of Japan.

Mr. PRICE. General, on the amount that you put into education, would the Japanese be willing to put more into the educational program than we are asking them to, or agreeable?

General WATSON. They would be agreeable to it. By their law, they provide their prefectures 50 percent of the pay of teachers, for example, for the first nine grades.

Mr. PRICE. Do you think it is desirable to permit them to put 50 percent in?

General WATSON. I do not object to their providing that in the Ryukyus so long as we contribute as much as they of the pay of teachers of all grades. Also I think this is a responsibility that the Government of the Ryukyu Islands itself should bear in part. In other words, the Japanese Government, the GRI, and our own Government each should provide one-third of the pay of all teachers, including the grades above the first nine.

Mr. PRICE. Is this an important area for us to keep our hand in?

General WATSON. This is extremely important. [Deleted.]

Mr. ICHORD. Do you have complete control over the disbursement of all of these funds under the Price Act?

General WATSON. Yes, sir; we do. Some of them we actually personally disburse in segments throughout the year. In other cases it is done by transfer to the Government of the Ryukyu Islands.

Mr. ICHORD. And what percentage of the \$12 million do you transfer to the Government and what percentage do you spend in—

General WATSON. About 80 percent.

Mr. ICHORD (continuing). In your own program? About 80 percent turned over to the Government?

General WATSON. That's right.

Mr. ICHORD. Now of this \$25 million, what—you are not going to spend the entire \$25 million?

General WATSON. In the first year that this would be effective, we propose to spend \$17.3 million.

Mr. ICHORD. What percentage are you going to turn over directly to the Government?

General WATSON. It would run a little higher than that, but we can check it right here.

Mr. BURNS. A ratio of 13.8 to 17.3; which is 80 percent of the total program for 1967. The preceding year was 8.6 out of 12 million, which is about 72 percent.

Mr. ICHORD. How do they put this to you, General?

General WATSON. It's about equal.

Mr. ICHORD. How do they put it to you? Do they demand more help from the United States or do they put it "We would rather go back with Japan"?

General WATSON. The way help from the United States comes up is this: We worked up the long-range plan based on the President's directive. As mentioned earlier we started in the fall of 1964 jointly with the Government of the Ryukyu Islands.

Mr. BURNS. Yes, sir.

General WATSON. There are 11 major programs in this long-range plan that we have, and each of them have subprograms and so on very similar to our planning structure over here.

We then, following the President's directive, March 1962, looked forward to the goals which were "the levels obtaining in comparable areas of Japan," with the idea of reaching them, to the extent possible, by 1971.

And we worked this up in increments in succeeding fiscal years so that we don't try to do it all at once.

In the first place, they won't be able to do it all at once. They have to phase it in because their situation won't permit it to go any faster. This is the way we actually do it. So it is in committee meetings that we work up these statements.

Now, when the plan for a given fiscal year is worked up by our staffs together, then the Chief Executive and I sit and are briefed on the plan, the major policy decisions that are involved therein, the major goals, the sources of funds, and so forth. And we closely question the staffs and make them come forth with the sound justification.

Now on the other hand, the Government of Japan participates in this then after we have developed the funding level for any given fiscal year. The Government of Japan then is invited to come in to the extent of a given number of dollars for each of these programs in accordance with what we have prepared ahead of time, and we are the ones who deal with the Government of Japan.

The Government of the Ryukyus does not deal directly. They are related, they know each other, there is a lot of back and forth travel: but any official contact is through USCAR to the consultative committee which was referred to earlier by a question. And at that point the Ambassador of the United States and the Foreign Minister of the Government of Japan sit together with assistants and work out the agreed upon figures.

[Deleted.]

Mr. ICHORD. Have you tried any propagandizing among the people as to how much we pay out in salaries to the islands?

General WATSON. We have; yes, sir. This \$196.3 million that I referred to you earlier was arrived at as a result of a study which I directed because I thought the people weren't aware of it.

Mr. ICHORD. What is the whole gross national income of the islands?

General WATSON. Gross national product for fiscal year 1965, \$369.1 million.

Mr. ICHORD. Better than half.

General WATSON. And the national income, \$340 million.

Mr. ICHORD. Thank you, Mr. Chairman.

Mr. PRICE. Mr. Love?

Mr. LOVE. General, other than aid, what precisely does the Government of Japan do in the islands, since according to your statement, and my own information, they did not renounce all the land title interests in the islands? I mean what do they have over there in the islands precisely, the Government of Japan?

General WATSON. The Government of Japan at this moment has a southern area liaison which is called Nampo, which is a Japanese word, liaison office, and they have their representatives of the Government itself. [Deleted.]

Mr. LOVE. So actually—

General WATSON. They participate in a number of ways. For example, there are technical groups which come down there to advise, farming, for example.

They have a tremendous subsidy for sugar, for example. Without the sugar subsidy I don't know what the farmers—what the agricultural industry of Okinawa would do.

Mr. ICHORD. Well, this is their foreign aid program, except they have a larger attachment.

General WATSON. Exactly, in effect it is.

Mr. LOVE. Does the record show the dollar value of that foreign aid program with the Japanese?

General WATSON. Yes, we have the figures. We don't call it that per se. But we have figures and we will provide them. We will provide a table which will show—

Mr. LOVE. To make a comparison between what you are asking and what the Japanese do?

General WATSON. Yes, sir. We have these figures and we can present them for the record very easily. In fact, they are shown previously.

[Deleted.]

Mr. LOVE. Just roughly can you give me some idea of how much that is compared with what we do?

General WATSON. This coming fiscal year they have approved, a total contribution of \$16.1 million, as compared with that which we propose for the coming fiscal year of \$17.3 million. We are a million dollars apart.

Mr. LOVE. That is in the statement here, isn't it, sir?

General WATSON. Yes, sir; it is.

Mr. LOVE. I thought so. Yes.

Thank you, General.

Mr. PRICE. Mr. Hicks?

Mr. HICKS. No questions.

Mr. KELLEHER. Mr. Chairman.

Mr. PRICE. Mr. Kelleher.

Mr. KELLEHER. Just one question. I am not sure whether the record will reflect now exactly how the \$17.3 will be used for fiscal 1967—

General WATSON. Yes.

Mr. KELLEHER. Exactly how much for teachers' salaries, how much for social security, and so forth. Could you put that in not only for this year, but for a couple of years in advance, too?

General WATSON. We will supply that.

Mr. KELLEHER. In detail, please.

General WATSON. Yes.

[Deleted.]

Mr. PRICE. General, the point that Mr. Ichord made is the thing that we had to contend with in the Senate.

General WATSON. Yes, sir.

Mr. PRICE. This was the main thing that they kept throwing at me when I testified before the Senate. So I think we will have to be prepared on that.

Mr. ICHORD. I sympathize with your position, but I do have a little concern about that and I think as long as you recognize it and you are taking steps to keep it from really building up, because you have had experience with that type of thing.

General WATSON. It is ever present, and we are working on it all the time.

Mr. PRICE. Thank you very much, General and Mr. Holt, and others who testified here this morning.

I think you did a good job in presenting your case. I hope we can do as well when we have to go through the Senate again.

General WATSON. Thank you very much, Mr. Chairman. Thank you, gentlemen.

Mr. PRICE. The committee will remain just a few minutes.

(Whereupon, at 11:46 a.m., the subcommittee proceeded to committee business re H.R. 12617.)



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50

DEFERRAL OF MILITARY CONSTRUCTION
PROJECTS AUTHORIZED AND FUNDED
BY THE CONGRESS FOR FISCAL
YEAR 1966

REPORT

BY

SUBCOMMITTEE NO. 1

OF THE

COMMITTEE ON ARMED SERVICES

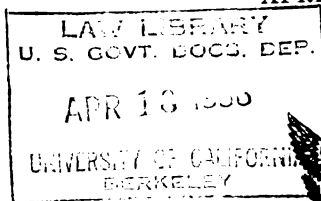
OF THE

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH CONGRESS

SECOND SESSION

APRIL 5, 1966



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LETTER OF TRANSMITTAL

MARCH 8, 1966.

Hon. L. MENDEL RIVERS,
*Chairman, Committee on Armed Services,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: I submit herewith for consideration of the Committee on Armed Services a report of Subcommittee No. 1 on the deferral of military construction.

The subcommittee held brief but thorough hearings on this matter, and I believe the report correctly summarizes the position of the subcommittee when it considered this vital subject.

Sincerely,

PHILIP J. PHILBIN,
Chairman, Subcommittee No. 1.

III

REPORT OF SUBCOMMITTEE NO. 1 ON DEFERRAL OF MILITARY
CONSTRUCTION PROJECTS AUTHORIZED AND FUNDED BY THE CON-
GRESS FOR FISCAL YEAR 1966

INTRODUCTION

On January 11, 1966, Chairman L. Mendel Rivers, of the Committee on Armed Services of the House of Representatives, assigned Subcommittee No. 1 to look into the action announced on December 21, 1965, by the Secretary of Defense to temporarily defer \$620 million of military construction projects authorized and funded by the Congress for fiscal year 1966. The deferral action involves projects located in 42 States and the District of Columbia. It includes 8,500 units of family housing or all of the housing funded by the Congress last year.

Subcommittee No. 1 consists of Hon. Philip J. Philbin, Massachusetts, chairman; Hon. Charles E. Bennett, Florida; Hon. Samuel S. Stratton, New York; Hon. William J. Randall, Missouri; Hon. Jed Johnson, Jr., Oklahoma; Hon. Hervey G. Machen, Maryland; Hon. Leslie C. Arends, Illinois; Hon. Charles S. Gubser, California; and Hon. Donald D. Clancy, Ohio.

BACKGROUND

Early in February 1965, the Secretary of Defense submitted to the Congress a military construction request totaling \$1,935,497,000. A Department of Defense news release dated February 9, 1965 described the request as follows:

The Department of Defense has submitted to the Congress for fiscal year 1966 a military construction bill requesting new authorization in the amount of \$1,945,497,000 to support the Active Forces, the Reserve components, and the defense agencies. New construction projects directed primarily to the strengthening of our military posture on a worldwide basis amount to \$1,438,331,000 of the total requested, including \$228,434,000 for the construction of 12,500 new family housing units. The balance of the request amounting to \$507,166,000 covers other family housing costs which require annual authorization, including amounts for operation and maintenance, repair and improvement of existing units.

The proposed new construction will support key defense missions, such as our strategic offensive and defensive forces and our general support forces. Proposed construction sites are located at over 300 installations throughout the United States, as well as at locations in the Caribbean, Europe, Pacific Islands, Iran, Japan, and the Philippines. Projects are also proposed in support of such essential contributing defense activities as research and development, supply, medical care, training and intelligence. The bill will provide many needed replacements for obsolete and inefficient facilities, necessary to reduce the cost of base operations and maintenance.

After four committees of the Congress considered these matters; namely, the Armed Services Committees and the Appropriations Committees of both the House and the Senate, this request was cut by the Congress to approximately \$1.306 million, or a cut of nearly \$600 million.

During the hearings conducted by the House Armed Services Committee, the Assistant Secretary of Defense for Installations and Logistics told the Committee that the military construction program was governed by the 5-year programming system of the Department of Defense. He then stated "the projects included in the present request represent the fiscal year 1966 segment of the approved 5-year construction plan, and must be in place not later than fiscal year 1966 to coincide with the overall defense objectives for this period."

After mentioning the 5-year construction program, Secretary Ignatius then stated:

In addition to the controls applied by 5-year programming procedures, construction requirements are further refined under a special annex to the system which identifies the character, size, and estimated cost of the major projects at each installation in the 5-year plan. In developing the construction program to be presented to the Congress for any given fiscal year, facility requirements are again examined to insure their continuing validity under current mission requirements and to verify that costs and standards are both reasonable and economical. Each line item in the fiscal year 1966 proposal has undergone this meticulous requirement and engineering reappraisal, in collaboration with the Bureau of the Budget, as the result of which the requests of the military departments and the defense agencies were reduced by more than \$700 million, or 37 percent of the total requested.

Thus, after having completed assurances from defense officials that their initial request represented only urgent construction needs, the four committees of the Congress and their respective houses thoroughly considered the projects and eliminated those which they considered not to be essential.

While the original construction request was submitted by the Department of Defense early in February 1965, the President of the United States on August 23, 1965, vetoed the legislation enacted by the Congress on the basis that certain provisions were an encroachment by the legislative branch on the powers constitutionally vested in the executive. After the veto, the Deputy Secretary of Defense, among others, acting as a personal emissary of the President and the Secretary of Defense, came to this committee in August and September, urging that a new construction bill be passed, identical insofar as line item authorization was concerned, to the bill vetoed by the President. This committee, as well as other cognizant committees, and the Congress, recognizing the imperative need for these projects, once again authorized these projects.

On December 21, 1965, the Secretary of Defense announced deferral of nearly half of the construction projects authorized for fiscal year 1966. He and the Deputy Secretary of Defense accepted full responsibility for this action although prior to the announcement, the matter was cleared with higher officials in the executive branch of the Government.

The subcommittee attempted to determine the reasons of the Secretary of Defense in making these deferrals and also consider the question of why the Secretary of Defense should be permitted to substitute his judgment for the collective judgment of four congressional committees, the House of Representatives, the Senate, and the President of the United States.

SUMMARY, CONCLUSIONS, RECOMMENDATIONS

Summary

The subcommittee, in a brief, but thorough hearing, examined the reasons underlying the deferral of \$620 million worth of military

construction projects authorized and funded by the Congress for fiscal year 1966.

In February 1965, the Department of Defense submitted a request totaling \$1,945,497,000 for military construction projects around the world. After four committees of the Congress considered these requests, authorization and funding was given by the Congress for military construction projects totaling \$1,306 million. On August 23, 1965, the President vetoed the authorization bill because of certain restrictive language which he thought to be objectionable. This language pertained to base closures. Thereafter, at the urging of personal emissaries of the President and the Secretary of Defense, the Congress passed a second authorization bill, eliminating the "objectionable" language, but retaining all of the line items.

Yet, the Secretary of Defense on December 21, 1965, without consultation with any elected official in the legislative branch of the Government, by the stroke of a pen wiped out nearly half of the construction projects authorized and funded for fiscal year 1966. Congress was not given an opportunity to pass upon the merits of this unilateral action in any way. Routine information was provided to the Congress after the fact of the deferral of many construction projects of great importance to the well-being, convenience, living necessities, training, and effectiveness of officers and enlisted personnel of the armed services which had previously been deemed essential.

The Department of Defense witnesses justified the action on the basis that the magnitude of the costs of military operations in the Republic of South Vietnam, coupled with signs of developing inflationary pressures, required them to seek out areas where expenditures could be postponed without impairing combat posture.

The subcommittee, while recognizing the increased costs of the Military Establishment occasioned by the expanded tempo of military operations in support of the Republic of South Vietnam, finds it hard to accept either the reasoning or the conclusions of the Secretary of Defense in deferring these items of military construction.

Apparently, the action of the Secretary in making these deferrals was predicated upon the reasoning that increased military spending was primarily responsible for the signs of developing inflationary pressures. The subcommittee believes that military spending is only one facet of the total spending program of the Federal Government. In determining whether to proceed with programs authorized and funded by the Congress, the total spending program of the Federal Government must be examined and priorities assigned to these programs only by those responsible for the entire Federal program.

Secondly, the testimony presented to the subcommittee does not indicate that there was any faster acceleration of inflationary pressures during the period from September to December 1965 than there has been in the past 2 years, although the subcommittee is aware of creeping inflation during the 2-year period. The subcommittee further believes that the deferral of the construction projects at this time will ultimately result in higher total costs to the Federal Government due to this creeping inflation.

Thirdly, the subcommittee believes that it is not the primary function of the Department of Defense to try to control inflationary pressures in this country as this responsibility has been delegated to

other departments and agencies of the Government. Rather, the duty of the Department of Defense is to provide to this Nation the best Defense Establishment within the bounds of the authorizations and appropriations voted by the Congress.

Fourth, the subcommittee cannot agree with the conclusion of the Secretary of Defense that the deferrals will not impair combat effectiveness. For instance, wherever a basic trainee is required to wait hours for a dental appointment, the time lost while waiting is time taken from training. The subcommittee believes, too, that the effectiveness of the fighting soldier is bound to be impaired when he realizes that his family is to be sheltered in inadequate housing. Morale of the combat troops is a vital ingredient to victory—and letters to the subcommittee from service personnel the world over are positive proof that the servicemen are convinced that they are being required to make the sacrifice of all those facilities which would provide for their well being and their welfare, in addition to the sacrifice of their time, and possibly their lives, so that the Great Society program may move forward at an accelerated rate.

Hon. L. Mendel Rivers, chairman of the House Armed Services Committee, succinctly summarized the views of the members of the subcommittee when he said:

I think the military is being asked to bear two crosses, one in the graveyard and one at home.

Conclusions

(1) It is incredible to the subcommittee how the Department of Defense could justify these projects so eloquently as essential in the spring of 1965 and yet come back to the subcommittee (after they had been given the "bureaucratic line") and state that the services will not severely suffer as the result of the deferrals. It should be noted that this type of doubletalk will make it more difficult for the committee to accept future justification requests presented by the Department of Defense witnesses at their face value.

(2) The subcommittee believes that the projects are just as essential today as they were when they were authorized and funded by the Congress.

(3) While the subcommittee recognizes the impact of increased expenditures in Vietnam and the possible threat of inflation, it believes that the total program of the U.S. Government must be considered when projects are deferred and that the basic weakness in the Department of Defense presentation lies in the fact that they considered only their own program and without any real emphasis on inflation.

(4) The subcommittee is concerned over the request of the Secretary of Defense to have \$620 million of unused authorizations and appropriations to build military construction projects whenever he desires. While the authorizations limit the projects to be constructed to those specifically authorized, a reprogramming of these funds could be made by the Armed Services Committee at the request of the Secretary of Defense. The subcommittee believes that the entire Congress which authorized and appropriated this money has the right to have its will made known as to when these projects are to be constructed.

(5) The subcommittee believes that the increased rental program is a means to circumvent the intent of Congress as shown in the conference report on the fiscal year 1966 military construction authorization bill. But even if such a leasing program were authorized, it will not effectively remedy the housing shortages at the many military installations throughout the world where housing was authorized and funded.

(6) The subcommittee is not at all convinced that the deferrals were made so as to lessen the "tendency toward inflation" but believes they were the result rather of an arbitrary decision to keep military spending below a specified amount.

(7) The subcommittee believes that once Congress has authorized and funded projects for military construction, these projects should be built within the shortest possible time. To extend the authorization for the construction of these projects as requested by the Secretary of Defense, is putting too much power in the hands of one man whose area of responsibility is the running of the Military Establishment rather than controlling inflationary pressures in the United States.

(8) The subcommittee is convinced that the action of the Secretary of Defense in deferring these projects was not only unwise but was completely unwarranted, and urges the full committee and the Congress to exercise its full constitutional responsibility to see that this program is resumed at the earliest possible time.

Recommendations

1. The subcommittee urges immediate and full restoration of all military construction projects authorized and funded by the Congress for fiscal year 1966 which were deferred by the Secretary of Defense.

2. The subcommittee recommends to every Member of Congress that before voting for appropriation bills of any kind, it should be noted that servicemen and their dependents have been required to forfeit all construction projects which would contribute to their health, well-being, convenience, or morale.

3. The subcommittee recommends that rental housing should not be used as a substitute for appropriated housing and that housing should not be leased at installations where appropriated housing has been specifically denied. To the extent, however, that leased housing would be supplemental to the appropriated housing where there are shortages, the subcommittee recommends that additional leasing authority be approved.

HEARINGS

Hearings were held on Wednesday, February 2, 1966. The list of witnesses is as follows:

Cyrus Vance, Deputy Secretary of Defense.

Paul Ignatius, Assistant Secretary of Defense (Installations and Logistics).

John J. Reed, Deputy Assistant Secretary (Family Housing).

Edward J. Sheridan, Deputy Assistant Secretary (Properties and Installations).

Dr. Robert A. Brooks, Assistant Secretary of the Army (Installations and Logistics).

Graeme C. Bannerman, Assistant Secretary of the Navy (Installations and Logistics).

Lewis E. Turner, Deputy for Installations, Office of the Assistant Secretary of the Air Force (Installations and Logistics).

DEPARTMENT OF DEFENSE POSITION

Hon. Cyrus Vance, Deputy Secretary of Defense, presented the position of the Department of Defense. After stating that the presentations made by DOD and service personnel in support of the fiscal year 1966 program are still valid and that the longrun requirements which were requested must at some future time be constructed. Mr. Vance then stated the reasons for the deferral in these words:

* * * the conflict in Vietnam grew in intensity. The U.S. role changed from an advisory function to the direct participation of U.S. troops in support of the Republic of South Vietnam. In the last 6 months, the number of U.S. military personnel in Vietnam has increased significantly, the tempo of operations has heightened, and the costs for conducting the higher level of operations have risen substantially. The magnitude of these costs, coupled with signs of developing inflationary pressures, indicated to us that we should give particularly close scrutiny of Defense programs, with the objective of seeking out areas where expenditures could be postponed without impairing our combat posture.

Secretary Vance told the subcommittee that the decision to defer military construction projects was made by the Secretary of Defense and himself, and was not instituted at the suggestion of the Bureau of the Budget. However, he did admit that before announcing the deferral decision, it was reported to higher authority. He outlined the reasoning behind the decision as follows:

As we began to develop the fiscal year 1967 budget and the fiscal year 1966 supplemental, it became increasingly clear that inflationary pressures were beginning to appear. For example, a number of our suppliers informed us of copper shortages and rising copper prices. Similar signs began to appear in other important commodities. In the field of construction we noticed a number of significant facts. The Department of Commerce composite construction cost index which had stood at 113 a year earlier had increased by about 3.5 percent to 117 by October and November of 1965.

This percentage increase was twice the annual average of the previous 7 years. Contract construction average hourly gross earnings increased 4.4 percent from October 1964 to October 1965, substantially in excess of the guidelines of 3.2 percent.

Construction materials costs, which had increased by about 1.5 percent from October 1961 to October 1964, increased by 14 percent between October 1964 and October 1965; that is, the average annual rate of cost increase approximately quadrupled. Hardwoods rose 7.7 percent. Metals and metal products rose 2.4 percent. Reinforcing bars prices rose 5.6 percent. Copper water tubing prices rose 12.1 percent. Construction equipment prices rose 3 percent. Authoritative sources forecast greater increase in construction cost for 1966.

In light of these developments, Mr. McNamara and I concluded that we should defer all projects which were not essential for combat readiness and were not time urgent; i.e., were not required for new missions, safety, health, and other compelling reasons.

FACILITIES IN THE MILITARY ESTABLISHMENT

Members of the subcommittee were aware, as the result of personal visitations, of reports of subcommittee inspections, and of a constant flow of correspondence from service personnel and their families as well as from the testimony from departmental and service witnesses that the personnel support facilities are reaching a stage of block

obsolescence, and unless a planned long-range construction program were undertaken in increments, an enormous crash program must be undertaken in the near future.

In his statement in support of the Department of Defense military construction program last year, Paul R. Ignatius, Assistant Secretary of Defense (Installations and Logistics), said:

In the fiscal year 1966 program, we are placing special emphasis on the improvement and modernization of our real property inventory, primarily through the replacement of mobilization-type personnel facilities built to temporary standards during World War II. Despite their temporary character, these buildings were again pressed into service during the Korean conflict and have been continued in use since that time with only limited improvements and maintenance. This has been due, in large part, to the overriding need to concentrate most of our construction resources since the Korean episode on the operational support of new weapons systems, and the forces necessary to establish the clear nuclear retaliatory capability of the United States in the event of an attack.

Now that these more critical facilities are largely completed, it is timely to address our efforts to the improvement and modernization of our capital plant. This is highly important, not only to provide our military personnel with a decent standard of living, and so improve morale and reenlistment rates, but also to reduce maintenance costs by eliminating aging, obsolete structures from the real property inventory.

Vice Adm. Lot Ensey, Deputy Chief of Naval Operations for Logistics, told the committee during its consideration of the military construction bill last year:

After World War II the Navy concentrated on providing facilities for the operation, maintenance, and training in technologically advanced weapons systems. These improvements were of immediate need. Personnel facilities were relegated to a lesser position because of the squeeze on military construction funds.

Facilities such as barracks and bachelor officer's quarters continue to lag far behind the minimum standards and goals we need. If the Navy and Marine Corps are to improve the retention rate of the officers and enlisted personnel who are required to man today's modern and highly technical weapons systems, this aspect of the program needs immediate increased support.

The deterioration of the troop housing facilities of the Naval Shore Establishment since World War II is a matter of serious concern to the Department of the Navy. A 5-year improvement program is being implemented. As a result, \$74 million, or approximately 22 percent, of this year's military construction program, is devoted to improvements of barracks, BOQ's and messes. This compares with the much lower average percentage of 10 to 12 percent of the program during the past several years.

The fiscal year 1966 military construction program that you are now considering is designed to achieve the foregoing aims. It is an essential phase of the Navy's continuing efforts to modernize and to improve the overall effectiveness of the operating forces. The program amounts to a total of \$313,593,000 in new authorization, a relatively small percentage of the overall Navy budget.

Eugene H. Merrill, Deputy Assistant Secretary of the Army (Installations and Logistics), last year told the committee:

Again this year the Army has emphasized in its proposed program provisions for replacement and modernization of deteriorated and obsolete facilities. Projects intended to deal with the problems of morale, efficiency, high maintenance costs, and impending structural failure associated with the aging World War II temporary and other inadequate structures still in use represent approximately 60 percent of our proposed program. It is the objective of the Department of the Army to establish a level of effort, under the 5-year force structure and financial plan concept, which will eliminate our deficits in the replacement and modernization category. If the Army's program is funded at the rate proposed in this year's authorization bill, about 13 years will be required to eliminate the permanent construction deficit.

Maj. Gen. Robert H. Curtin, speaking for the Air Force, last year told the committee:

The troop housing and the community facilities category, one-quarter of the requested authorization, contains the projects that mainly provide the non-working-hours environment for our airmen and officers. These are the facilities that most directly affect the attitude of the individual toward his Air Force career. Consequently, there is a very direct relationship between the adequacy of facilities in this category and our ability to retain our skilled personnel. The \$89.5 million requested in this program will allow us to continue the program to eliminate deficiencies and replace temporary and substandard facilities with adequate structures. However, this amount will not solve the total problem. We will need future programs and will also then request your continued assistance in providing the facilities that will produce an acceptable standard of troop housing and community facilities for Air Force personnel.

Within this amount we are requesting the construction or replacement of some 9,800 airmen dormitory spaces and the alteration or improvement of over 11,000 more spaces at a cost of \$21.5 and \$6.3 million, respectively. Similarly, we are requesting to build about 2,400 new officers quarters for \$18.5 million and to improve some 1,900 spaces at \$2.7 million.

The other authorizations within this category will provide a wide variety of projects that are steps toward establishment of a community atmosphere on our installations, particularly those removed from urban centers, compatible with the caliber of people needed to maintain our Air Force the most effective it can be. It contains, among others, 7 service clubs, 25 chapels or chapel annexes, 15 schools, 3 exchanges, and 14 theaters. These facilities are basic to a balanced and effective force.

The order deferring construction of military family housing, bachelor officer's quarters and Armed Forces medical facilities, also calls for postponement of construction of troop housing, messhalls, schools, chapels, gymnasiums, commissaries, theaters, service clubs, and other morale-type facilities totaling almost \$200 million.

The largest portion of the funds was slated for the construction, expansion, or rehabilitation of 88 troop housing units. The total cost of all projects amounts to \$140 million. The Army would have received the lion's share of the total amount, commanding \$91 million for 17 building projects.

The Air Force had planned to build 35 barracks costing \$18.5 million and the Navy and Marine Corps had scheduled 33 troop units costing \$30.8 million. The Army had fewer barracks projects than the Navy-Marine Corps and the Air Force but would have received almost twice the combined funds of both due to the planned erection of several major barracks complexes. The largest were to be built at Fort Dix, N.J., Fort Leonard Wood, Mo., and Fort Jackson, S.C.

While the Army took the severest beating in the troop quarters cutback, it fared better than the other services in canceled construction of messhalls, some of which were to be built in conjunction with barracks. Funds in the amount of \$14.8 million were pigeonholed for 47 dining halls. Of the total, the Air Force was forced to put off building 24 such structures costing \$6.5 million, the Navy and Marine Corps lost 15 messhalls at a cost of \$6.3 million and the Army lost 8 messhalls costing \$1.9 million. The largest dining hall project deferred (\$1,490,000) was at NAS, Memphis, Tenn.

The Air Force also suffered heaviest cuts in the commissary field. Although no single project would have run over \$1 million, the DOD order suspends construction of six Air Force commissaries costing \$1.6 million. The Army lost four totaling \$993,000. The Navy lost one (NAS Barbers Point, Oahu) at a cost of \$267,000.

The Navy and Marine Corps, with no plans for additional school facilities, suffered no setback because of the restriction placed on

new school construction. However, the Army lost a \$2.1 million elementary school in Okinawa and a \$123,000 grade school at the Army Security Agency, Location 4 Asmara. The Air Force was required to table the building of five elementary school additions costing \$2 million in all.

The military services with the approval of the Secretary of Defense, submitted justifications for each line item approved by the committee last year. It is significant to note illustrative and representative examples of the requests made and the justifications therefor. The committees of the Congress, acting in good faith, on the testimony of departmental witnesses, authorized and funded these projects which were deemed to be absolutely essential last year but which were arbitrarily deferred as the result of a unilateral decision by the Secretary of Defense in December. The justifications presented by the services for these projects, speak more eloquently for their essentiality than any committee editorializing could possibly do. It is time that the record be examined.

Enlisted men's barracks

Army

Fort Jackson, S.C., enlisted men's barracks complex..... \$13,342,000

This item will provide another increment of the permanent barracks and other troop support facilities required at this installation. The fiscal year 1964 program provided the first increment of 8 enlisted men's barracks and supporting facilities and the fiscal year 1965 program provided 12 enlisted men's barracks and supporting facilities. No permanent facilities of this type exist. The buildings now used were built in 1941 and except for 6,982 barracks spaces which were improved in 1957, they have had no rehabilitation or modifications. They have no interior finish. The plumbing fixtures are often only 50 percent of those required. Buildings have reached the age at which the overstressing of structural members is resulting in deformation of the members and in failure of nailed connections. A number of buildings have collapsed due to these failures. A total of 199 temporary buildings, totaling 582,239 square feet, will be demolished.

The execution amount reflects the \$13,176,000 appropriated for this item.

Navy

Fleet Antisubmarine Warfare School, San Diego, Calif..... \$1,212,000

The existing barracks, built during World War II of temporary wood construction, are in an advanced state of deterioration. Over the years, the roofs of all buildings, originally flat with poor drainage, have sagged and rafters bowed. The floor boards in all barracks are warped, rippled, and badly worn. Many windows are warped and frozen shut. Electrical wiring is the antiquated knob/tube type which represents a dangerous fire hazard. The limited electrical capacity prevents installation of habitability improvements such as bunk reading lights and convenience outlets. Heat is provided by individual oil burning heaters which are a serious fire hazard and fail to provide adequate temperature control. Although the barracks capacity is only 448 men by peacetime space criteria, the number of personnel actually berthed is 1,224. The resultant severe overcrowding jeopardizes the health, welfare, and morale of personnel. Despite

annual maintenance costs of \$30,600 for the past 3 years, barracks rehabilitation would cost an estimated \$290,000 with still no relief from overcrowding and the hazards of fire. Accordingly, immediate replacement is the only practicable means of meeting the requirements. The remaining deficiency will be programed in subsequent years.

Air Force

Hamilton Air Force Base, Calif., airmen, dormitories..... \$418,000

This project is required to provide adequate airmen's dormitories. The airmen dormitories are two-story, open-bay, wood frame buildings constructed in 1941. They presently provide a minimum livable condition, and as such, their continued use as dormitories is unacceptable without major repair and alteration to correct the inadequacies. The latrine and shower rooms are deteriorated with cracked concrete floors, rusted metal shower walls, leaking joints, and obsolete fixtures. The roofs are leaking, window and door frames are separated at the joints, fire escape platforms and ladders are beginning to rot, and interior and exterior paint is faded or peeling. The open-bay condition creates a physical environment which offers no privacy of personal conduct, belongings, and rest. This unfavorable environment is further aggravated by the shift schedule of work necessary at this base. Failure to provide this project will result in either the loss of sorely needed dormitories due to health and safety hazards or the continued use of unsatisfactory dormitories with resulting morale and retention problems.

Bachelor officers' quarters

Army

Fort Knox, Ky., bachelor officers' quarters..... \$830,000

The proposed project is required to provide bachelor officers' quarters facilities for officers at this station. It provides 112 spaces to complete a 300-man bachelor officers' quarters authorized in fiscal year 1965 of which 188 spaces were funded. Due to lack of adequate facilities, students have been assigned space on a volunteer basis in unrehabilitated mobilization-type buildings, which have inadequate lighting, heating, ventilation; community-type toilets; unfinished walls; and no closet space. This type environment is not satisfactory for students. The only reason that these facilities are accepted on a volunteer basis is because there are no adequate private rentals within less than 30 miles. These inadequate facilities must be used until replaced by permanent construction.

Navy

Naval Station, Newport, R.I., bachelor officers' quarters..... \$1,258,000

Present facilities include 1 permanent bachelor officers' quarters with a capacity of 95 officers, and 4 converted barracks with a capacity of 349 officers, which were constructed in 1942. The four converted quarters are a serious fire hazard due to type of construction, deterioration and substandard spacing. Rooms are small, lighting is poor, and study facilities for student officers are inadequate. The fire hazardous condition of these buildings, lack of sprinkler systems, and close proximity to each other, pose a serious personnel danger as

evidenced by the loss of one of the senior officers' bachelor officers' quarters by fire in December 1960, which has reduced the capacity of the bachelor officers' quarters in Building 110. With the exception of the permanent bachelor officers' quarters, the poor condition of existing living facilities is deplorable. Existing facilities have deteriorated to where complete revamping of heating, fresh water supply, soil drain, and power system is required. If this item is not approved, the majority of naval officers at Newport will continue to be crowded into substandard, fire hazardous, temporary World War II-type structures which approach slum conditions.

Air Force

Craig Air Force Base, Ala., bachelor officers quarters..... \$880, 000

This project is required to provide housing for the bachelor officers assigned to Craig AFB. The undergraduate pilot training course has been increased from 361 students in third quarter fiscal year 1964 to 443 students in the first quarter fiscal year 1967. The permanent party bachelor officers and the student officers should be housed on base to meet the training schedule for the expanded pilot program. These facilities do not replace or duplicate any existing facilities but are a straight out deficiency in officers quarters space. If this project is not accomplished, the base will be required to provide officers with "certificates of nonavailability" and funds to lease private quarters on an individual basis in the local community. This project will result in increased student control and effectiveness with an atmosphere conducive to concentrated study or individual relaxation.

BARRACKS AND BACHELOR OFFICERS QUARTERS

Last year, the Congress authorized 57,700 new barracks spaces and 5,700 new bachelor officers quarters.

Three primary reasons existed for this substantial authorization: (1) recognition of the obsolescence of many of the existing barracks which were unsanitary, fire hazardous, and excessively expensive to maintain, (2) recognition of the presently overcrowded condition of barracks which presented health hazards, and (3) the increasing size of the Military Establishment caused by increasing world tensions.

The action of Secretary of Defense has resulted in the deferral of construction of 51,659 barracks spaces. To put it another way, the Department of Defense is planning to construct only 6,041 barracks spaces out of the 57,700 authorized.

Service:	Barracks spaces deferred
Army.....	22, 715
Navy.....	9, 215
Air Force.....	19, 729
Total.....	51, 659

Regulations issued by the Department of Defense prescribe a minimum of 72 square feet of floor space per man. This criteria was established by the Surgeons General of the three services.

Yet, information elicited at the hearings disclosed the fact that at 13 installations where construction of barracks has been deferred, 9,683 enlisted personnel will be living in less space, as the result of the deferrals, than currently provided by the DOD criteria.

But of even greater significance is the fact that at three installations, namely, Fort Knox, Ky.; Fort Gordon, Ga.; and Fort Jackson, S.C., where there were deferrals of barracks spaces, 4,460 personnel in basic training centers are required to live in tents. A witness also stated:

Due to the sharply increased training loads resulting from southeast Asia operations, it is probable that about this number of enlisted personnel will continue to be housed in tents at these and, perhaps intermittently, at some of the other major training centers. In the Navy, due to recent increases in the training load of the Marine Corps Recruit Training Depot, San Diego, Calif., it may be necessary for about 600 men to live in tents intermittently.

The importance of rigid adherence to the space criteria can be no better illustrated than a response from the Department of Defense to a letter from the chairman of the Armed Services Committee, which requested information concerning the outbreak of spinal meningitis. The letter reads as follows:

THE SECRETARY OF DEFENSE,
Washington, February 25, 1966.

HON. L. MENDEL RIVERS,
Chairman, Committee on Armed Services,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your recent letter on the subject of meningococcal disease within the Armed Forces.

As of February 18, the average sleeping space allocated to trainees at the installations cited was as follows:

Marine Corps Recruit Depot, San Diego, Calif.

In fixed structures.....	50 square feet.
In tents.....	51 square feet.

Fort Knox, Ky.

In fixed structures:	
Basic combat trainees.....	72 square feet or better.
Advanced individual trainees.....	60 to 72 square feet.
Common specialty trainees.....	60 square feet or better.
In tents.....	72 square feet or better.

Fort Gordon, Ga.

In fixed structures:	
Basic combat trainees.....	72 square feet or better.
Advanced individual trainees.....	40 square feet or better.
Signal school trainees.....	40 square feet or better.
In tents.....	72 square feet or better.

Fort Polk, La.

In fixed structures:	
Basic combat trainees.....	78 square feet.
Advanced individual trainees.....	89 square feet.
In tents.....	None used.

Lackland Air Force Base, Tex.

In fixed structures: Basic trainees.....	50 square feet.
In tents.....	None used.

Of the cases of meningococcal disease admitted at the cited installations, between January 1 and February 12, 1966, the sleeping space occupied on day of admission was as follows:

Marine Corps Recruit Depot

3 cases.....	34.3 square feet each.
1 case.....	38 square feet.
1 case.....	40 square feet.

Fort Knox

13 cases.....	72 square feet each.
1 case.....	Living off post.

Fort Gordon

4 cases.....	40 square feet each.
1 case.....	52 square feet.
5 cases.....	72 square feet each.

Fort Polk

4 cases.....	74 square feet each.
3 cases.....	76 square feet each.
2 cases.....	80 square feet each.
4 cases.....	82 square feet each.
3 cases.....	84 square feet each.

Lackland Air Force Base

4 cases.....	40 square feet each.
1 case.....	55.5 square feet.
1 case.....	60 square feet.

You will note that the Marine Corps Recruit Depot has managed to increase the space available to the basic trainee. This space will be 55 square feet by February 28, and continued efforts will be made to reach 72 square feet. A major step toward elimination of overcrowding has been the temporary cessation of trainee input to Lackland Air Force Base. New Air Force recruits are being assigned to Amarillo Air Force Base on a temporary basis for training. Lackland has now redistributed its trainees in order to afford them 72 square feet. At Fort Gordon it is planned to employ tents to bring the advanced trainees up to a minimum of 55 square feet. Tents are being utilized at other installations to acquire additional space. It may be seen from the above figures that, where space is limited, every effort is made to provide for the recruit even if at the expense of the advanced trainees. This policy is, of course, based upon the relatively reduced vulnerability of the "seasoned" individual to the disease.

At the the present state of the medical profession's knowledge of meningococcal disease there are, unfortunately, few specific measures which can be taken to control the outbreak. As I am sure you are aware, the causative organism is present in the nose and throat of a great percentage of the civilian population of this country throughout the year. As many as 30 percent of recruits examined at specific Armed Forces examining stations have been found to be carriers of the germ prior to exposure to the military environment. Each year sees an increased rate of the disease in the population from January through April, and this increase is reflected in the military population. The mechanism by which the healthy carrier suddenly becomes infected is not known.

Each installation at which the disease rate approaches critical proportions is visited by epidemiologists, microbiologists, and internists from the office of the appropriate Surgeon General. These specialists assure the use of the most effective treatment methods and control measures. The latter consists of improved space occupancy, between-bed curtains, restriction of association of trainees to small groups, and, when absolutely necessary, preventive treatment with sulfonamides.

In World War II it was found that sulfadiazine would eliminate the meningococcus from the healthy carrier. The drug, used in this preventive manner, was very effective in controlling the disease at training centers until 1963. In that year it was determined that there existed strains of the organism which were not affected by the drug. It was further determined that the continued use of sulfadiazine on a preventive basis may have led to an increase in the drug-resistant carrier rate. For this reason, the drug is now used only after careful evaluation of the circumstances present at the specific installation. The military medical services have been engaged in research to discover other means of reducing the carrier rate, as well as in investigations of the organism and the manner in which

it produces disease. In these efforts the Surgeons General have the cooperation of the Armed Forces Epidemiological Board, a group of eminent civilian consultants.

I would like to assure you that we will keep this problem under constant surveillance during the current period, and that we will continue to press our research efforts toward an ultimate control technique.

If there is any further information which you desire, I shall be pleased to provide it.

Sincerely,

(Signed) **CYRUS R. VANCE,**
Deputy Secretary of Defense.

The Secretary of Defense deferred construction of 5,068 bachelor officer spaces out of a total of 5,700 authorized. Stated another way, he is proceeding with the construction of only 632 spaces.

The same reasons exist for the construction of bachelor officers quarters as for barracks. But the authorization was predicated on two additional reasons. First, either adequate quarters or a quarters allowance is required to be presented to officers. As shown in the justification presented by the services, many of these quarters were requested because of nonavailability of adequate quarters and quarters allowances are being paid. Second, there is a serious retention problem among junior officers particularly, and these junior officers are the ones who primarily occupy these quarters. Often, during the early years of service life, the decision as to whether to make the military a career is made. Being provided adequate quarters is a vital factor in making that determination.

Bachelor officer spaces deferred are as follows:

Service:	
Army.....	1, 632
Navy.....	824
Air Force.....	2, 612
Total.....	5, 068

Medical facilities

Army

Fort Devens, Mass., hospital..... **\$4, 794, 000**

This project is required as a replacement for a World War II mobilization type hospital which was erected in 1942. The existing hospital is comprised of 83 separate one-story buildings of wood frame construction. These buildings were dispersed because of the danger of fire. During the period of wartime shortages, when the hospital was constructed, inferior materials and equipment were installed. Many labor saving devices and/or systems were not included in the original construction although the hospital was spread out. This hospital was built to meet a mobilization requirement and facilities were provided accordingly, but now that the requirement has changed to a peacetime operation, only a part of the plant is utilized and many facilities now required were not included in the original construction. This situation has caused many difficulties in operation. Regardless of the amount of maintenance and improvement attempted, the basic structures cannot be changed and are a continual problem to keep in operation. Therefore, a replacement facility is urgently needed and a well-integrated hospital providing modern facilities is required. Upon completion of the proposed hospital, 316,058 square feet of temporary building space will be demolished.

Fort Bragg, N.C., dental clinic..... \$454, 000

This project is required to provide dental service for 12,000 of the 38,675 military personnel at Fort Bragg. This clinic will be located in the new barracks area. An average of 254 of the personnel assigned to this area require dental care each day. Under present conditions, these patients must travel 2.1 miles each way to the nearest temporary clinic for a total of 1,066 miles per day with a resultant loss of training time. Experience has shown that the farther a patient must travel, the greater the number of broken appointments, and the same distance precludes the rapid refilling of canceled time from survey rosters. As a result, highly trained professional men are left idle resulting in loss to the Army and the patients. Upon completion of a permanent 24-chair dental clinic, 1 temporary dental clinic, building No. M-T-5556 (7,662 square feet) will be demolished.

Navy

Naval Hospital Corps School, Great Lakes, Ill., barracks..... \$1, 139, 000

Six temporary, cantonment-type buildings were constructed in 1942 to serve as barracks or hospital wards during World War II. Hospital corps student personnel are crowded into barracks designed for use of fewer men or are berthed in hospital wards which lack the standard facilities normally provided in barracks such as reading and study rooms, adequate shower and toilet facilities, laundry facilities, etc. Proper maintenance has been hampered by lack of adequate funds and personnel, and rapid deterioration has resulted from severe winter weather. Continued repair of buildings has become uneconomically sound. Due to deteriorated floor joists and dry rot, which is present in all buildings, the dangers inherent in fire and safety hazards are ever present. The archaic steam heating system in the buildings is noisy and inefficient. Electrical wiring is unsafe and definitely inadequate for lighting suitable for student personnel. Plumbing is outmoded and requires excessive, continuous maintenance. Ventilation of the barracks is virtually nonexistent, and the existing undersized windows, when they can be opened, offer little relief during summer months. On the basis of 50 percent of the 40 enlisted staff personnel and 40 students per week for 17 weeks, there is an urgent requirement for standard barracks accommodation for 700 men.

Air Force

Turner Air Force Base, Ga., composite medical facility..... \$2, 443, 000

This project is required to provide complete base-level medical support for approximately 7,100 military personnel, including Navy personnel assigned to the USMC Supply Center and 12,295 dependents of active duty military personnel. The existing facility, constructed from 1942 to 1944, is professionally obsolete and not functionally adaptable to the practice of modern medicine. A medical plant of the proposed size will greatly assist in the accomplishment of the base and command mission by providing modern facilities for a medical and dental care program which is comparable to and consistent with those facilities provided in the medical complex of a progressive civilian community. A joint survey by the Department of Defense and the Bureau of the Budget made in this area indicates that local civilian community medical facilities are not available for dependents under

medicare and cannot assume the dependent workload. Therefore, the construction of a 55-bed hospital for both military personnel and their dependents is necessary. It will conform to the standards of the various professional commissions concerned with the accreditation of medical facilities. This project is essential, and if disapproved, the Air Force will be required to maintain a facility which is not adaptable to the practice of modern medicine. Upon completion and occupancy of the new facility, all buildings will be disposed of with the exception of two buildings, one permanent and one semipermanent, recently renovated.

Medical facilities which were authorized and funded in fiscal year 1966 which have now been deferred by the Secretary of Defense without consultation with any of the Surgeons General, are as follows:

Army	
Fort Devens, Mass., hospital.....	\$4, 794, 000
Fort Dix, N.J., dental clinic.....	620, 000
Two Rock Ranch Station, Calif., dispensary and dental clinic.....	211, 000
Fort Stewart, Ga., hospital.....	1, 887, 000
Fort Leavenworth, Kans., dental clinic.....	303, 000
Fort Bragg, N.C., dental clinic.....	454, 000
U.S. Military Academy, hospital.....	4, 930, 000
Fort Jackson, S.C., dental clinic.....	477, 000
Fort Hood, Tex., dental clinic.....	431, 000
Fort Belvoir, Va., hospital addition.....	1, 619, 000
Location 12, medical facility addition.....	406, 000

Navy	
MCAS, New River, N.C., dispensary.....	243, 000
NAD, Charleston, S.C., dispensary.....	307, 000

Air Force	
Davis-Monthan Air Force Base, Ga., composite medical addition....	1, 591, 000
Edwards Air Force Base, Calif., composite medical addition.....	893, 000
Turner Air Force Base, Ga., composite medical facility.....	2, 443, 000
Scott Air Force Base, Ill., composite medical facility.....	2, 375, 000
Bunker Hill Air Force Base, Ind., composite medical addition.....	607, 000
McConnell Air Force Base, Kans., dental clinic.....	60, 000
Wright-Patterson Air Force Base, Ohio, composite medical addition..	2, 509, 000
Brooks Air Force Base, Tex., medical science laboratory (alternate)..	177, 000
Prestwick Moa Air Force Detachment, United Kingdom, dispensary..	327, 000

Yet, in announcing the deferral, the Secretary of Defense stated that he was not deferring any projects which are "urgently required for safety, health, or other compelling reasons * * *." It is obvious from an examination of the justifications presented that the committee was not told the true facts at the time of the submission of the projects or that the statement of the Secretary of Defense does not correctly reflect the fact that no projects essential for health were affected by the deferrals. The evidence before the subcommittee suggests the latter.

But, again, the record speaks for itself. The following are extracts from the colloquy that took place between the subcommittee members and Dr. Shirley C. Fisk, Deputy Assistant Secretary of Defense (Health and Medical):

Question. I think the thing that concerns the committee most is that in deferring some of this hospital construction we may actually be cutting into health and medical services which are of a combat character and could supply assistance either to those who are wounded in the Vietnam fighting or to assume the normal military load that might have to be deferred in those specific hospitals that are handling the Vietnam casualties. I am wondering if you would comment on that.

Dr. Fisk. I could expand on that. In my opening statement, I stated that

those hospitals that were deferred are in the areas in which we have existing hospitals, with the same bed capacity, in fact a greater bed capacity than the hospitals which are being deferred. So, from the standpoint of operating beds, there would be no lessening of the number of operating beds or in the quality of care being given.

Question. We have a small summary here of the medical facilities that were deferred. You are suggesting that in the case of the hospitals the program that was deferred, the program that had been funded, was a program primarily of improving facilities and beds?

Dr. Fisk. No, sir. There were four new hospitals that were programed for the fiscal year 1966 program which were deferred. These were for Fort Stewart, Ga.; Fort Devens, in Massachusetts, the U.S. Military Academy at West Point; and Turner Air Force Base in Georgia.

In addition, as you have already been supplied by your counsel, there are other facilities, largely in the clinical and dental outpatient department, that were also deferred at that time.

In addition, also, there were some additions to Wright-Patterson, Scott Air Force Base, and Davis that were also deferred. These were additional bed programs for these hospitals.

Question. The new hospital then is an attempt to replace outmoded facilities with newer facilities?

Dr. Fisk. Older facilities, that is right.

Question. Obviously, they wouldn't have been regarded as necessary unless the existing facilities are inadequate, isn't that true?

Dr. Fisk. I wouldn't quite agree with your term "inadequate." I think they are outmoded and think this is the term that is proper, in the sense that they are less efficient to run than a new hospital would be. From the standpoint of patient care, I don't think the care would differ one whit regardless of the hospital in which it was given.

Question. Perhaps the nursing care, but if these facilities are outmoded, then the equipment is outmoded?

Dr. Fisk. No, the equipment is not outmoded, sir. I would differ with that. I believe that the buildings certainly are in some instances; as has been mentioned, some of them are World War II construction.

Question. You mean to say that some of these might be firetraps, for example?

Dr. Fisk. No, I didn't imply that, sir. I didn't say that.

Question. We on this committee, I know, have seen enough of the Secretary of Defense to realize that it is pretty hard sometimes to get any project past him, and when a project does get past and does get included in the budget and does get funded, there is a very strong reason, military reason for including it. I would assume that this had applied in each one of these cases. I don't recall all of them specifically. Therefore, deferring them certainly would seem to me to impair to some extent—I don't see how we can have our cake and eat it, too—impair to some extent the medical job that the military service should perform.

Dr. Fisk. If I may amplify the question that you have asked me a little bit, even if these hospitals that you mentioned here as being deferred were implemented as of now, in other words, authorization, financing, and construction began, we wouldn't have any bed capability to take care of patients for about a 2- or 3-year period. It takes about that long to construct and equip a new hospital.

Question. Of course, we are being told in the press that this is going to be a long engagement in Vietnam. Two or three years is one of the smaller figures that I have read. What about the hospital at Fort Devens, how is that? Would it be a fair statement to say that that hospital is a firetrap?

Dr. Fisk. I wouldn't be able to make an opinion, sir.

Question. I might read just for the record the line item justification that we were given last year with respect to this hospital in Fort Devens: "This project is required as a replacement for a World War II mobilization-type hospital erected in 1942. The existing hospital is comprised of 83 separate one-story buildings of wood frame construction. These buildings were disbursed because of the danger of fire. During the period of wartime shortages when the hospital was constructed, inferior materials and equipment were installed. Many labor-saving devices and/or systems were not included in the original construction although the hospital was spread out. This hospital was built to meet a mobilization requirement, and facilities were provided accordingly." They called in a lot of draftees in Fort Devens I remember in World War II. We are now stepping up the draft. Aren't a number of them likely to be going to Fort Devens?

Dr. Fisk. Do you mean to the hospital or to Fort Devens for training? I didn't understand your statement.

Question. Aren't we actually impairing the medical facilities available to the overall defense of the country, including Vietnam, if we are not providing to those inductees who are coming in to serve in Vietnam what would seem to be a minimum type of medical facility, one that is clearly a firetrap?

Dr. FISK. I may differ from you somewhat in what you include in medical care. I am speaking about the actual care that can be rendered to the sick soldier at Fort Devens Hospital. I think that the care that can be rendered him there is just as good care now as it would be 3 years from now in a new facility. On the other hand, I would have to agree with you that the new facility would be more efficient to run, would certainly offer more comfort and shall we say grace to the soldier in having the bed there than would the Fort Devens present construction. On the other hand, I think the type of care that can be offered is exactly the same.

Question. I notice there is not a large number of dental clinics here. Does this mean that it is the judgment of the Department that dentistry is not as important a part of medicine as medicine itself?

Dr. FISK. I would not agree with that at all. I think dentistry is a very important part of medicine, of the general medical care of the entire person.

Question. But you can safely let your teeth go a little bit longer than you can hardening of your liver?

Dr. FISK. I don't want to be facetious, but at least you can buy new teeth and you can't buy a new liver. These are new dental facilities, new chairs, new equipment. They have old clinics there at the moment. They are all replacements or additions to existing clinics.

Question. This may be the case, but it might have had repercussions if it was thought that this was the official Defense Department position?

Dr. FISK. No, this is not the official position.

Consider, also, the following colloquy which took place during the subcommittee hearings:

Question. These hospitals are needed. I went in hospitals from Vietnam to Japan, to Clark, to Guam—at Clark, I went in the new hospital there at 6:30 in the morning. The old hospital which they abandoned was loaded with people because they had no other place to go. There wasn't room at the inn, in the words of the Bible.

Mr. VANCE. Mr. Chairman, with respect to construction related to Vietnam in the hospital field, we are proceeding with all of that construction which has been requested.

Question. You might need a hospital in Bangor, Maine; you may need one in Florida. I went to the Great Lakes the other day under great difficulties, and that hospital there has many, many Vietnam casualties in it. They are liable to be in any of our hospitals. We need the hospitals.

And observe also the following:

Mr. VANCE. In the southeast Asia supplement we have hospital provisions at Hickam and Johnson. I believe you need the whole picture on this, so let us provide you a witness that can give you the whole picture.

Question. I would like to pursue this hospital question a little bit further. Mr. Secretary. I noted your comment a little while ago that it would be a completely false implication if we were to conclude that the level of medical care for the men in Vietnam would be lower because of this decision that you and Secretary McNamara have jointly made.

First of all, let me say there is no question in my mind that you sincerely believe what you say and I wouldn't want to leave the implication that you are knowingly sacrificing the health and welfare of these boys. I don't mean that at all.

But if you came in here last year and you justified all of these requests for hospitals and hospital beds on the basis of what the Department said was a "bare bones" requirement, and if the number of men in the Military Establishment has markedly increased since that time and the need for medical care has markedly increased due to the battle casualties—how can you reach any other conclusion except that even though maybe the medical treatment may not have deteriorated that the overall level of care that you are able to provide is lower than it would have been except for this decision? If these deferred facilities were essential with a lower level of activity last year and we have increased the level of activity, how can you conclude anything else except that you have degraded the level of care which could be offered?

Mr. VANCE. I would like very much to speak to that question.

First, let me say with respect to those fighting in southeast Asia that I have talked to the Surgeon General of the Army who has visited out there recently. He tells me that there has never been in his view as good care of our boys as they are receiving out there now.

It is a fantastically good job which is being done in the medical service in treating people in the battlefield as casualties and bringing them back to the hospitals.

Question. Is he comparing it to World War II or the early part of Vietnam?

Mr. VANCE. He is comparing it to World War II.

With respect to the second part of your question, the facilities which were asked for were primarily replacements, and, therefore, they are not time urgent, and therefore it is possible to give the care even for the increased number of people that are required.

Question. Let me, from a very, very brief experience and one which admittedly is the experience of a novice, say that what you said earlier in your reply to me about the level of care being provided in Vietnam is absolutely true. We were privileged to spend a little while at Clark Air Force Base Hospital, and we were told that some of the splints, some of the tractions which were applied out in the field hospitals were so good that it wasn't even necessary to take them off before the men were sent back to the States. It is very good; it is excellent. There are a lot of reasons for that: improved technology, dedicated service, the fact that we have control of the air and can do things out in the open that you couldn't have done in World War II. There are a lot of reasons for it. But that isn't the question. Could the level of care be better? is the significant question. Now, I am going back to one hospital again, and I don't say this is typical, maybe it is or maybe it isn't, I don't know. But there is a 300-bed hospital at Clark Air Force Base in the Philippines with 250 admissions every night. Now, can we conclude without any doubt or hesitancy whatsoever that having to get people in one day and out the next, that we don't need more beds back here and that that doesn't have an effect on the medical care given to those fighting in Vietnam?

Mr. VANCE. Let's take Clark, for example. There is \$2,800,000 for additional hospital facilities at Clark in the supplemental bill as I recall. Actually, that is in the 1966 budget.

Question. How many beds will that be?

Mr. IGNATIUS. It is described in the line item as a composite medical addition. I think witnesses from the Air Force will have to speak more precisely as to the number of beds involved.

Question. The point I am trying to establish is that this is a hospital where they are given temporary treatment and they are shipped back to the United States as quickly as possible. Some of them are sent to San Antonio, some of them are sent to various hospitals all over the country. If you put a stopgap in that flow of patients as you are doing by deferring hospital construction in this country here you are bound to affect what is happening out there. I am not trying to contradict you, Mr. Secretary. I am just merely trying to ask you perhaps to qualify your statement a little bit and not be so firm in saying that the implication that medical care has been degraded by your decision is absolutely false.

I think you ought to admit that the overall capability is bound to be reduced because of this decision, and we need this capability now more than we ever needed it.

Mr. VANCE. I am not prepared to admit that. We are going forward with the items which we consider necessary, and there are a number of them. Letterman, Oakland—

Question. Some of them must not have been necessary last September.

Mr. VANCE. They were desirable; highly desirable, no question about it, but not vitally necessary at this particular moment in time.

Question. Highly desirable in the case of a hospital indicates that it is highly desirable for the care of patients. That is what a hospital is for. You have got more patients now than you have ever had before. Certainly the care of a patient is something above being desirable: it is essential. It certainly is to the patient. I am just raising a question that maybe this had to happen, but when you start talking about health or safety projects, there just isn't any justification whatsoever for the cutback of a hospital when we are at war. I know we have a difference of opinion. I am not going to try to pursue it any further.

*Messhalls***Navy**

Naval Air Station, Memphis, Tenn., messhall..... \$1,490,000

NAS Memphis supports the Naval Air Technical Training Center, a Naval Air Reserve training unit, and other smaller tenant commands providing messhall facilities for the assigned enlisted personnel. A messhall is required to support station barracks complement. Based upon an enlisted population of over 13,557 men, barracks space is required to house an average of 10,636 men. A 111,678-square-foot messhall is required to serve this complement (10.5 square feet per man \times 10,636). The existing facilities consist of one 4,000-man permanent-type building, one 2,500-man temporary building, and a portion of a temporary building used as a CPO mess (closed), both temporary structures of World War II construction. The latter two buildings are substandard from a sanitary, safety, maintenance, and operational standpoint. The operations in these buildings are seriously hampered by the lack of meat-preparation rooms and undersized, inefficient refrigerated spaces. Rehabilitation and modernization estimated to cost \$497,000 is now required. Even by retaining all of the existing facilities a deficiency of 23,659 square feet would remain; therefore, this item proposes to construct a standard design 4,000-man facility of 43,723 square feet to provide the additional space required and reduce the load on the existing substandard and inefficient facilities.

Air Force

Pope Air Force Base, N.C., airmen dining hall..... \$267,000

This project is required to provide adequate dining-hall facilities to feed all of the airmen assigned to this base. When completed, this project will replace an existing substandard World War II dining hall, constructed 1941, that has exceeded its life expectancy and is beyond economical repair. The floors in these buildings have deteriorated, due to rotting and buckling, and the design is not functionally adequate for either dining or food preparation. This project contributes directly to the health, welfare, and morale of the personnel, and unless constructed, the mission will continue to be adversely affected.

The subcommittee feels that service personnel deserve something better for messhalls than fire-hazardous buildings which are unsanitary and are substandard from a safety-maintenance and operational standpoint. The members believe now, as they did at the time of the original authorization, that proper messing facilities are vital since they contribute directly to the health, welfare, and morale of the personnel at these bases.

COMMUNITY SUPPORT FACILITIES*Chapels***Army**

Fort Lee, Va, chapel center..... \$700,000

This item is required to provide a chapel center to accommodate military personnel and their families. The post military population is 7,344 and has a total population of 14,057 military, civilian, and dependents. At present, temporary mobilization structures, built in 1941, are utilized. The post chapel has a seating capacity of 240.

The religious education facilities accommodate approximately 800 persons. The religious education facility is approximately 1.5 miles from the post chapel which is 1.4 miles from the family housing area. In these buildings, classrooms are divided by improvised partitions, having insufficient lighting because of the number and placement of fixtures; heating system utilizes soft coal, buildings were classified as fire hazards by the fire department. If this facility is not approved in this program, military personnel and their families will continue to attend worship services and religious education programs in unsafe and widely dispersed buildings. Upon approval of this project, three buildings: T-10100, T-10202, and T-10203, totaling 32,960 square feet, will be demolished.

Navy

Naval Radio Station, Sabana Seca, P.R., chapel..... \$229, 000

This station is in an isolated location, and religious services in English are held in San Juan, 17 miles distance from the station. Facilities for religious services are required for the programed population of approximately 1,241 persons consisting of 531 military, 66 civilians, and 644 dependents.

The present chapel is located in a temporary wood frame structure, 2,400 square feet in area, built by conversion of an ammunition loading platform constructed during World War II. A Sunday school education facility does not exist.

Upon construction of this new chapel, the present chapel will be converted to a Sunday school facility.

Air Force

Shemya Air Force Station, Alaska, base chapel..... \$525, 000

This project is required to provide an adequate religious facility at this remote station. The chapel was destroyed by fire in 1960. The religious needs of approximately 1,100 persons are being met in a 30- by 45-foot room and two small offices in the service club. This subtracts from an already undersized service club and the club activities, game room, music room, radio-record player, hobby shops must stop during religious services. Two Protestant and two Catholic services are held each Sunday. The chapel seats 48 on individual chairs. Approximately 100 persons attend each service; the overflow personnel must either stand or kneel on the floor. The altar is inadequate for serving the sacraments and for proper ministering of services. There is no confessional or sacristy. Office space is shared by the chaplains and their assistants. The assistants must be excused during periods of personal counseling, thus disrupting their work. There is no space for storing the chapel equipment and supplies. The lack of adequate chapel facilities on this remote and isolated station has created a double morale problem. The assigned chaplains cannot properly meet the religious needs of the personnel, and for much of their Sundays the use of the service club is severely restricted.

*Schools***Army**

Fort Buckner, Okinawa, elementary school..... \$2, 197, 000

This item is required to provide a typhoon-resistant dependent grade school (grades 1 through 6) in the Machinato/Naha family housing area for 1,650 students. The enrollment of 3,875 students as of September 1964 is being accommodated in the following facilities: 980 in Sukiran permanent elementary school, 120 in temporary facilities at Sukiran Elementary School, 1,800 in 2 temporary quonset-type huts in Camp Mercy, 346 in high school barracks at Naha Port, and 539 in Air Force schools at Kadena and Naha. The barracks at Naha Port now used for school facilities are needed to provide housing for the combat troops currently occupying delapidated quonset huts in Camp Kue. The projected enrollment by fiscal year 1967 is 4,470. The student capacity of 2,900 in existing Army facilities for grades 1 through 6 indicates a deficiency of 1,570 spaces by fiscal year 1967. The 2,900 existing spaces include 1,920 in temporary quonset-type huts which qualify only as substandard and the continued use of these inferior facilities deprive Army dependent children of even the minimum facilities provided in the most austere elementary schools in the United States.

Air Force

RAF Lakenheath, England, dependent school..... \$761, 000

This project is required to provide adequate classroom space for an estimated 1,080 elementary school dependents. The existing elementary school was completed for the SAC mission in September 1959. With the sudden influx of high school students from Bushy Park and other closed schools this building had to be used for junior grade high school activities. World War II Nissen-type huts on site No. 7 were converted for elementary school use. These buildings constructed in 1941 of sheet iron for an expected 10-year lifespan, adapted for Army dormitory space in 1950 and subsequently vacated in 1956. These buildings are used by 22 to 30 pupils each, comprising 575 square feet each. Without the construction of this proposed addition, the school will have to continue with the existing sheet iron huts, involving excessive repair and repainting costs and continued overcrowded unsatisfactory conditions.

*Commissaries***Army**

USASA location 12, Japan, commissary..... \$123, 000

This item is required to serve all U.S. personnel based on Hokkaido who are authorized commissary privileges. The need is now being met by use of former U.S. Air Force facility at Chitose I Airbase (4 miles away) which is scheduled for return to the Japanese Self-Defense Force. If this item is not provided, existing building will be retained. No buildings exist or are scheduled to become available which may be converted to meet this requirement. This item was planned as part of a community building, including the commissary, post exchange, post office, and bank. The commissary portion was deferred from the fiscal year 1962 MCA program; the balance of the community building was authorized and funded.

Four hundred and twenty-one families (over 1,500 personnel including dependents) of 3 services, State Department, Red Cross, and Foreign Broadcast Information Service will be served by this commissary in a remote location.

Navy

NAS, Barbers Point, Oahu, Hawaii, commissary..... \$267, 000

The commissary store at this station serves a base capacity of approximately 7,700 military personnel. These personnel account for 75 percent of the sales and Army, Air Force, and Navy personnel residing in the area provide the remaining 25 percent. The present commissary store is a conglomeration of quonset huts and wooden lean-to type structures located 17 miles from the nearest commissary store at Pearl Harbor. The wooden sheds represent a constant fire hazard. The cracks, holes, and openings throughout the quonset huts make the presence of bugs, rodents, and flies an extremely difficult sanitation problem. This constitutes a serious health hazard. Temperatures frequently exceed 100° in the uninsulated metal quonset huts and result in large losses of food products. The extremely high temperatures are demoralizing to the customers and employees.

The refrigerated storage boxes are old, inefficient, and badly deteriorated, requiring constant costly upkeep and repair. The insulation material of these boxes is wet and rotten, and waste food particles and dirty water are entrapped in the deck insulation causing an extremely unsanitary condition.

Air Force

Suffolk AFB, N. Y., commissary..... \$188, 000

This facility is required to replace several interconnected World War II buildings presently being used for the commissary. The existing facility of 7,981 square feet is inadequate, substandard, and deteriorated beyond economical repair. Compressor units for the refrigerators are located in six different sections of the structure. All units are hampered by the lack of proper cooling facilities. The numerous additions and changes to the buildings throughout the years has created a fire hazard and increased the maintenance problem. Despite strong measures, rats and vermin still infest the buildings creating a health problem and losses by chewing into boxed grocery items. The sales store occupies an area of 4,648 square feet. This size is normally sufficient to support sales from \$30,000 to \$35,000 per month. During the past 6 months, commissary sales have averaged over \$76,000 a month. No adequate facility exists on base which can be altered for this function. If this facility is not provided the base personnel and their dependents will continue to shop from limited food stock, narrow congested aisles, and encounter long waiting periods at the checkout counters. Existing building will be disposed of.

The subcommittee believes that community support facilities are vital whenever we send service personnel to distant lands or remote stations. Chapels, schools, and commissaries are as essential as adequate housing and medical facilities. The deferral of these items is in the opinion of the subcommittee, a grievous mistake.

*Utilities***Army**

Watervliet Arsenal, N.Y., sewage system..... \$1, 713, 000

This project is required to provide industrial waste collection and treatment facilities to preclude contamination of the Hudson River. Arsenal operations result in acids, oils, and other contaminants being emptied into storm sewers and then into the river, which is contrary to Federal and New York State antipollution laws. Rehabilitation and extension of the storm sewer system is also necessary to overcome flooding of roads and shop buildings during heavy rainfall. Storm sewer capacity has not increased during the past 20 years despite additional building construction and paving. If this project is not approved corrective action will not be possible.

Navy

Naval Shipyard, Portsmouth, N.H., sewage treatment..... \$2, 000, 000

The States of New Hampshire and Maine have enacted pollution control legislation which requires that municipalities and industry within the Piscataqua River and its tributaries and watershed have treatment facilities installed and in operation prior to October 1966. To comply with Executive Order 10014 the shipyard must meet the State controls imposed upon the civilian population and industry. This is required to comply with State programs for abatement of pollution of inland waters caused by dumping untreated human and industrial wastes directly into river waters. The present shipyard system is a combined sanitary and surface drainage system using approximately 37 individual outfalls dumping into the river around the island perimeter at the most convenient locations. If this is not completed a direct violation of the Executive order will exist and the effect of the antipollution measures adopted by the States of Maine and New Hampshire for the Piscataqua River and attendant tributaries will be compromised.

Air Force

Robins AFB, Ga., electrical power facilities..... \$36, 000

This project is required to provide electrical power to operate mobile vans and trailers containing communications and electronics equipment attached to the 5th Mobile Communications Group which was activated July 1, 1964. The power called for in this project will be installed in storage lot No. 43, which is used by the 5th Mobile Communications Group for security storage and testing of these vans and trailers. Continuous power is required to the filaments and to apply sufficient heat to fight corrosion. Auxiliary power units will have to be used until the project is complete. The use of auxiliary power units is neither economically feasible nor productive to the units mission, because extra wear and tear will be placed continuously on power units that are expected to be the primary source of power when deployed in the field. Auxiliary power units require much more service, maintenance, and refueling than primary power. Failure to provide this project will necessitate the continued use of mission auxiliary power units which would not be in a state of readiness when scheduled for deployment.

The subcommittee believes that the Military Establishment is duty bound to follow the State antipollution laws. Therefore, projects for utilities were authorized and funded by the Congress last year. Failure to construct these projects will result in a continued violation of State pollution control legislation. We think this is not only contrary to the wishes of Congress but it is also contrary to the President's program on cleaning up American streams. The subcommittee abhors this disregard by the Military Establishment of both Federal and State legislation.

FAMILY HOUSING

One area of tremendous concern to the committee was the deletion of all the family housing authorized and funded by the Congress last year. Again, let us review the statements made by the Department of Defense witnesses and the service representatives in justifying their request for 12,500 houses. The Assistant Secretary of Defense for Installations and Logistics told the committee:

Title V of the bill contains the authorization for the new appropriation required for the military family housing program. Although this is a military construction authorization bill, the costs of all components of military family housing are reflected in order that the committee may review and authorize this program as an entity.

For construction-related functions, we are requesting authorization for appropriation of \$245.9 million. This includes cost for construction of 12,500 new family units, improvements to adequate quarters, minor construction, construction of trailer court facilities, and planning.

For support of our existing housing inventory, and other support costs, we are requesting authorization for appropriation of \$489.7 million: These costs include operating expenses, leaving maintenance, payments of principal and interest on mortgage debts incurred, payments to the Commodity Credit Corporation, and servicemen's mortgage insurance premiums.

Thus, our total request for authorization for appropriation for military family housing for fiscal year 1966 is \$735.6 million.

Beginning in fiscal year 1964, we embarked on a 5-year plan to construct 62,100 family housing units in order that we could clear up the outstanding deficit of housing. The Congress, in the recent past, has not supported this program at the requested level. In lieu of our request for 12,100 units in fiscal year 1964, only 7,500 were funded. Last year the Congress funded only 8,250 units as opposed to our request for 12,500 units.

This committee reviewed our 5-year plan during the fiscal year 1964 hearings and agreed that a requirement for 62,100 units was valid. We have continued to review these requirements on a semiannual basis and our most recent analysis of our needs indicates a deficit of 49,000 units. However, the committee in its earlier review of the program felt that it would be more appropriate to accomplish the housing construction program on a 6-year basis rather than the proposed 5-year basis and accordingly authorized only about 10,000 units per year for the last 2 years.

In view of the level of funding for new units that the Congress has approved in the past 2 years, it is now apparent that it is impossible, without a "crash" building program, for the Department to obtain its objective within the original 5-year program. We have always felt that the best solution to the family housing program was an orderly annual level of construction. With this approach in mind, we have again requested a new construction program of 12,500 units for fiscal year 1966. A continuation of this annual level over the next several years will allow us to fulfill the original outstanding deficit in 6 years rather than the 5-year plan originally proposed.

The Deputy Assistant Secretary of the Army for Installations and Logistics stated:

In past years your committee has recognized the need to improve housing conditions for the Army and your authorizations have, at many locations, improved the deplorable conditions that have existed for many years. There continue, however, to be many instances where lack of adequate housing results in sep-

arated families. Other families, due to their eagerness to be together, are living under substandard conditions or are paying excessive costs.

As of 30 June 1964, our worldwide family housing requirements totaled 314,232 units. This excludes families of military personnel in grades not eligible for public quarters or assigned to duty where military quarters are not normally programed. After considering community support, existing and approved military housing and planned changes in strength, there are still 58,000 Army families who will be unsuitably housed. Our 5-year plan for coping with this situation calls for the construction of 11,290 units. It is anticipated that most of the remainder will be housed through our leasing and rental guaranty programs, and more especially through an expansion of what the private communities can provide.

Our request for 2,470 new housing units located at 13 Army locations is a very modest program when compared with the large existing deficit. We believe enforced separation and families living in substandard conditions contributes to lower morale and is a prime factor of dissatisfaction among Army families, thereby causing many good military personnel to leave the service.

The Deputy Assistant Secretary of Defense for Family Housing testified before the committee as follows:

In the realm of private support, many of the service families have been able to find satisfactory housing. However, we have concluded it is not reasonable to expect these servicemen to be forced to purchase homes in order to provide shelter for their families and as a consequence we do not classify "for sale" housing as a potential solution for the military family's housing problem.

We do not believe that the military family, which is subject to the call of their Government for reassignment every 2 or 3 years, should be required to assume the risks of homeownership which many people with an occupation that provides a more stable location readily assume. Accordingly, we consider only vacant rental housing as available for potential occupancy by military families when we survey a community. Naturally, if a military man chooses to purchase a house, we have no objection, and he is classified as being adequately housed.

Mr. Chairman, we attempt to utilize the community to the greatest extent possible. In fact, we prefer that the greater portion of our people live in the community. Our reliance upon the community is, of course, subject to several necessary exceptions.

First, there are certain military personnel who must live on base because of their military responsibilities.

Second, in many instances because of the remoteness of our military installations, there is little or no community support available.

Third, there are situations where either the quality of the community support, its location, or its cost create a distinct hardship for military personnel, and it becomes necessary to help alleviate these hardships.

It is these exceptions which cause us to have a sizable annual housing new construction program.

In the bill before you, we are requesting authorization for 12,500 new family housing units. This is about the same level that we have asked for in the past few years. The committees have not been able to support our total requests in the past, and we fully recognize that there are valid reasons from their point of view which have necessitated their position on the matter. We do hope that conditions will be such that we can gain approval this year for the allocation of resources which the Department believes is necessary.

We feel that there are three basic reasons why the Government should see that the military forces are adequately housed.

The first of these is that decent living conditions create a better professional military man—with his mind at ease regarding his family problems, he is better able to devote his entire being to his military mission. Although I am sure that we all can cite instances where a commendable performance by a military man was accomplished under adverse personal conditions, I think we would all agree that it is better if the men responsible for controlling our complex and sophisticated modern weapons systems are not beset with anxiety over their family's housing conditions.

Secondly, we feel that the Nation has an obligation to provide decent living conditions for the family of the military man who has pledged to risk his life for the common defense. We feel that adequate housing for his family is a small price to help pay for this type of dedication.

Thirdly, decent living conditions make a military career more attractive—it assists the military forces to retain qualified personnel in competition with higher paying civilian careers.

Capt. J. M. Marshall, head of the Family Housing Branch, Shore Activities, Development and Control Division, Department of the Navy, informed the committee:

The most recent Navy worldwide housing survey revealed that there are still some 85,000 eligible Navy and Marine Corps families unsuitably housed. This situation is detrimental to morale and effectiveness of our operating forces.

It is both unreasonable and unrealistic to expect peak performance of our military men when they are continually faced with the inability to provide suitable housing for their families at a price they can afford to pay. Retention of career personnel is being seriously affected by the lack of adequate family housing accommodations.

Adequate family housing and family security play a most significant role in the Navy when considering the amount of time our sailors and marines spend at sea or in deployed units overseas involving long separations from their families and loved ones. If these needs are not met during this separation, you can be assured that the welfare and well-being of their families will be uppermost in their minds, and that this cannot help but compete with their attention to military duties.

This year's program was specifically developed to meet our most critical housing needs in areas where immediate attention is most urgent. New construction is being proposed at those hard core installations where the lack of adequate housing for our Navy and Marine Corps families presents a continuing problem.

We are recommending the construction of 5,040 units at 21 Navy and Marine Corps installations. I have personally reviewed the housing requirement at each installation for which new construction is proposed, and have made onsite inspections at many of these locations to confirm our housing requirements and deficiencies.

When Secretary McNamara appeared before the committee last year on the subject of military pay bills, he stated:

Mr. Chairman, on the public works, if I may digress one second, I hope that our bill isn't cut, but if it is cut I hope, as I believe you do, that we will cut something other than this family housing. This has been a problem. This committee more than any other committee of Congress has recognized it as a problem. I think it is absolutely essential that we authorize those 12,500 houses we put in there, and I am willing to take a cut anyplace else in public works than that.

Yet, the Deputy Secretary of Defense, appearing on hearings connected with the deferral of construction, stated:

With respect to the family housing program, we concluded that the 8,500 units authorized and funded in fiscal year 1966 should be deferred. In announcing this decision to the press on December 20, the Secretary stated: "The decision on realignment of the military construction program, particularly as it affects military housing, was a most difficult one to make."

As each of you knows, Secretary McNamara has personally supported the military family housing program to the fullest extent possible. He and all of us in the Department are grateful to this committee for the support it has given to family housing. At his press conference on the 20th of December, the Secretary stated: "I don't want the action that we're taking today to, in any way, indicate a lessening of our interest in or support of the program, but rather a recognition that under today's circumstances there are many things we would like to have which we don't absolutely need for the short run and which, therefore, can be postponed."

To alleviate the impact of the deferral of the family housing units, we plan to request the Congress to support a greatly expanded leasing program for the coming year, that is, 6,075 units in addition to the 7,000 previously authorized.

Again, let us look at the record.

During these hearings, the Deputy Assistant Secretary of Defense for Family Housing, told this subcommittee:

1. Primary reliance is placed on use of adequate private rentals in the vicinity of military installations.

2. Onpost housing is programed only where required by military necessity or where there is a lack of adequate community support.

When asked the question "Since you depend primarily on housing facilities in local communities and you program housing only on the premise that adequate rental facilities are not available, how will the additional leasing authority which you plan to request in fiscal 1967 alleviate your current problem?" Mr. Reed replied:

We carefully selected the locations, Mr. Chairman. Basically it will enable the Government to lease units which are too expensive for the individual servicemen.

But again, from a review of the record, we find that in most instances, the plans of the Defense Department are not in accord with their previous request for family housing. And even more startling is the fact that approximately one-fourth of the proposed leasing program which will be requested is for locations which were specifically denied family housing by the Congress last year.

The conference report of last year contained the following language:

FAMILY HOUSING

A. The House authorized 12,300 units of family housing and the Senate approved 10,930 units, but placed a limitation of 8,000 units that can be built out of the number authorized. The Senate denied housing at Fort Myer, Va. (120 units); Fort Belvoir, Va. (300 units); naval complex, District of Columbia (300 units); Bolling Air Force Base, District of Columbia (300 units); Andrews Air Force Base, Md. (250 units); and Keesler Air Force Base, Miss. (100 units). Both the Senate and House were adamant in their position on family housing. Ultimately, however, the conferees agreed on the following compromise; 11,180 units of family housing authorized, including 250 units at Andrews Air Force Base, Md., with a limitation of 9,500 on the number of units that can be built. All other projects which were specifically denied by the Senate were deleted.

Yet, the Department of Defense now proposed, if the leasing authorization is granted, to lease 150 units for Fort Myer, Va.; 150 units for Fort Belvoir, Va.; 300 units at the naval complex, Washington, D.C.; 300 units at Bolling Air Force Base, District of Columbia; and 200 units for the naval complex, Johnsville, Pa. A project for 200 units of family housing at Johnsville, Pa., was denied by this committee last year.

The original request by DOD, the allocation of DOD, and the proposed allocation of leased units follows:

Housing request by DOD for fiscal year 1966 (12,500 units)	Units	8,500 housing units authorized and funded; allocated by DOD as follows:	Allocation of leased units if leasing program for 6,075 is approved
Army:			
Presidio of San Francisco.....	150	150	200
Fort Benning, Ga.....	300	300	
Fort Leavenworth, Kans.....	50	50	25
Fort Meade, Md.....	340	340	300
Fort Monmouth, N.J.....	100	100	
West Point, N.Y.....	200	200	
Fort Jackson, S.C.....	180	180	
Fort Belvoir, Va.....	300		150
Fort Monroe, Va.....	50		
Fort Myer, Va.....	120		150
Atlantic side, Canal Zone.....	100	100	
Pacific side, Canal Zone.....	300	260	
Fort Bruckner, Okinawa.....	280		
Total, Army.....	2,470	1,680	935
Navy:			
Marine Corps Supply Center, Barstow, Calif.....	52		
Marine Corps Air Station, El Toro, Calif.....	250		
Naval complex, Long Beach, Calif.....	200		200
Post Graduate School, Monterey, Calif.....	208	208	
Naval complex, East Bay, San Francisco, Calif.....	400	308	400
Naval complex, South Bay, San Francisco, Calif.....	300	300	200
Naval complex, West Bay, San Francisco, Calif.....	300	300	
Naval complex, Washington, D.C.....	300	0	300
Naval Base, Key West, Fla.....	400	224	
Naval Air Station, Pensacola, Fla.....	250	250	
Oahu, Hawaii.....	300	300	
Naval Training Center, Great Lakes, Ill.....	200	200	
Naval complex, Johnsville, Pa.....	200	0	200
Naval Base, Newport, R.I.....	200	200	300
Naval Air Station, Quonset Point, R.I.....	200	0	300
Naval Air Station, Corpus Christi, Tex.....	350	350	
Naval complex, Norfolk, Va.....	500	500	
Marine Corps School, Quantico, Va.....	100	0	
Naval Station, Keflavik, Iceland.....	150	150	
Naval complex, Naha, Okinawa.....	40	0	
Naval Station, Sangley Point, P.I.....	140	140	
Total, Navy.....	5,040	3,340	3,510
Air Force:			
Elmendorf Air Force Base, Alaska.....	200	200	
Elmendorf Air Force Base, Alaska.....	200	200	
Beale Air Force Base, Calif.....	300	300	
Vandenberg Air Force Base, Calif.....	300	124	150
Ent Air Force Base, Colo.....	49	40	
Bolling Air Force Base, District of Columbia.....	300	0	300
Eglin Air Force Base, Fla.....	300	300	
Oahu, Hawaii.....	250	250	100
Scott Air Force Base, Ill.....	150	150	
England Air Force Base, La.....	350	175	
Andrews Air Force Base, Md.....	250	250	300
Keesler Air Force Base, Miss.....	200	100	
Nellis Air Force Base, Nev.....	1	1	
Cannon Air Force Base, N. Mex.....	150	150	
Langley Air Force Base, Va.....	100	100	
F. E. Warren Air Force Base, Wyo.....	100	0	
Pacific side, Canal Zone.....	250	250	
Anderson Air Force Base, Guam.....	200	0	
Goose Air Force Base, Newfoundland.....	100	0	
Kadena Air Force Base, Okinawa.....	200	0	
Naha Air Force Base, Okinawa.....	170	0	
Clark Air Force Base, Philippines.....	400	400	
Site 4-S.....	70	0	
Site 6-S.....	200	200	
Site QC.....	200	200	
Total, Air Force.....	4,990	3,390	1,630

It is apparent on its face that the proposed leasing program not only will not fulfill the housing deficit at the specified location, but is in direct defiance of the expressed will of the Congress as shown in the conference report.

Even if the leasing program is authorized, it will provide 2,400 fewer houses than the postponed program would—6,075 units of family housing as against 8,500.

But can leased housing be found? For one thing, the law limits the Government outlay to an average of \$160 a month in rent to a top of \$180. More important, can the houses be obtained at nearly any price? It is in just these areas where housing of all types is in short supply that the military housing was to have been built.

The sentiment of the subcommittee is expressed in the comments taken from an editorial in the *Journal of the Armed Forces*, which appeared on January 1, 1966:

The action—regardless of the mounting costs of supporting the war in Vietnam—is impossible to reconcile with Secretary McNamara's previous stand. If the services required the housing on an "urgent" basis just a few months ago, the urgency is not dispelled by the war.

Secretary McNamara says the deferred family housing projects although necessary and desirable, can be undertaken at a later date without impairing military operations or effectiveness.

The nonsense of this statement is all too apparent. It is obvious that the Secretary is merely trying to put the best face on an awkward situation in which he has either decided or been told to cut costs whether he deems them wise or not.

He must know, as others do, that morale has an enormous impact on military operations and effectiveness, and that the housing cutback is as damaging a blow to morale as any action that could have been taken.

Surely, members of the Armed Forces should not have to fight the war in Vietnam, suffer the privations and discomforts of the war, be crippled or die in combat, and have to pay for the privilege by giving up decent living quarters for their families.

EFFECT OF DEFERRALS ON TRAINING PROGRAM

The subcommittee believes many of the deferrals have a direct effect upon troop preparedness for combat, and this is despite the statements made by the departmental and service witnesses.

Examine the following colloquy which took place during the hearing between a subcommittee member and Dr. Brooks, Assistant Secretary of the Army for Installations and Logistics:

Question. Let me read here, for example, from the justification for the dental clinic, 24 chairs at Fort Bragg; this project is required to provide dental service for 12,000 of the 38,000 military personnel at Fort Bragg. Under an average of 254 of the personnel assigned to this area required dental care every day. Under present conditions these patients must travel 2.1 miles each day to the nearest temporary clinic for a total of 1,066 miles per day, with a resultant loss in training time. Experience has shown that the farther a patient must travel, the greater the number of broken appointments. As a result, highly trained professional men are left idle, resulting in a loss to the Army and to the patients.

Doesn't this suggest an impairment in the training that is being provided if they are going to have to travel 1,066 miles instead of a lesser number of miles every day?

Dr. Brooks. If I may, I have with me General Shuler, with whom I am sure you are familiar, the Director of Installations, who is prepared to deal with the specific questions that you have on individual installations.

Question. I have asked a question here. This is your own statement, Mr. Secretary. If you are going to impair the effectiveness of a training center, and we are going to be in this operation for a long time to come—I do not think there is any doubt about that, this isn't just a one-shot deal where we only have to be concerned with the powder that is in the magazine on the line in Vietnam, we are

going to have to be concerned with a whole lot more the way we are drafting people and going to continue to draft them. Isn't the effectiveness of the areas in which those men are trained just as much a matter of combat readiness and capacity as how many guns that you have actually got out on the line in Vietnam?

Dr. Brooks. I don't believe, sir, that the effectiveness is impaired, although I agree that the efficiency with which the operation is conducted—training, housing, or others—may well be. That is, it may take more costs; we may have more people required to do the job than we would if we had an efficient installation. We still manage to provide the same training; we manage to provide the same medical care in this case, although it is less efficient to do so this way.

Question. There are only so many hours in the day, Mr. Secretary. If an enlistee is going to have to spend 3 hours a day getting his teeth fixed instead of 45 minutes, that is 2 hours and 15 minutes time that could be spent in training. That is going to impair his training, isn't it?

Dr. Brooks. No, sir; I do not believe that is necessarily so.

Question. You think you can take 2 hours and 15 minutes out of the day and it doesn't make any difference? You really don't believe that, do you, Mr. Secretary?

Dr. Brooks. Well, sir, there are other ways often in which this deficit can be made up.

Question. If because of the outmoded character of the installation you are going to reduce the scheduled training by a specified factor—I have just taken this number out of the air obviously—but let us assume that this is the situation, this is going to impair the resultant training? I don't see how you can have any other answer, can you?

Dr. Brooks. I have tried to give you the answer, as I see it, sir.

Question. Let me put it again: Suppose we have a base X where, because of outmoded facilities, the assigned training time is reduced by 3 hours. Isn't this going to mean that you are going to have less efficient training than you would have if you had a facility where the training didn't require this cutting into the training time?

Dr. Brooks. Less efficient, sir, perhaps, but not necessarily less effective in the sense of producing a trained soldier.

Question. Mr. Chairman, I don't want to take time if we have other witnesses, but this seems to me to be completely incredible. I can remember what happened at the time of the mobilization of World War II. We had people coming into Fort Devens and a lot of other places, where we weren't equipped to handle them, and the resultant was a lack of proper training. This was probably understandable. We hadn't been as prepared as we are now, but it seems to me that it is ridiculous to argue that something that may impair the efficiency of the training at one of our bases in this country doesn't impair our ability to defend ourselves in Vietnam. If these new recruits are going to go through this kind of a procedure and are going to come out of Fort Bragg, or out of Devens and go out to Vietnam under these conditions, I don't think they are going to be as good soldiers as they would be if they came out of something else. I don't think the Army would have included this recommendation in the 1966 budget if they didn't think the same thing.

I wonder whether maybe this is the kind of an item that should have been retained, and something else perhaps dropped out.

BUDGETARY CONSIDERATIONS

During the hearings, the Deputy Secretary of Defense insisted that there was no ceiling imposed by the Bureau of the Budget upon defense spending and that no ceiling or predetermined amount was set for the deferral program. The record shows:

Question. While you were answering Mr. Bennett's questions, I went over your statement again and I tried to condense the reasons for your decision into just a few words. I think maybe I have found the key sentence. Tell me if I am correct. It is on page 2, the third line from the bottom: "The magnitude of these costs, coupled with the signs of developing inflationary pressures * * *" In a nutshell, aren't those the two reasons?

Mr. VANCE. They are, and particularly the rising inflationary pressures as I expanded upon in answer to Mr. Bennett.

Question. Could you give them an order of priority?

Mr. VANCE. Yes; the rising and developing inflationary pressures was at the top.

Question. I have asked a question about that already, so I won't go into that, but I believe in the questioning you stated that budgetary considerations and the fact that you did have a shortage of money and the Government had a financial problem, didn't enter into the decision; is that right?

Mr. VANCE. Let me repeat what I believe I said previously. I said that as we put together the fiscal year 1966 supplemental and fiscal year 1967 budgets, saw the size of these budgets, saw the signs of increasing inflationary pressures, and recognized what these additional expenditures would do insofar as increasing inflationary pressures, we concluded that we should do two things: (A) spend every nickel that was required to preserve and improve our combat readiness, and (B) defer such items as were not time urgent.

The hearings disclosed that the line items to be deleted were determined in the Department of Defense, and then were submitted to the service Secretaries for concurrence as shown by the following colloquy:

Question. One other question, Mr. Secretary. As I understand it, you submitted a list of deferrals or deferred projects to each of the service Secretaries and that if they have one of these projects under contract, they came back and told you so, and that the deferral was adjusted accordingly. Were there any other deferrals made after conferences with the service Secretaries for reasons other than the fact that the project was under contract?

Mr. IGNATIUS. The bulk of the changes were for projects that were actually under contract. For example, all of the changes that were suggested by the Air Force were projects that had already been awarded or were just about to be awarded which we didn't have knowledge of until we got information from the field.

In the case of the Army, out of some 45 suggested changes, about half had to do with contracts that were already awarded or about to be awarded, and the same percentage applied in the Navy. About 50 percent of the Navy changes, some 15 out of 28, had to do with contracts already awarded or just about to be awarded, bid openings and that kind of thing.

Question. Is it safe to say, then, that after the list had been referred to the service Secretaries there were projects which were reinstated?

Mr. VANCE. Yes, sir. The primary reason, in terms of the number of projects, was the one I gave on contracts already awarded.

Question. I suppose that covers a hundred different reasons, but would you give me an example of one?

Mr. VANCE. One might be a difference of judgment with respect to the degree of essentiality and whether it was postponable. Changes were made of this kind. Where the services brought information to bear and changes were suggested, many of them were adopted, some of them were not. It was essentially a matter of judgment as to where the project fitted in these categories, and judgment can vary on these greatly.

The subcommittee desiring to pursue the matter of budgetary limitations, engaged in the following colloquy with Mr. Edward J. Sheridan, Deputy Secretary of Defense (Installations and Logistics):

Question. Who established the dollar amount of construction projects to be deferred and what criterion was used?

Mr. SHERIDAN. Nobody established any dollar amount. The criteria was developed on the basis of a discussion between Mr. Heard, our Director of Construction, our Project Division people who work on the construction programs, Secretary Ignatius and myself, on what appeared to be a logical breakdown of the balance of the 1966 program that had not yet been placed under contract.

Question. Was any specific percentage allocated to each of the services?

Mr. SHERIDAN. No, sir. There was no target at all.

The subcommittee pursued this matter with the Assistant Secretaries for Installations and Logistics of the Army and the Navy and the Deputy for Installations to the Assistant Secretary of the Air Force for Installations and Logistics. Again, let us look at the record. The following colloquy took place between the members of the subcommittee and Dr. Brooks, Assistant Secretary of the Army:

Question. Mr. Secretary, you spoke I believe briefly in your testimony about reclaims. In instances of any reclama that occurred, was the Department allowed

to obtain this benefit without giving up something else in some other activity that it had planned?

Dr. BROOKS. I believe I can answer your question in this way, that when we did submit our reclama there was a substitution for all items that were restored to the program by an equivalent dollar amount deleted from the program, so that the overall amount was the same as that on the list which the Department of Defense had given to us initially.

Question. Do you think this was true in the other two branches of the service, too?

Dr. BROOKS. I can't speak of that.

Question. Did you initiate the idea or did the Department of Defense initiate the idea?

Dr. BROOKS. In fairness, sir, I would have to say that we did not request an increase in the overall program: that is, a decrease in the deferrals. The reason for that was that on reviewing the list which we had received and on reviewing the criteria which we understood and supported; that is, the criterion principally of immediate contribution to combat readiness and operational effectiveness, we felt that we could live within the total program that had been given to us and with the substitutions, as I have indicated in my testimony, we could come out with a list which met those criteria.

Question. You thought you could live within this, and you made voluntary suggestions for cutting back to get an equal amount. Was this a matter of your initiative or someone else's suggestion or did you think you would win better if you did it this way, or why did you do it, sir?

Dr. BROOKS. As I say, we did it this way because we felt we could get a satisfactory list within the criterion.

Question. I understand you thought you could get a satisfactory list within that criterion. You mean the amount of dollars when you say criterion?

Dr. BROOKS. No, the criterion of contribution.

We did not want to defer anything which contributed to combat readiness or to operational effectiveness in the immediate future. We felt we could save those projects within the overall total of the list.

Question. I am not quite clear as to this. I understand from you that when you asked for the retirement, you also asked for places where you could defer some expenditures in other places that had not been suggested before and equalize the amount of money. What I am not clear in my mind about is, did you do this just on your own initiative, just to be cooperative, or was there a suggestion made to your department by the Department of Defense or how did you happen to do this? This is fairly unusual. When you ask somebody to let you have something done, you don't usually say, "I will make it up to you in something else," which sounds like what you did. I want to know why you did it, or do you know?

Dr. BROOKS. We agreed with the Department of Defense upon the reasonableness of the overall total. I would be unable to answer you as to where the initiative came from. We did not feel that this was an arbitrary ceiling imposed, although it was an agreed total.

Question. I think we have got a pretty good answer to my question now, but there is another one that arises in my mind. That is, how do you go about deciding it is a reasonable request that you spend certain money that doesn't seem to fit in with what Secretary Vance said about the fact that this budget for the military was made up on what was necessary to fight the war in Vietnam, that no considerations were given of a budgetary nature?

Dr. BROOKS. I should explain that this was not an amount of money that was stated to us without the concomitant listing of the specific projects which were suggested by the Department of Defense. In fact, the total amount of money was a product, it was simply pricing out these individual lines, these individual projects which were recommended or given to us as the deferral list.

Question. Where they given to you to begin with or did you initiate those?

Dr. BROOKS. They were given to us, sir.

Question. At the beginning. And they came out to a certain amount of money. Now I gather from you that you agreed that was a good amount of money, a reasonable amount of money to be deferred. And then you went back to the Department of Defense and said instead of giving us X—taking X away from us, take Y away from us which was not in their plan, and you wound up with the same amount of money, have I got the picture?

Dr. BROOKS. That is correct.

Question. Maybe this is your idea of freedom of choice but it sounds pretty much to me when you get all the words out of it and start looking at the facts as

distinguished from the semantics, that you wind up with the fact that somebody told you how much to spend and you had better cut it out somewhere in your budget or else.

I am not asking for a comment, but that is what it looks like to me, unless you have something to suggest why it is not so. It would seem to me that that is so. I am not trying to put you on a spot. It doesn't look to me quite like Secretary Vance thought it was. I am sure he stated what he thought to be the truth. I think by the time it got to your level, your level apparently didn't really feel free to object to the budgetary figure; you really felt that they were cutting back something in the national defense, but you agreed to it to go along with part of the team.

Dr. BROOKS. I would have to say in answer to the last comment that we do not feel that we were cutting back something that was under the criteria contributing to combat readiness or to operational effectiveness. That is one of the primary reasons we did not go back for an increase.

Mr. STRATTON. Mr. Chairman, I think I am beginning to understand why there was such difficulty in getting either Secretary Vance or Secretary Ignatius to use the word "budget" or "total amount of money" because this testimony now would seem to indicate that there was a figure indicated and that there is apparently some sensitivity admitting there was a figure.

Mr. Graeme C. Bannerman, Assistant Secretary of the Navy, in response to questions, testified:

Question. Who notified you of the deferral of military construction projects authorized and funded under Public Laws 89-188 and 89-202?

Mr. BANNERMAN. Mr. Ignatius called me. I attended the same meeting as Dr. Brooks mentioned.

Question. When was that notice to you?

Mr. BANNERMAN. I believe that first meeting was on the 9th of December.

Question. Were you given an opportunity to participate in the selection of the projects to be deferred?

Mr. BANNERMAN. Initial selection was made by personnel within the office of the Secretary of Defense. We were shown the list subsequently, and I had, as I remember, a very short time to look at it. Roughly, contracts for 15 items of that list had already been awarded. There were some additional 13 items, I believe, that had not been awarded but which we thought should definitely be retained; that is to say, should not be deferred.

I might say, parenthetically, that the second grouping, the items that we thought should not be deferred, were really about two-thirds of all the money involved, although a smaller percentage of items.

Question. Can you give us those specific changes that you recommended which, if any, the Department of Defense accepted, and which they rejected?

Mr. BANNERMAN. I can. You have already asked for it for the record, and I think in the interest of expediency I should put it in the record as the others did. Actually, we made certain recommendations, and we also, as the Army did, came in with a differing list of items to be deferred.

Question. You arrived at the same dollar figure?

Mr. BANNERMAN. We arrived within approximately a million dollars of the same dollar figure.

Question. How do you account for the fact that you and the other Departments used the same procedure? Was this sort of an SOP?

Mr. BANNERMAN. No, I think this is what we understood it was to be.

Question. What effect will this deferral action have on the overall program of your service?

Mr. BANNERMAN. I would like to make it very clear that we would much prefer there would be no deferrals at all. We came in with these items because we thought they were important. We still think they are important. We were asked whether any of the items in 1966, and the same procedure is going around for 1967, could be delayed without having a significant impact upon our operational capability at the moment. The answer is obviously, some are more urgent, but not necessarily more important, than others.

Mr. Lewis E. Turner, Deputy for Installations, Office of the Assistant Secretary of the Air Force, Installations and Logistics, testified as follows:

Question. Were you given an opportunity to participate in the selection of the projects to be deferred?

Mr. TURNER. We were given an opportunity to substitute items for items that had been recommended by the Secretary of Defense, yes, sir.

Even though it may be true that no dollar amount was established for projects to be deferred when the Secretary and the Deputy Secretary of Defense ordered their subordinates to accomplish the deferral actions, the dollar amount for deferrals determined in the Defense Department became an arbitrary ceiling when the list of specific projects was given to the respective services.

EXTENSION OF AUTHORIZATIONS

At the hearings, the Deputy Secretary of Defense concluded his prepared remarks by stating:

In summary, Mr. Chairman, the projects we have deferred are necessary and desirable, but nonetheless, postponable for the time being. We will seek authority from the Congress to extend the authorization of the deferred projects so that we may proceed with them at a later date.

But observe the following colloquy during the hearings:

Question. When and how do you plan to restore these items so deferred? With construction costs constantly increasing, would it not require a substantial increase in appropriation to carry out the construction at some future date?

Mr. VANCE. I cannot tell you at this time when we will actually proceed with these deferred projects. We are asking for continuing authorization for these projects in the fiscal year 1967 construction bill, and we will watch the matter carefully. When we believe that it is appropriate to proceed with them, we will proceed.

Question. How do you reconcile your action with the statement of the President in his recent state of the Union message: "This Nation is mighty enough, this society is healthy enough, its people are strong enough, to pursue our goals in the rest of the world while still building a Great Society at home." Is not your action in deferring military construction of all items which provides for the comfort, education, and religious training of service personnel, in essence, asking the same men to risk their lives to make the sacrifice so that the social experimental programs of the Great Society may go forward at an accelerated rate?

Mr. VANCE. Our decision had nothing to do with the Great Society or other domestic programs. This was a decision which Mr. McNamara and I reached on the basis of the facts which I have previously explained to this committee. It had nothing to do with the Great Society or other domestic programs.

Question. In the state of the union message, the President said:

"In some of our urban areas we must help rebuild entire sections and neighborhoods, in some cases 100,000 people. Working together, private enterprise and Government must press forward with the task of providing homes and shops, parks and hospitals, and all the other necessary parts of a flourishing community where our people can come to live the good life."

How do you reconcile your actions on deferral of the family housing projects while at the same time the Federal Government plans to expend funds for the major rebuilding of parts of our large cities?

Mr. VANCE. As I have said before, our decision was made independent of any domestic programs.

* * * * *

Question. When do you intend to proceed?

Mr. VANCE. May I continue?

Question. When do you intend to proceed?

Mr. VANCE. Mr. Chairman, I said before I do not know when we intend to proceed. But we do intend to proceed when we believe the time is ripe to do so. However, these are postponable, they are not time-urgent projects.

* * * * *

Question. I would like to say that my feelings and the feelings of most of my constituents were ones of disappointment when the American people were not asked to defer some of their nonmilitary expensive programs in order to more

vigorously pursue the Vietnam war. This is the sentiment which I think the vast majority of my constituents feel, and which I share. There was alarm at the continuing request for large funds in programs, some of which I don't think are sound programs, and most of which, if not all of which, could be at least postponed. You have, Mr. Secretary, told us that this is not the function of the Secretary of Defense to make this kind of decision, but there is one thing that did really kind of raise the question in my mind which has not yet been asked, so therefore I will ask it. I can understand how the Secretary of Defense doesn't make decisions as to whether or not you should have a rent subsidy program vis-a-vis whether or not you have a hospital in the military, but it seems to me that is the same sort of decision that you are precluding yourselves from making that was involved in inflation. I wonder why there is any more reason why the Secretary of Defense should be making decisions on the basis of inflation than there is on the basis of whether we should have a rent subsidy program or a poverty program. So I would like you to address your remarks to that, if you would.

Mr. VANCE. First, I would like to clarify what I think may be an incorrect implication from the comment which you made, and that is to make it very clear that we have asked for in the fiscal year 1966 supplemental and in the fiscal year 1967 budget all the money which we believe is necessary for the prosecution of the conflict in Vietnam in accordance with our present plans. I want to make this very clear. The money which we believe is required for that is in those budgets.

Now, coming to your specific question to me, with respect to the issue of why we were concerned with inflationary pressures. It seems to me that we, who have the responsibility for expending over 50 percent of the national budget, have this dual obligation, first making sure that we spend every nickel which is required for combat readiness, but in a period where inflationary pressures are becoming more and more severe, to defer those things which are not time urgent. We are not canceling them forever, but deferring them until such a time when those expenditures may be made so that they will not increase the heating up of the inflationary pressure.

* * * * *

Question. This fasting of fundings in this particular deferral program is going to make available under the statutes \$600 million or thereabouts which could under existing laws be utilized for other things. Will any of that be utilized for anything else?

Mr. IGNATIUS. Mr. Chairman, we intend to retain these funds and apply them toward the continuation of this program at such time as we go forward. This is our intention, to deapportion the funds that have already been apportioned to the military departments so that we can go forward with these projects at a later date.

Now Mr. Vance's statement had a phrase that there may be some routine changes over the passage of time that would cause changes in some of these programs. But it is our intent to reserve the funds, to seek from the Congress authority to extend the authorization, so that we may in fact go forward at an appropriate time.

Question. This certainly gives pause to the thought of a legislator. You realize that you have almost a billion dollars in the Department of Defense. With all the rules and flexibility that you have under the statutes, I would feel much more reassured if at some juncture the Secretary of Defense or somebody would tell us that a great deal of caution is going to be used or that the Congress would be considered in this. Otherwise it would seem to me it would be wise if we passed a little sudden law to cut all of these funds out. We do have checks and balances in this country, and if we are going to have almost a billion dollars floating around that you could spend anywhere where you just want to spend it within the limits of these flexible laws, this changes the rules of how our Constitution envisioned our Government to be set up. So I do have a rather strong feeling that somehow or other you and Chairman Rivers and some others ought to talk this aspect of it over, because it is alarming to me to consider that so much money could be available for transfer and flexible handling contrary to the thought that our forefathers had when they drew the Constitution.

Thus having assurances that the Department of Defense did not take into consideration anything other than the "signs of inflationary pressures" prevailing in the economy in December 1965 the subcom-

mittee questions the wisdom of extending the authorization until October 1, 1968, as requested by the Department of Defense.

It seems obvious that the decision as to whether military projects should be constructed should be vested in the hands of those who are required to exercise a sense of judgment over all areas of Government spending. Legislators are required every day to establish priorities of various programs. Since the decisions reached at the Pentagon do not take into consideration these programs, it seems inconsistent to vest in the Pentagon planners authority to determine when to build or when not to build. This determination should be retained by those who examine the total program of the Federal Government; namely, the Congress.

PHILIP J. PHILBIN,
Chairman.

CHARLES E. BENNETT.
SAMUEL S. STRATTON.
WILLIAM J. RANDALL.
JED JOHNSON, JR.
HERVEY G. MACHEN.
LESLIE C. ARENDS.
CHARLES S. GUBSER.
DONALD D. CLANCY.

I have read the foregoing report and find myself in full accord with the views and recommendations of the subcommittee.

L. MENDEL RIVERS, *Chairman.*

DEFERRED MILITARY CONSTRUCTION PROJECTS IDENTIFIED BY DEPARTMENT OF DEFENSE

Attached is a list of military construction projects which Secretary of Defense Robert S. McNamara has temporarily deferred.

In announcing the deferral, Secretary McNamara said "all projects that are essential immediately for the combat support of the Armed Forces and those which are urgently required for safety, health, or other compelling reasons will proceed as scheduled."

Not included in the attached list are 8,500 family housing units authorized under the Military Construction Act for fiscal year 1966. Construction of these units will be deferred. News release No. 713-65, dated October 22, 1965, identifies these units.

The total deferral amounts to \$620 million and involves projects located in 42 States and the District of Columbia.

Construction of \$686 million in Army, Navy, Air Force, and Marine Corps high priority military construction projects in 36 States, the District of Columbia, and at 16 overseas locations will be continued.

Fiscal year 1966 military construction execution program items to be deferred

ARMY

[All amounts in thousands of dollars]

State/location	Item	Cost	State total
Alabama			\$3.72
Fort Rucker	Bachelor officer quarters	\$1,098	
	Commissary store	583	
	Aircraft maintenance facility	2,039	
Alaska			1.27
Fort Greely	Sewage treatment plant addition	580	
Fort Richardson	Range facilities	378	
	Stock control center	269	
Arizona			25
Fort Huachuca	Bachelor officer quarters	320	
California			3,419
Fort Irwin	Tactical equipment shop and facility	574	
	Commissary store	250	
	Community center	668	
	POL facility	96	
	25 PT rifle range	110	
Presidio of Monterey	Student dorm and mess	1,678	
Two Rock Ranch Station	Utilities, dispensary	32	
	Dispensary and dental clinic	211	
Georgia			19,914
Fort Gordon	Signal school phase II	7,450	
	E.M. barracks complex	8,895	
	E.M. service club	648	
	EW barracks w/mess	604	
Fort Stewart	Hospital	1,887	
	Heating and air conditioning plant	430	
Hawaii			3.76
Schofield Barracks	EM barracks alternate 1st increase	2,059	
	Tactical equipment shop and facilities	1,015	
	2 tactical equipment shops and facilities	693	
Illinois			28
Rock Island Arsenal	Convert building 350-administration space	766	
	Paving and guardhouse	60	
Indiana			\$2.25
Fort Benjamin Harrison	Convert building 32 to post exchange	\$133	
	Officers field ration mess, conversion	190	
	Bachelor officer quarters	1,606	
	EW barracks	245	
Jefferson Proving Ground	Bombproof observation building	52	
Kansas			1.08
Fort Leavenworth	Dental clinic, 12 chair	303	
	Autodin switch facilities	2,380	
Fort Riley	Paving Kansas railroad bridge approach	325	
Kentucky			19.53
Blue Grass Army Depot	Missile facilities—care and preservation	682	
	Change house	97	
Fort Campbell	2 EM barracks w/mess	1,066	
	Tactical equipment, shop and facilities	438	
Fort Knox	do	2,049	
	do	249	
	Group gymnasium	395	
	Bachelor officer quarters	830	
	EM barracks complex	12,015	
	Bachelor officer quarters	1,500	
Louisiana			37
Fort Polk	Barracks improvement	372	
Maryland			12.72
Aberdeen Proving Ground	Headquarters building, altern.	2,881	
Fort Detrick	Medical biological research lab, phase I	9,254	
Fort George G. Meade	Road improvement	550	
Fort Ritchie	Aircraft fuel storage	87	
Massachusetts			12.75
Fort Devens	Hospital	4,794	
	EM barracks complex	6,113	
Natick Laboratory	Lab support services building	1,371	
Missouri			14.53
Fort Leonard Wood	EM barracks w/o mess medical detachment	745	
	EM barracks complex	14,066	
North Carolina			4.16
Fort Bragg	Bachelor officer quarters	1,020	
	Electronic maintenance shop	47	
	Tactical equipment, shop and facilities	210	
	Post engineer facilities	1,054	
	Auditorium	449	
	Parts storage building, addition	92	
	Administrative and storage building	780	
	Dental clinic, 24 chairs	454	
New Hampshire			54
Cold Regions R&E Lab	Equipment maintenance shop	334	

Fiscal year 1966 military construction execution program items to be deferred—
Continued

ARMY

[All amounts in thousands of dollars]

State/location	Item	Cost	State total
New Jersey.....			\$18, 156
Fort Dix, N.J.....	Dental clinic, 28 chairs.....	\$620	
	Enlisted men barracks complex.....	14, 565	
	Bachelor officer quarters.....	2, 385	
	do.....	586	
Fort Monmouth.....			12, 883
New York.....			
Federal Office Buildings.....	Administration space, conversion.....	636	
U.S. Military Academy.....	Hospital.....	4, 930	
	Bachelor officer quarters.....	385	
	Utilities express and access road, reduction.....	2, 333	
	Gymnasium addition.....	2, 392	
	Restore and protect shore.....	194	
	Alter Cadet gymnasium, building 727.....	300	
	Sewage system improvements.....	1, 713	
Watervliet Arsenal.....			2, 187
Oklahoma.....			
Fort Sill.....	Group gymnasium.....	387	
	Petroleum, oil, and lubricant facility.....	427	
	Convert station hospital to administration and barracks.....	899	
	Officers field ration mess.....	474	
South Carolina.....			13, 915
Fort Jackson.....	Weapons storage building.....	282	
	Enlisted men barracks complex.....	13, 176	
	Dental clinic, 28 chairs.....	477	
Texas.....			14, 124
Fort Bliss.....	Enlisted men service club.....	301	
Fort Hood.....	Enlisted men barracks.....	1, 062	
	Bachelor officer quarters.....	2, 666	
	Dental clinic, 18 chairs.....	431	
	Enlisted men barracks complex.....	8, 806	
	Road construction, South and Battalion Avenues.....	634	
Red River Army Depot.....	Surveillance inspection building.....	206	
Utah.....			137
Dugway Proving Ground.....	Commissary store, addition.....	137	
Virginia.....			13, 685
Fort Belvoir.....	Air conditioning Humphrey Hall.....	303	
	Hospital addition.....	1, 619	
	Bachelor officer quarters.....	991	
	Enlisted men's barracks with mess.....	962	
	Roads.....	211	
East Coast Radio XMTR.....	USALMC academic building.....	2, 900	
Fort Lee.....	Chapel center, 600 seats.....	700	
	Enlisted men's barracks w/mess, addition.....	3, 216	
	Enlisted men's service club and branch PD.....	400	
	Chapel center, 600 seats.....	629	
	Noncommissioned officer's open mess.....	972	
	Messhall, addition.....	205	
	3 tactical equipment shops and facility.....	449	
	Enlisted women's barracks, addition.....	128	
Fort Story.....			438
Vint Hill Farms.....			
Washington.....	Branch library.....	244	
Fort Lewis.....	Radar mask eas. and clearing.....	194	
Seattle Defense Area.....			
COUNTRY.....	OVERSEAS.....		
Canal Zone.....			730
Fort Clayton.....	Emergency power supply.....	387	
Fort Kobbe.....	Bachelor officer quarters.....	343	
Puerto Rico.....			111
Fort Buchanan.....	Land acquisition.....	111	
Germany.....			12, 904
Augsburg Post.....	Airfield lighting.....	177	
	Airfield tower.....	19	
Bad Kreuznach Post.....	Ammunition storage facilities.....	2, 438	
	Enlisted men's barracks.....	753	
Frankfurt Post.....	Hangar and facilities.....	858	
Giessen Post.....	Airfield, pavement and facilities.....	1, 293	
	Tactical site S-27B.....	140	
	Troop support facilities, Bamberg.....	140	
	Tactical site S-36C.....	195	
	Tactical site S-38.....	150	
Hanau Post.....	Airfield, pavement and facilities.....	755	
	Hangar and facilities.....	434	
Kaiserslautern.....	Ammunition storage facilities.....	3, 557	
Various.....	Commercial power, 6 sites.....	902	
	An/MSQ-28 facilities, Wertheim.....	49	
Nuernberg Post.....	Hardstand.....	204	
Stuttgart Post.....	Vehicle paint spray booth.....	24	
	Washrack.....	16	
Autosevocom Switches (Various).....	Autosevocom switches.....	800	

Fiscal year 1966 military construction execution program items to be deferred—
Continued

ARMY

[All amounts in thousands of dollars]

State/location	Item	Cost	State
COUNTRY	OVERSEAS		
Korea			9
Korea (Various).....	285.203 Air defense operations building, Site B.....	\$56	
	285.204 Air defense administration area, Site B.....	355	
Kwajalein Atoll.....			8
Kwajalein Atoll.....	Super cinethodolite facility, reduction.....	440	
	Refrigerated warehouse.....	308	
Okinawa			2
Okinawa (Various).....	Elementary school.....	2,191	
Army Security Agency (Various)			4
Location 04 Asmara.....	Administration and storage building, addition.....	241	
	Grade school.....	123	
Location 09.....	Operations building, addition.....	689	
Location 12.....	Commissary store.....	123	
	Post engineering shops and storage.....	165	
	Enlisted men's service club and library, addition.....	111	
	Electric power expansion.....	245	
	Sewer system expansion.....	46	
	Medical facility, addition.....	406	
	Petroleum, oil and lubricants yard, addition.....	61	
Location 23.....	Receiver building, addition.....	143	
Location 90.....	Emergency power supply.....	340	
Location 175 G.....	Enlisted men's barracks without mess.....	612	
Location 276.....	Warehouse.....	212	
	Utilities and site improvement.....	552	
	Diesel oil storage.....	68	
Location 277.....	Warehouse.....	41	
Section 102 (Classified).....	Communication structures and facilities.....	2,000	2
	Communication structures and facilities.....	966	
Turkey			15
Turkey (Various).....	Defense area regional communications control center.....	152	
General Authorization.....			3,49
	T00.1 Planning, reduction.....	-2,000	
	T00.3 Access roads, reduction.....	-1,400	
Grand total.....			206.82

NAVY

Alaska			\$1.38
NRS, Mount Moffett, Adak.....	Low frequency antenna.....	\$1,185	
Net control station Kodiak.....	Electrical power systems.....	200	
California			31.28
NAS, Alameda.....	Rehabilitation of barracks.....	700	
Mobile Construction Battalion:			
Camp Pendleton.....	Aircraft fire and crash station.....	84	
	Battalion administration buildings, Horno.....	599	
	Battalion recreation building, Horno.....	215	
San Mateo.....	Battalion combat vehicle maintenance shop.....	236	
	Battalion supply and operations buildings.....	244	
	Battalion administration buildings.....	1,167	
	Regimental administration buildings.....	223	
Division Area.....	Battalion recreation buildings.....	272	
	Base Headquarters buildings.....	1,384	
	Enlisted Women's Barracks.....	490	
	Base Theater.....	807	
Delmar.....	Barracks with mess.....	446	
	Bachelor officers quarters with mess.....	1,748	
Las Flores.....	Outdoor recreation facility.....	37	
	Swimming pool.....	164	
NOTS, China Lake.....	Liquid oxygen shop.....	47	
NAF, El Centro.....	Photo laboratory and restore damaged facilities.....	1,441	
NRS, Imperial Beach.....	Electrical power systems.....	300	
NS, Long Beach.....	Compressed air system.....	177	
	Barracks.....	1,035	
	Waves' barracks.....	227	
	Commissioned officers mess, closed.....	187	
NSC, Mare Island.....	Rehabilitation barracks.....	432	
Naval Postgraduate School, Monterey.....	Academic facilities.....	2,140	
NAS, North Island.....	Bachelor officers quarters.....	330	
NBCB, Point Hueneme.....	Rehabilitation of barracks.....	726	
Fleet Anti-Submarine Warfare School, San Diego.....	Bachelor officers quarters with mess.....	893	
	Barracks (2d increase).....	1,212	

Fiscal year 1966 military construction execution program items to be deferred—
Continued

NAVY

[All amounts in thousands of dollars]

State/location	Item	Cost	State total
California—Continued			
NS, San Diego.....	Barracks.....	\$1,097	
	Bachelor officers quarters.....	598	
	Water, fire protection.....	175	
NCS, San Diego.....	Electrical power systems.....	200	
NTC, San Diego.....	Technical training building.....	5,160	
NCS, San Francisco.....	Electrical power systems (2d increment).....	379	
NCS, San Francisco (Stockton).....	Barracks with mess.....	239	
PMR, San Nicolas Island.....	Bachelor civilian quarters.....	400	
MCAF, Santa Ana.....	Aircraft washracks.....	92	
	Aircraft Dr. Fueling Station.....	161	
	Aircraft Line building (1st increment).....	161	
NWS, Seal Beach.....	Ammunition disposal facility.....	100	
NSGA, Skaags Island.....	Electrical power systems.....	550	
NBC, Treasure Island.....	Barracks.....	3,302	
Connecticut			\$1,478
NSB, New London.....	Mess hall.....	1,220	
	Outdoor recreation facilities.....	258	
District of Columbia			643
NCSSA, District of Columbia.....	Alterations for operations programing (3d incr).....	643	
Florida			14,241
NAS, Cecil Field.....	Barracks.....	358	
NAS, Jacksonville.....	Rehabilitation of barracks.....	4,210	
	Rehabilitation of mess hall.....	420	
NS, Mayport.....	Communications center.....	132	
	Transmitter building.....	199	
	Shallow draft mooring.....	88	
NAS, Pensacola.....	Aircraft maintenance hangar (2d incr).....	1,585	
NAS, Sanford.....	Runway extension and land acquisition.....	4,377	
	Aircraft control tower.....	246	
	Aircraft maintenance hangar.....	644	
	Barracks.....	994	
	Bachelor officers quarters with mess and land acquisition.....	671	
	Electrical distribution system.....	317	
Hawaii			4,731
NAS, Barbers Point, Oahu.....	Chief petty officers barracks.....	254	
	Commissary.....	267	
NS, Pearl Harbor, Oahu.....	Wharf (3d incr.).....	2,327	
	Flight intelligence center, Pacific.....	144	
	Barracks.....	525	
NSB, Pearl Harbor.....	Headquarters building.....	318	
NPWC, Pearl Harbor.....	Vehicle maintenance shop.....	130	
NAD, Oahu.....	Barracks and mess hall.....	588	
NCS, Wahiawa, Oahu.....	Warehouse.....	152	
	Rehabilitation of mess hall.....	47	
Illinois			6,560
NTC Great Lakes.....	Technical training building.....	1,900	
	Staff barracks.....	1,659	
	Rehabilitation of barracks.....	405	
	Waves' barracks.....	600	
	Brig.....	300	
NHCS Great Lakes.....	Barracks.....	1,139	
	Waves' barracks.....	557	
Iaine			362
NSGA Winter Harbor.....	Community center.....	362	
Maryland			4,862
Naval Academy, Annapolis.....	Central heating plant.....	3,480	
NRS Annapolis.....	Messhall.....	86	
NMC Bethesda.....	Barracks.....	800	
NCS Cheltenham.....	Electrical power system.....	92	
Naval Propellant Plant, Indian Head.....	EOD underwater facility.....	404	
New Hampshire			1,800
NSY Portsmouth.....	Sewerage.....	1,800	
New York			718
NH St. Albans.....	Barracks.....	558	
	Waves' barracks.....	160	
Nevada			441
NAAS Fallon.....	Administration building.....	211	
	Chapel.....	230	
North Carolina			5,581
MCB Camp Lejeune.....	Brig complex.....	1,000	
	Combat vehicle maintenance shops.....	198	
MCAS Cherry Point.....	Combat vehicle maintenance shop.....	111	
	Aircraft fire and crash station.....	328	
	Marine air control squadron warehouse.....	166	
	Rehabilitation of barracks.....	3,295	
MCAS New River.....	Dispensary.....	243	
	Barracks.....	240	

Fiscal year 1966 military construction execution program items to be deferred—
Continued

NAVY

[All amounts in thousands of dollars]

State/location	Item	Cost	State total
Pennsylvania			
NAEC Philadelphia	Steam condensate lines	\$155	
Rhode Island			
NCBC Davisville	Theater	319	
	Library and education center	148	
	Land acquisition	78	
NS Newport	Waves' barracks	380	
	BOQ	1,258	
	Command officers mess (closed)	387	
OCS Newport	Technical training building	3,000	
NAS Quonset Point	CPO mess (open)	293	
South Carolina			
MCAS Beaufort	Aircraft direct fueling station	784	
NS Roosevelt Roads, PR	Laundry and dry cleaning plant	465	
	Gymnasium and swimming pool	572	
	Commanding officers' mess (open)	397	
	CPO mess (open)	222	
	Relocation of road	515	
NAD Charleston	Dispensary	307	
	Community center (3d increment)	913	
NH Charleston	Barracks	353	
NS Charleston	Modernization of Dry Dock No. 2	5,200	
	Submerged dredge line	92	
Tennessee			
NAS Memphis	Avionics training building	1,796	
	Barracks	864	
	Messhall	1,490	
Virginia			
Headquarters commander in chief, Atlantic Fleet, Norfolk	Barracks (3d increment)	548	
	Rehabilitation of mess hall	325	
NTUWG Norfolk	Utilities	216	
NAS Norfolk	Foundry	52	
	Rehabilitation of barracks	2,033	
	Rehabilitation of mess halls	569	
NCS Norfolk	Electric power systems (2d increment)	750	
NS Norfolk	Multipurpose building	1,083	
	Mooring improvements	50	
	Utilities (3d increment)	1,682	
NAS Oceans	Aircraft direct fueling station	162	
NWS Yorktown	Land acquisition	75	
Washington			
NS Bremerton	BOQ with mess	765	
NSGA Marietta	Electrical power systems	100	
NAS Whidbey Island	Radio receiver facility	277	
	Survival Equipment shop	239	
OUTSIDE UNITED STATES			
Canal Zone			
NRS summit	Electrical power systems	141	
	Equipment environmental control	242	
Cuba			
NS Guantanamo Bay	Dredging	187	
Japan			
NAS Atsugi	Aircraft parking apron	917	
MCAS Iwakuni	Rehabilitation of barracks	300	
Do	Restoration of damaged facilities	1,143	
Northern Ireland			
NCS Londonderry	Multipurpose building	144	
Okinawa			
Camp Smedley D. Butler	Disbursing office and bank	60	
	Post office	55	
	Data processing building	134	
	BOQ	334	
	Branch post exchange	139	
	Community building	85	
	Brig	411	
	Hobby Shop	42	
MCAF Futema	Vehicle maintenance shop	169	
	Public works shop	219	
Fleet activities, Ryukyus	Barracks	1,030	
	Messhall	257	
Puerto Rico			
NRS Sabana Seca	Chapel	229	
	Multipurpose building	374	
NS Roosevelt Roads	Fleet cargo shed	358	
	BOQ	327	
	Gatehouse and employment office	45	

¹ Country total.

Fiscal year 1966 military construction execution program items to be deferred—
Continued

NAVY

[All amounts in thousands of dollars]

State/location	Item	Cost	State total
Spain			1 \$726
NS Rota	Air cargo terminal	\$184	
	Water storage tank	100	
	Mooring platform and branch roadway	442	
Various locations			1 3, 599
NCS various locations	Electrical power systems (2d increment)	1, 464	
NSGA various locations	Electric power systems (1st increment)	1, 135	
Various locations	Access roads	1, 000	
Classified location			1 6, 800
Grand total			121, 391

AIR FORCE

Alabama			\$2, 195
Craig AFB	Officer quarters	\$880	
	Gymnasium (addition)	145	
Gunter AFB	Dormitory, AM (replacement)	400	
Maxwell AFB	Officer quarters (deferred replacement)	770	
Alaska			12, 447
Barter Island DEW	Auto storage, heated	388	
Cape Lisburne AFS	Auto storage, heated (replacement)	138	
Cold Bay CST	Commissary transmitter (replacement)	36	
Delta Junction CST	Shop, heavy equipment	137	
Eielson AFB	P.O.L. opr/qlty control (replacement)	110	
	Storage, jet fuel (replacement)	491	
Elmendorf AFB	Warehouse, supply and equipment (replacement)	1, 760	
	Headquarters major command (alteration)	149	
	Store, commissary (addition)	281	
	Steam heat mains (extended)	1, 225	
Galena Apt.	Storage, diesel	145	
	Storage, jet fuel	229	
Glenallen CST	Shop, heavy equipment	191	
	Warehouse, supply and equipment (replacement)	66	
Indian Mountain AFB	Recreation, multipurpose (alteration)	157	
King Salmon Apt.	Recreation, multipurpose	288	
Kotzebue AFS	Auto storage, heated (deferred replacement)	91	
Murphy Dome AFS	Recreation, multipurpose	294	
No River RRL	Auto maintenance shop (deferred replacement)	135	
Shemya AFS	Weather facility	95	
	Chapel, base (deferred replacement)	525	
	Open mess, NCO (replacement)	512	
Sparrevohn AFS	Dormitory, AM (addition)	135	
	Open mess, NCO (replacement)	166	
Tin City AFS	A.C. & W. composite building (replacement)	4, 579	
Tok RRL	Shop, heavy equipment	135	
Arizona			7, 475
Davis-Monthan AFB	Warehouse, supply and equipment base (deferred replacement)	270	
	Composite med (addition)	1, 591	
	Administrative office	245	
	Dormitory, AM (replacement)	800	
	Officer quarters (deferred replacement)	750	
	Gymnasium (replacement)	395	
Luke AFB	Headquarters squadron	51	
	Dormitory, AM (air condition)	120	
	Officer quarters (air condition)	142	
	Chapel base annex	388	
Williams AFB	Communications, base (deferred replacement)	229	
	Fleet training basic (replacement)	531	
	Shop, A/C general purpose (replacement)	432	
	Shop, refueling vehicle (replacement)	106	
	Dormitory, AM (deferred replacement)	396	
	Officer quarters	589	
	Gymnasium (deferred replacement)	440	
Arkansas			320
Blytheville AFB	Deflector, blast	43	
	Administration wing maintenance control (additional)	44	
	Dining hall, AM (air condition)	43	
	Recreation, library	140	
Little Rock AFB	Dining hall, AM (air condition)	50	
Country total.			

Fiscal year 1966 military construction execution program items to be deferred—
Continued

AIR FORCE

[All amounts in thousands of dollars]

State/location	Item	Cost	State
California			\$10.4
Beale AFB	Chapel base annex	\$387	
Castle AFB	Library (alteration)	49	
Edwards AFB	Composite med (additional)	893	
	Road	529	
George AFB	Operations, base (replacement)	254	
	CE Maint shop (deferred replacement)	270	
	Admin wing maintenance control (replacement)	463	
	Theater base (deferred replacement)	312	
Hamilton AFB	Pad warm-up holding	149	
	Dormitory, AM (alteration)	400	
	Dormitory, AM (replacement)	418	
March AFB	Dormitory, AM (alteration)	810	
	Dormitory, AM (deferred replacement)	400	
	Officer quarters	630	
Mather AFB	Military and professional training facility	90	
	Shop, refueling vehicle (replacement)	111	
	Dormitory, AM (replacement)	409	
	Dining hall, officer	345	
	Officer quarters	1,554	
	Recreation, gymnasium (replacement)	421	
McClellan AFB	Chapel annex (deferred replacement)	190	
	Open mess, NCO (replacement)	466	
Travis AFB	Oper mission training (air condition)	90	
	Commissary store	334	
	Shoulder stabilization	159	
Vandenberg AFB	Chapel w/annex	491	
Colorado			2
AF Finance Center	Plant data processing (addition)	184	
Lowry AFB	Theater (replacement)	332	
Delaware			1.5
Dover AFB	Maintenance dock, large, aircraft	447	
	Test cell	435	
	Chapel base annex	371	
District of Columbia			1.15
Bolling AFB	Headquarters squadron (replacement)	594	
	Service club (deferral, replacement)	525	
	Open mess, noncommissioned officers' (air conditioning)	525	
Florida			16.5
Eglin AFB	Dormitory, airmen's (air conditioning)	600	
	Officer quarters (air conditioning)	238	
Homestead AFB	Field training facility (addition)	194	
	Operation mission training (addition)	72	
	Fire station line and structure (addition)	65	
	Shop, refueling vehicle	129	
	Dining hall, airmen's (air conditioning)	145	
	Chapel base/annex	493	
	Store commissary (addition)	342	
	Open mess, noncommissioned officers' (deferral/replacement)	468	
MacDill AFB	Headquarters major command	3,600	
	Officer quarters (replacement)	780	
	Chapel base/annex (deferral/replacement)	323	
	Club service (deferral/replacement)	400	
McCoy AFB	Officer quarters	40	
Tyndall AFB	Communications base (addition)	71	
	Fire station line/storage (deferral/replacement)	110	
	Warehouse, supply and equipment base	625	
	Dormitory, airmen's (alterations)	2,059	
	Officer quarters (air conditioning)	67	
Georgia			7.41
Moody AFB	Communications, base (deferral/replacement)	181	
	Flight training, basic (replacement)	443	
	Warehouse, supply and equipment base (replacement)	263	
	Officer quarters	300	
	Officer quarters (conversion)	217	
	Open mess, noncommissioned officers' (replacement)	332	
Robins AFB	Dormitory, airmen's (replacement)	788	
	Air Police facility (replacement)	199	
	Electric power facility	36	
Turner AFB	Shop, ground support equipment (replacement)	119	
	Composite medical (deferral/replacement)	2,443	
	Dormitory, airmen's (replacement)	788	
	Officer quarters (deferral/replacement)	362	
	Open mess, officer (replacement)	407	
	Gymnasium (replacement)	371	
	Library (deferral/replacement)	153	

Fiscal year 1966 military construction execution program items to be deferred—
Continued

AIR FORCE

[All amounts in thousands of dollars]

State/location	Item	Cost	State total
Hawaii			\$2, 113
Hickam AFB	Ready crew building	\$96	
	Administration office	240	
	Dormitory, airmen's (replacement)	800	
	Officer quarters (replacement)	380	
	Library (deferral/replacement)	201	
	Chapel with annex	396	
Idaho			49
Mountain Home AFB	Dormitory, airmen's	49	
Illinois			7, 799
Chanute AFB	A/C weapons training (alterations)	687	
	Dormitory, airmen's	2, 000	
	Dining hall, airmen's	615	
	Headquarters, Air Rescue Service (alterations)	672	
	Dormitory, airmen's (replacement)	850	
	Officer quarters	600	
	Composite medical facility	2, 375	
Indiana			663
Bunker Hill AFB	Composite medical (addition)	607	
	Service club (air conditioning)	56	
Kansas			60
McConnell AFB	Dental clinic (addition)	60	
Louisiana			623
England AFB	Dormitory, airmen's (air conditioning)	242	
	Recreation gymnasium (deferral/replacement)	381	
Maryland			2, 491
Andrews AFB	Headquarters major command (addition)	1, 650	
	Dormitory, airmen's (air conditioning)	315	
	Recreation gymnasium	455	
	Curbs and gutters	71	
Massachusetts			998
Otis AFB	Auto maintenance shop (replacement)	700	
Westover AFB	Cold storage, base (replacement)	298	
Michigan			499
Kincheloe AFB	Blast deflectors (addition)	45	
	Storage, spares, inert	40	
	Library	104	
	POL, operations	50	
	Cold storage, base (addition)	98	
	Lighting, approach (alterations)	42	
	Shop, refueling vehicle	75	
	POL operation/quality control (deferral/replacement)	45	
Mississippi			3, 873
Columbus AFB	Photo lab (Deferral/replacement)	172	
	Recreation, library (Deferral/replacement)	134	
	Training, general (alterations)	680	
	Training, general (Deferral/replacement)	1, 842	
	Administration office (alterations)	300	
	Chapel with annex (replacement)	334	
	Exchange, branch (replacement)	90	
	Theater	321	
Missouri			322
Richards/Gebaur AFB	Shop, refueling vehicle	104	
Whiteman AFB	Theater (replacement)	218	
Nebraska			363
Offutt AFB	Dormitory, Airmen (alterations)	363	
Nevada			23
Fallon AFB	Dormitory, Airmen (alterations)	23	
New Jersey			480
McGuire AFB	Auto maintenance shop (addition)	125	
	Chapel base annex	355	
New Mexico			4, 679
Cannon AFB	Officer quarters (replacement)	240	
	Apron, Operational (replacement)	926	
	Apron operational (deferral/replacement)	241	
	Equipment test laboratory (addition)	301	
	Warehouse, supply and equipment base (deferral/replacement)	346	
	Theater (deferral/replacement)	262	
	Administration wing maintenance control (alterations)	50	
Kirtland AFB	Equipment research laboratory (replacement)	168	
	Computation facility	973	
	Recreation gymnasium (replacement)	376	
Walker AFB	Gymnasium (replacement)	378	
	Theater (replacement)	418	

Fiscal year 1966 military construction execution program items to be deferred—
Continued

AIR FORCE

[All amounts in thousands of dollars]

State/location	Item	Cost	State
New York			\$1.4
Griffiss AFB	Electrical research laboratory (convert)	\$1,608	
Plattsburgh AFB	Shop, refueling vehicle	126	
Stewart AFB	Lighting approach (extend)	414	
Suffolk County AFB	Fire station line/structure (addition)	106	
	Store, commissary (deferral/replacement)	188	
North Carolina			1.9
Fort Fisher AFS	Dormitory, airmen's (alteration)	30	
Pope AFB	POL operation/quality control (deferral/replacement)	42	
	Dining hall, airmen's (deferral/replacement)	267	
	Officer quarters (deferral/replacement)	616	
	Chapel base and annex (deferral/replacement)	335	
North Dakota			1.7
Grand Forks AFB	Chapel base/annex	496	
	Club, service	262	
	Exchange sales store	150	
	Open mess, noncommissioned officers' (addition)	230	
	Open mess, officer's (addition)	180	
	Library	232	
	Education center (alteration)	177	
Minot AFB	POL operation/quality control (deferral/replacement)	45	
Ohio			4.9
Lockbourne AFB	Club service (air conditioning)	110	
	Theater base (replacement)	453	
Newark AFS	Parking, vehicle	181	
Wright-Patterson AFB	Composite medical facility (alteration)	2,509	
	Dormitory, airmen's (deferral/replacement)	400	
	Officer quarters	750	
	Chapel with annex	378	
	Library (convert)	55	
Oklahoma			1.2
Altus AFB	Vehicle fueling station (deferral/replacement)	46	
Tinker AFB	Runway overrun	223	
	Shop, turbine depot (alteration)	110	
	Shop, ground support equipment (deferral/replacement)	129	
	Chapel annex (replacement)	171	
	Exchange sales store (deferral/replacement)	427	
	Open mess, noncommissioned officers' (replacement)	440	
	Open mess, officers' (replacement)	461	
	Gymnasium (deferral/replacement)	409	
	Theater (deferral/replacement)	306	
	Plant, printing (convert)	118	
Vance AFB	Fire station line/Structure (deferral/replacement)	294	
Oregon			14
Kingsley Field	Pad, warmup holding	147	
South Carolina			1.7
Charleston AFB	Shoulder stabilization	525	
	Hazardous load facility (replacement)	428	
	Ammo storage	224	
	Operations base (replacement)	247	
	Dormitory, airmen's (air conditioning)	490	
	Officer quarters (air conditioning)	96	
	Land acquisition	65	
Myrtle Beach AFB	Headquarters wing (addition)	54	
	Base equipment management office	139	
Shaw Air Force Base	Officer quarters	219	
	do	305	
	Store, commissary (replacement)	380	
South Dakota			48
Ellsworth AFB	Chapel base/annex	426	
Texas			15.36
Brooks AFB	Science laboratory, medical (alternate)	177	
	Dormitory, airmen's (replacement)	276	
Carswell AFB	Readiness crew building	430	
	Dormitory, airmen's (air conditioning)	99	
	Dining hall, airmen's (air conditioning)	133	
Goodfellow AFB	Dormitory, airmen's (air conditioning)	275	
Kelly AFB	Test cell, turbine	36	
	Shop, magneto instrument overhaul (convert)	209	
	Dormitory, airmen's (alternate)	536	
	Dining hall, airmen's (air conditiong)	137	
	Officer quarters (air conditioning)	130	
	Chapel annex (alternate)	56	
	Chapel base annex (air conditioning)	32	

in Fiscal year 1966 military construction execution program items to be deferred—
Continued

AIR FORCE

[All amounts in thousands of dollars]

State/Location	Item	Cost	State total
Texas—Continued			
Lackland AFB.....	Academic rating facility (air conditioning).....	\$228	
	Composite recruit and training.....	2,316	
	do.....	2,933	
	Officer quarters.....	745	
	Service club (replacement).....	554	
	Library (deferral/replacement).....	258	
Laredo AFB.....	Theater (replacement).....	492	
	Dining hall, AM (replacement).....	267	
	Officer quarters (conversion).....	160	
	Chapel, annex (deferred/replacement).....	102	
Laughlin AFB.....	Theater (replacement).....	186	
	Chapel annex.....	135	
Randolph AFB.....	Gymnasium (addition).....	190	
Reese AFB.....	Officer quarters.....	299	
	do.....	310	
Sheppard AFB.....	Gymnasium (deferred/replacement).....	392	
	A/C weapons training (alterations).....	300	
	Hanger maintenance field (alterations).....	102	
	Dormitory, AM Comp (replacement).....	2,240	
	Chapel (hospital).....	148	
	Gymnasium.....	380	
Webb AFB.....	Officer quarters (conversion).....	340	
	Open mess, NCO (deferral/replacement).....	360	
Utah.....			\$1,131
Hill AFB.....	Shop, missile service (conversion).....	734	
	Library (deferral/replacement).....	142	
	Theater base (deferral/replacement).....	255	
Virginia.....			3,413
Cape Charles AFB.....	Dormitory, AM (air condition).....	44	
Langley AFB.....	Headquarters major command (deferral/replacement).....	2,300	
	Dormitory, AM (air condition).....	153	
	Dormitory, AM (replacement).....	432	
	Dormitory, A, M (replacement).....	432	
	Dining hall, AM (air condition).....	78	
	Officer quarters (air condition).....	180	
	Theater base (deferral/replacement).....	228	
Washington.....			334
McChord AFB.....	Chapel annex (replacement).....	147	
Fairchild AFB.....	Gymnasium (alterations).....	187	
Wyoming.....			263
F. E. Warren AFB.....	Chapel (replacement).....	263	
Various locations.....			3,186
	Access roads.....	3,086	
	Land acquisition.....	100	

OUTSIDE THE UNITED STATES

Country/location	Item	Cost	Country total
Canada.....			\$805
Saglik ASN.....	Auto storage, heated.....	\$145	
	do.....	26	
	Composite personnel facilities.....	634	
Canal Zone.....			1,349
Howard AFB.....	Terminal air passenger (deferral/replacement).....	345	
	Chapel annex.....	145	
	Open mess, NCO.....	280	
	Recreation gymnasium (deferral/replacement).....	428	
	Recreation workshop.....	151	
Germany.....			961
Bitburg AB.....	Chapel base (addition).....	38	
Lindsey AB.....	Headquarters, major command (alterations).....	172	
Spangdahlem AB.....	School, dependents' elementary (addition).....	636	
Wiesbaden AB.....	Pad, warmup holding.....	115	
Greenland.....			50
Sondrestrom AB.....	Shop, refueling vehicle (alterations).....	50	
Italy.....			894
Aviano AB.....	Squadron operations.....	104	
	Dormitory, AM.....	251	
	do.....	182	
	School, dependent's elementary (addition).....	115	
	Club service (deferral/replacement).....	242	

Fiscal year 1966 military construction execution program items to be deferred-
Continued

OUTSIDE THE UNITED STATES

[All amounts in thousands of dollars]

Country/location	Item	Cost	Country total
Korea			\$1.18
Kunsan AB	Shop, refueling vehicle (replacement)	868	
Osan AB	Headquarters, Division (replacement)	400	
	Officer quarters (replacement)	640	
Netherlands			16
Camp New Amsterdam	Chapel, base	147	
Okinawa			6
Kadena AB	Theater base (replacement)	385	
Naha AB	Shop, A/C general purpose (replacement)	100	
Spain			11
Torrejon AB	Water mains	79	
Moron AB	Electric emergency powerplant (addition)	256	
Turkey			1.18
Cigli AB	Auto maintenance shop (addition)	101	
	Open storage base	45	
	School dependents' elementary (addition)	171	
	Storm drain disposal	220	
	Dormitory, AM (air conditioning)	220	
Incirlık AB	Officer quarters (air conditioning)	51	
	Store commissary (addition)	146	
	Open mess, officer	230	
United Kingdom			1.9
Alconbury RAF	School dependents' elementary (addition)	319	
	School dependents' intermediate	168	
Bentwaters RAF	Theater base (deferral/replacement)	284	
Lakenheath RAF	Photo lab base	119	
	Dining hall, AM (replacement)	65	
	Officer quarters (deferral/replacement)	376	
	School, dependents' elementary (addition)	761	
	Chapel base (deferral/replacement)	235	
South Ruislip ASN	Headquarters, numbered AF (alterations)	247	
Prestwick MoA AFD	Dispensary (replacement)	327	
Various World wide			1.9
Classified locations	3 projects at 3 locations	1,060	
Grand total			12.1



BASE CLOSURES AND REDUCTIONS

REPORT

By

SUBCOMMITTEE NO. 4

OF THE

COMMITTEE ON ARMED SERVICES

OF THE

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH CONGRESS

SECOND SESSION

APRIL 6, 1966



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WASHINGTON : 1966

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EIGHTY-NINTH CONGRESS, SECOND SESSION

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LETTER OF TRANSMITTAL

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., March 23, 1966.

Hon. L. MENDEL RIVERS,
*Chairman, Committee on Armed Services,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: I have the honor to transmit herewith for consideration of the Committee on Armed Services, the report of Subcommittee No. 4 which, at your request, conducted hearings on the justifications for the base closures that were announced by the Secretary of Defense on December 8, 1965.

This report has been reviewed and unanimously approved by the subcommittee members.

Sincerely,

O. C. FISHER,
Chairman, Subcommittee No. 4.

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[No. 53]

REPORT OF SUBCOMMITTEE NO. 4 ON BASE CLOSURES AND REDUCTIONS

INTRODUCTION

On January 11, 1966, the Honorable L. Mendel Rivers, chairman of the House Committee on Armed Services, in compliance with section 611, Public Law 89-188, assigned to Subcommittee No. 4 the responsibility of conducting an inquiry into whatever justifications there may be for the base closures that were announced by the Secretary of Defense on December 8, 1965.

According to this announcement, 149 military installations in the United States and overseas would be closed, reduced, or consolidated; 126 of these base actions involved military installations in 39 States and the District of Columbia. The remaining 23 installation actions affected overseas activities including Puerto Rico.

Subcommittee No. 4 consists of Hon. O. C. Fisher, Texas, chairman; Hon. James A. Byrne, Pennsylvania; Hon. Charles H. Wilson, California; Hon. Donald J. Irwin, Connecticut; Hon. Frank E. Evans, Colorado; Hon. E. S. Johnny Walker, New Mexico; Hon. Leslie C. Arends, Illinois; Hon. Charles E. Chamberlain, Michigan; and Hon. Richard S. Schweiker, Pennsylvania.

BACKGROUND

Since 1961, according to testimony received by the House Armed Services Committee, and from other sources, it has been determined that 852 separate closure or reduction actions have been initiated by the Secretary of Defense. No justification for such actions has been required by law prior to September 16, 1965.

We must bear in mind that the Congress established each of these bases, in some cases by authorization, in other cases just with appropriations, but in all cases money had to be appropriated for their construction and certainly their maintenance. In doing this, the Congress acted under article I, section 8, which gives to the Congress power to raise and support armies and provide for a navy.

In carrying out this responsibility, the Congress determined it was its obligation and responsibility to share in the review of conditions and facts which conclude that such military facilities and installations are no longer needed.

In order to insure that the Congress is properly informed and consulted prior to the closure or substantial reduction of any base, the House Armed Services Committee added section 611 to the 1966 military construction authorization bill, which was passed by Congress and subsequently became Public Law 89-188.

[5711]

This law specifies that no camp, post, station, base, yard, or other installation under the authority of the Department of Defense shall be closed or abandoned until after the expiration of 30 days from the date upon which a full report of the facts including the justification for such proposed action is submitted by the Secretary of Defense to the Committees on Armed Services of the Senate and House of Representatives. This provision applies only to facilities located in the United States and Puerto Rico having a total military and civilian complement of more than 250 personnel.

This section of law recognizes several principles which have not heretofore been explicitly spelled out. First, a reporting procedure on base closures is now required as a matter of law. Second, the reports will be made to the Armed Services Committee as agents of their respective bodies on military matters. Third, the reports will contain not only an announcement, but also a full report of the facts, including the justification for such proposed action. This enables the committees to study, analyze, and if necessary, to hold hearings on the reasons for such action.

BASED ACTIONS REPORTABLE UNDER SECTION 611

Of the total 149 base closures or reductions announced by the Secretary of Defense on December 8, 1965, only 16 represent the complete closure or abandonment of military bases in the United States and Puerto Rico having more than 250 personnel, and thus meet the requirements of section 611, Public Law 89-188. These 16 actions consist of 2 Army activities, 3 Navy activities, and 11 Air Force Activities. The Department of Defense estimates that when completed they will produce annual savings of \$145.5 million and will reduce military and civilian personnel by over 21,000.

The following table lists these 16 base closures, along with the Government's investment in each base and the estimated annual savings in personnel and dollars:

Summary of savings in personnel and dollars in 16 actions reported under sec. 611

Base	Total Government investment (millions)	Annual savings (millions)	Personnel savings	
			Military	Civilian
Boston Army Base, Mass.....	\$23.9	\$1.6	44	14
Fort Buchanan, P.R.....	40.8	11.4	536	57
Naval Air Station, Sanford, Fla.....	20.1			
Naval Prison, Portsmouth, N.H.....	2.6	.8	129	
Naval Hospital, Portsmouth, N.H.....	1.7	1.2	100	4
Biggs Air Force Base, Tex. (transfer to Army).....	49.2	19.7	2,388	27
Kincheloe Air Force Base, Mich.....	69.7	14.6	2,128	29
Turner Air Force Base, Ga. (transfer to Navy).....	50.3	20.0	2,528	27
Walker Air Force Base, N. Mex.....	64.4	25.0	3,231	34
Sewart Air Force Base, Tenn.....	45.6	11.0	1,207	27
Clinton-Sherman Air Force Base, Okla.....	44.3	18.6	2,394	27
Bakalar Air Force Base, Ind.....	13.1	4.7	40	27
Youngstown Municipal Airport, Ohio.....	10.0	3.2	3	27
Ellington Air Force Base, Tex. (transfer to National Guard).....	27.3	10.0	263	27
Portland International Airport, Oreg. (transfer to National Guard).....	14.3	9.7	1,424	27
12th Air Force Headquarters, Tex.....	(1)	3.0	475	27
	477.6	145.5	16,872	4,280

¹ This facility is leased, not Government owned.

FORMAL JUSTIFICATIONS FOR THE 16 BASE ACTIONS

As required by section 611, the Secretary of Defense on January 10, 1966, submitted to the Armed Services Committees of the Senate and the House of Representatives individual reports on the rationale and justification in support of each of the 16 base closures. At the same time, the Secretary of Defense assured the Congress that as prescribed by law, no action would be taken to close or abandon any of the 16 installations until the expiration of the 30-day review period.

The justifications submitted by the Secretary of Defense indicate that the character of these most recent series of base closure announcements is considerably different from those of past announcements in that the majority of the 16 base closures are the direct result of force level and weapons systems decisions with accompanying effects on military forces which were previously occupying these bases. Of the 16 bases reported, the subcommittee notes that 11 are the direct result of force structure changes. The remaining five were justified as necessary consolidations or relocations brought about by the Department's attempt to pursue programs of cutting unnecessary cost, terminating unnecessary operations, and improving efficiency.

The subcommittee further noted that in the case of all 16 base closures the Department of Defense contends that the actual selection of these bases represented those which were either no longer geographically located to support retained operations, or were the least modern, and therefore most costly to operate. In all cases, the Department of Defense maintained that the selection of bases for closure represented that combination of facilities which would also produce the maximum savings to the departmental operating costs.

While 16 bases were reported as falling under the provisions of section 611, the Department of Defense reports show that only 11 will be completely closed or abandoned. Four bases will be retained for other military purposes in either the Active Forces or the Guard and Reserve Forces as follows: Biggs Air Force Base, El Paso, Tex., and Turner Air Force Base, Albany, Ga., will be transferred to the Army and Navy, respectively. Ellington Air Force Base, Houston, Tex., and the military facility at Portland International Airport, Oreg., will be transferred to the Air National Guard. The facilities now occupied by the 12th Air Force Headquarters in Waco, Tex., are not Defense-owned facilities, but are in leased office space provided by the General Services Administration.

COMMITTEE HEARINGS

After reviewing the reports submitted by the Department of Defense, the subcommittee conducted a series of hearings in which Army, Navy, Air Force, and Department of Defense witnesses appeared before the subcommittee to testify in support of the announced base closures.

During these hearings, additional testimony supplementing the reports was taken and contributed to the catalog of material available for the subcommittee's consideration. At the same time the subcommittee extended an invitation to testify to all congressional

representatives whose districts would be affected by these base closures and statements were received from the following Members of Congress: Hon. Charles E. Bennett, Florida; Hon. A. S. Herlong, Jr., Florida; Hon. Stanley R. Tupper, Maine; Hon. Richard White, Texas; Hon. Raymond F. Clevenger, Michigan; Hon. Maston O'Neal, Georgia; Hon. E. S. Johnny Walker, New Mexico; Hon. Thomas G. Morris, New Mexico; Hon. Joe L. Evins, Tennessee; Hon. Jed Johnson, Jr., Oklahoma; Hon. Lee H. Hamilton, Indiana; and Hon. Bob Casey, Texas.

SUMMARY OF JUSTIFICATIONS FOR THE 16 BASE ACTIONS

Boston Army Base, Boston, Mass.

The Boston Army Base, situated in the Boston Harbor area, was constructed in 1918 as an ocean terminal at a cost of \$25.7 million. All improvements are within a 57.6-acre area and the major building is an eight-story warehouse structure containing 1,620,000 square feet of floor space. Although the warehouse building has been partially used since the end of World War II as an administrative center, the facility is actually unsuitable for office purposes. The facility has not been used as an Army terminal since World War II.

The Boston Army Base will be disestablished and reported as excess to further requirements of the Department of Defense between January 1967 and before the end of 1969. There is adequate space for the U.S. Army Reserve Forces at the south annex or the Boston Naval Shipyard. Other military tenants will be accommodated at the U.S. Naval Station, Boston, and in General Services Administration space in the Greater Boston area. The residual support functions can be accomplished by personnel assigned to Fort Devens.

As the result of this action, a reduction of 146 civilian personnel positions and release of 44 military personnel for other assignment will be realized. Annual savings of \$1,670,000 will accrue.

The subcommittee interposes no objection to the proposed closure.

Fort Buchanan and Antilles Command, P.R.

Fort Buchanan is located on the south shore of San Juan Bay, P.R. This installation consists of 1,780 acres of land. In addition to this property, the Army Antilles Command is using Fort Brooke in San Juan comprising 66 acres and the 11,379-acre Salinas maneuver site. Headquarters, Antilles Command, is presently located at Fort Brooke. (Fort Brooke has previously been announced as excess.)

Fort Buchanan functions as a water terminal for military cargo and passengers and as an Army personnel processing and training center. The Salinas maneuver site functions as a training area for Reserve and National Guard units. The overall Army requirements in Puerto Rico have declined in recent years. Consequently, a determination has been made to reduce the Army activities to a force commensurate with the current induction, recruiting, and Reserve component training loads.

The Antilles Command will be inactivated and the major portion of Fort Buchanan declared excess by January 31, 1967. The Salinas maneuver site will be licensed to the Commonwealth of Puerto

Rico. The Rodriguez Military Hospital in San Juan will continue to be operated pending the provision of other Federal medical facilities.

As a result of these actions, 536 military personnel will be released for reassignment and there will be a reduction of 956 civilian personnel positions. Annual recurring savings will be \$11,400,000.

The subcommittee explored at length the question of reducing the Army's combat strength and influence in this important theater and was informed that the Army currently does not maintain combat forces nor train active combat forces in Puerto Rico and that this closure would in no way reduce our defensive strength in this area.

Defense Department witnesses testified that the closure of the Antilles Command and Fort Buchanan would not result in direct transfer of military-held property to the Commonwealth of Puerto Rico but that the property would be reported as excess to the General Services Administration for disposition as prescribed by the Federal Property Act of 1949.

To meet critical military housing needs, the dependent housing of Fort Buchanan, consisting of 600 units, would be transferred to the Navy. However, the Navy advised that 120 of these units would be transferred to the Coast Guard to meet, in part, their need for 150 units in the area. Furthermore, the Navy will continue to make available services and facilities to dependents and retired military personnel in the San Juan area. Testimony revealed there would be no reduction or interruption of support services to which these personnel are now entitled.

While the subcommittee interposes no objection to this proposed closure subject to the foregoing assurances, it is felt that because of the unrest in the entire Caribbean area for the past several years, that is is vital to maintain American presence in this important area, and for this reason the subcommittee wishes to indicate that requests for further closing of military installations in the San Jaun area will be viewed with considerable concern.

U.S. Naval Hospital, Portsmouth, N.H.

The U.S. Naval Hospital, Portsmouth, N.H., is located on the northeast corner of Seavey's Island in the Piscataqua River between Portsmouth, N.H., and Kittery, Maine. The hospital covers an area of 15.35 acres, sharing the island with two other major commands: The Portsmouth Naval Shipyard and the Naval Disciplinary Command. The main hospital building was constructed in 1913. The facilities are old; however, they are generally in good structural condition. Substantial repair and replacement would be required, however, within the next few years. It is estimated that approximately \$3 million would be necessary to modernize the hospital to accommodate its present patient load. The hospital is presently authorized 100 beds with an expansion capacity of 317 beds.

Since 1963, there has been a gradual decline in the patient load, and with the closing of the naval shipyard and the Naval Disciplinary Command, the patient load will decline even more. Current projections of the military population by 1973 justify a requirement of only 40 beds for this area. Operation of the naval hospital after the closing of the naval shipyard and Naval Disciplinary Command is uneconomical because of the decline in workload.

This closure action is necessary since it is more economical to program a new composite medical facility at Pease Air Force Base where 65 percent of the patient load will generate. Consolidating the Pease Air Force Base dispensary into a small 40-bed hospital will have distinct operational and economical advantages over the divided operation that now exists.

The Department of Defense concludes that the closure of the naval hospital and assumption of medical support by Pease Air Force Base about fiscal year 1973 will result in an annual saving of \$1,215,000. This action will permit the Navy to utilize 100 military personnel for other urgent medical requirements such as in southeast Asia, and at other undermanned U.S. naval hospitals. Personnel savings of 61 civilians will be achieved by this action.

The subcommittee interposes no objection to this proposed closure *U.S. Naval Disciplinary Command, Portsmouth, N.H.*

U.S. Naval Disciplinary Command, Portsmouth, N.H., is located on the southeast corner of Seavey's Island adjacent to the Portsmouth Naval Shipyard. This facility was established in 1898, occupies 28.39 acres and has 42 buildings containing 392,706 square feet. It was acquired at a cost of \$3,114,016.

The mission of the U.S. Naval Disciplinary Command is to confine sentenced prisoners and those pending appeals; making appropriate provisions for the custody, control, and basic needs of all prisoners. The command has the capability of confining 1,200 prisoners. The prisoner population varies from 500 to 700.

It has been determined by the Department of Defense to be more economical to confine these prisoners at the Army penal installation at Fort Leavenworth, Kans., and other Navy brig facilities at Norfolk, Va.; Great Lakes, Ill.; Camp Lejeune, N.C.; and Newport, R.I., and close the U.S. Naval Disciplinary Command, Portsmouth.

Closure of this facility will result in an annual savings of \$818,780 and a net personnel savings of 127. Action is to be completed by January 1969.

The subcommittee questions whether the Leavenworth Army facility, being the only remaining active location for Armed Forces serving major sentences, and the four naval brigs, would have sufficient capacity during a period of extensive buildup of the Armed Forces to absorb any appreciable increase in prisoner load with a correspondingly higher increase in funds to expand the four existing brigs.

The Navy estimates \$530,000 will be required to enlarge these four brigs. However, the Navy requested \$1,645,000 in fiscal year 1966 to construct a new brig complex located at Camp Lejeune, N.C. This request was authorized by the House Armed Services Committee. The Senate reduced this amount to \$1 million, which was subsequently deferred by the Secretary of Defense. Although the subcommittee considers the Navy's consolidation plan as justified, it nevertheless strongly recommends the Department of Defense insure that prior to this closure there will be available capacity at the selected installations to meet any increase in mobilization needs.

With this assurance the subcommittee interposes no objection to this proposed closure.

U.S. Naval Air Station, Sanford, Fla.

This facility was acquired in 1942. The base was used during World War II as a naval operational flight training installation and was closed in 1947. It was reactivated during the Korean war in 1951, and in 1955 began supporting the heavy attack program.

The base is now being used as the single site for supporting the reconnaissance attack squadrons of both the Atlantic and Pacific Fleets. The program is built around the sophisticated, high performance RA-5C Vigilante aircraft which requires extensive ground support facilities and equipment.

The Navy contends that the facilities at Sanford are marginal for this support and that to continue the mission would require an extensive expenditure of construction funds.

In fact, only last year \$7,249,000 was appropriated for Sanford construction. Before any of this was obligated, however, the Department of Defense decided to remove the SAC mission from Turner Air Force Base, Ga., 200 miles away, and it was decided to forego improvements at Sanford and move the entire mission to Turner, a larger and more modern facility. Moreover, it is contended that the colocation of the Atlantic Fleet Photographic Squadrons at Turner will help relieve base-loading problems of the naval air stations at Jacksonville and Cecil Field, Fla.

The proposed move to Turner Air Force Base is recommended by the Chief of Naval Operations, the Vice Chief of Naval Operations, by the Assistant Secretary of Navy for Installations and Logistics, and by the Secretary of the Navy, Hon. Paul H. Nitze.

Since the mission at Sanford is now meeting the Navy requirements, even though at a minimal level, and only a year ago \$7,249,000 was funded at the request of the Navy to update the facilities there, the subcommittee became curious as to the propriety of closing it down and going to the trouble, time, and expense of moving it to Turner. The subcommittee therefore undertook a most careful examination of the facts. An item-by-item comparison was made of the various facilities at the two bases, and a staff member made a trip to both bases for an on-the-spot inspection.

The facts, in some respects, are quite confusing. For example, in justifying the proposed move the Department of Defense estimates a need, over a 7-year period, of \$21,098,000 to bring Sanford up to adequate requirements. But the subcommittee has learned that in January of 1964, only 2 years ago, a Navy installations survey group estimated only \$12,841,000 in military construction would provide adequate facilities to support the same mission. That was a study to determine the feasibility at that time of relocating the Sanford mission to the Naval Air Station, Cecil Field, at Jacksonville, Fla. In that instance it was recommended that Sanford be closed and the mission be moved to Cecil Field.

But 2 months later the Navy decided to keep the mission at Sanford. It was held the survey was a bit too hasty and lacking in some basic information.

It is noted that the Department of Defense estimates \$5,573,000 will be needed for construction costs at Turner. But the Air Force has reported the need for \$9,790,000 in military construction over the next 5 years to replace existing facilities at Turner.

It was admitted during the hearings that the \$21,098,000 needed to make Sanford fully adequate was a bit high, and it was admitted that this figure could be scaled downward by around 10 or 15 percent.

Thus, there is some confusion as to the validity of the justifying cost estimates projected by the Department of Defense.

Here are a few comparative factors which were developed during the hearings with respect to the Sanford and Turner bases:

Needed construction costs.—Department of Defense estimate for Sanford, \$20,098,000; for Turner, \$5,573,000.

Runways.—At Sanford there are two runways, with a need to lengthen one, the north-south, at an estimated cost of \$4,377,000. The two runways are admittedly inadequate at present; one is 6,000 feet, the other 8,000 feet, with safety overruns. To extend the 8,000-foot runway might run into trouble because it leads over the town and FAA might not approve it. Also, the prevailing wind being what it is, the Navy would prefer to extend the north-south runway, which has been approved by FAA.

At Turner there is a 12,000-foot runway and a parallel taxiway, usable as a runway in emergencies, considered quite adequate; and no additional runway is contemplated.

Condition of buildings.—At Sanford 21 percent of the buildings are permanent type, 60 percent semipermanent, and 19 percent of temporary type.

At Turner 150 buildings are permanent type, 168 are semipermanent, and only 3 are temporary type.

Housing.—At Sanford there are only 10 on-base houses; at Turner there are 900, in good condition.

Hospitals.—At Sanford there is an inadequate 8-bed dispensary with use being made of nearby 135-bed hospital at Orlando Air Force Base, with some of the more serious cases being sent to Jacksonville.

At Turner there is a 45-bed hospital, in fair condition. While not programed at present, Department of Defense witnesses believe there may be a later requirement for a new or enlarged facility at Turner. A new \$2,443,000 hospital at Turner was funded for fiscal year 1965 but has been deferred.

Hangars.—There are four at Sanford, and a pending proposal to build a new one at a cost of \$664,000. At Turner there is an adequate number of hangars, with plans for a half million dollar expenditure for improvement of existing ones.

Cost of operation.—It was estimated that because of it being a larger facility the annual cost of operating the mission at Turner would be about \$1 million more than at Sanford.

Cost of moving from Sanford to Turner.—The estimated cost for this move is \$1,500,000.

Size of installations.—The Sanford facility is located on 1,813.9 acres of land; at Turner there are 2,638 acres.

Personnel.—There is to be a net personnel increase at Turner, upon closure of Sanford, of 246 military and 152 civilians.

Conclusion.—The subcommittee is aware of some deficiencies existing at Sanford, and recognizes that at present Turner is more adequate and provides more room for expansion, if needed, in the future.

However, the subcommittee questions the wisdom of closing the Sanford installation at this period of emergency. It is felt that before

any final decision is made in this regard, a fuller and more comprehensive study be made by the Department of Defense for either a continuation of the present mission at Sanford, or its use for some other mission.

CLOSURE OF STRATEGIC BOMBER BASES

The Department of Defense proposes to close over the next 5 years, six active Air Force bases as a result of the decision by the Secretary of Defense to phase out of the inventory the older models of B-52 bombers and all B-58 bombers.

These bases are Biggs Air Force Base, El Paso, Tex.; Clinton-Sherman Air Force Base, Enid, Okla.; Kincheloe Air Force Base, Kinross, Mich.; Sewart Air Force Base, Smyrna, Tenn.; Turner Air Force Base, Albany, Ga.; and Walker Air Force Base, Roswell, N. Mex.

Two of these bases, Biggs Air Force Base and Turner Air Force Base would be utilized by other military services. The remaining bases would be closed and declared excess to the General Services Administration.

The basic justification presented by the Department of Defense and Department of the Air Force witnesses for closing these bases is, that with the reduction in the number of bomber aircraft, the number of bases will necessarily have to be correspondingly reduced.

Furthermore, these bases planned for closure are either not in the appropriate geographic location or do not have suitable facilities to accommodate the followon FB-111 bomber force.

The subcommittee, recognizing the direct relationship between levels of forces and required bases, has not attempted to receive testimony from departmental witnesses relating to the proposed reduction in our strategic manned bomber force since this subject is being given a very comprehensive review by another subcommittee of the Armed Services Committee. However, the subcommittee recommends that no action be taken by the Department of Defense with respect to the proposed closure of the six Air Force bases previously mentioned until Subcommittee No. 2 has completed its hearings and reported its recommendations and conclusions.

Set forth below are summaries for each of the above-mentioned six base closures:

Biggs Air Force Base, El Paso, Tex.

Biggs Air Force Base is a Strategic Air Command (SAC) installation located at El Paso, Tex., 10 miles northeast of El Paso and 6 miles from the Mexican border. The base is bounded on the south by El Paso International Airport and on the remaining sides by the Fort Bliss Military Reservation.

The B-52B series aircraft are organized as two units with one each located at Biggs and March Air Force Bases. These aircraft are the oldest models in the B-52 fleet and would require extensive modification for continuation as an effective weapons system. As part of the modernization of the strategic bomber fleet, the 95th Bombardment Wing, the 334th Bombardment Squadron (15 B-52 aircraft), and the supporting units will be inactivated by July 1, 1966.

Since the basic Air Force mission of the base is being phased out, the 4758th Defense System Evaluation Squadron (F-100 and RB-57 aircraft) with necessary supporting personnel will be transferred to Holloman Air Force Base, N. Mex., by July 1, 1966, where the unit will remain near the White Sands Missile Range and the units which it supports.

With the phaseout of the Air Force strategic mission by July 1, 1966, Biggs Air Force Base will be transferred to the Army for a continuing mission of comparable size.

The phaseout and relocation of Air Force activities from Biggs will result in a release of 2,388 military personnel for reassignment, a reduction of 305 civilian personnel positions, and a recurring annual savings of \$19,692,000.

Clinton-Sherman Air Force Base, Clinton, Okla.

Clinton-Sherman Air Force Base is a Strategic Air Command (SAC) installation located approximately 22 miles southwest of Clinton, Okla. The base supports a bombardment wing and its supporting units.

The modernization and realignment of the strategic bomber force, including the phaseout of B-52C through F series aircraft, will reduce base requirements and allow the closure of excess installations with significant savings to the U.S. Government.

With the modernization and realignment of the strategic bomber force, the 70th Bombardment Wing, the 6th Bombardment Squadron (15 B-52 aircraft), and the supporting units will be inactivated by July 1, 1970. The AGM-28B Hound Dog missiles and the KC-135 aircraft will be relocated to other Air Force Bases. These actions will result in Clinton-Sherman Air Force base becoming excess to Air Force requirements, and the base will close by July 1, 1970.

The Department of Defense authorities advise that many of the buildings at Clinton-Sherman are nonpermanent-type construction, the cost of maintenance is high, and the ultimate replacement with permanent facilities would be expensive. As a result of this alleged expense factor and the absence of any specific operational requirement for continued use of the base, the retention of Clinton-Sherman cannot be justified, according to the Department of Defense.

The phaseout and relocation of Air Force activities will result in a recurring annual savings of \$18,576,000, a reduction of 303 civilian personnel positions, and will release 2,394 military personnel for other assignments.

Kincheloe Air Force Base, Kinross, Mich.

Kincheloe Air Force Base is an Air Defense Command (ADC) installation located approximately 19 miles southeast of Sault Ste Marie, Mich., 37 miles north of St. Ignace. The base supports a bombardment wing of Strategic Air Command (SAC) with B-52 bombers and KC-135 tankers, an air defense fighter interceptor squadron, and a missile squadron equipped with Bomarc missiles.

Modernization and realignment of the strategic bomber force will decrease the total number of squadrons required, allowing closure of several excess installations with significant savings to the U.S. Government.

The Department of Defense maintains that many of the buildings at Kincheloe are of nonpermanent construction. Cost of maintenance of such facilities is high, and the ultimate replacement by permanent facilities would be expensive. When this expense factor is viewed with the availability of other bases which are better suited to accommodate the remaining programed forces, and the absence of any specific operational requirement for continued utilization of the base, the retention of Kincheloe cannot be justified.

The 438th Fighter Interceptor Squadron, with its F-106 aircraft, will relocate to Wurtsmith Air Force Base, Mich., by July 1, 1969. The 438th will replace an F-101 squadron which is being inactivated there.

The 449th Bombardment Wing and its supporting units will be inactivated by October 1, 1970. The B-52 aircraft, the KC-135 aircraft, and the AGM-28B Hound Dog missiles will be relocated to other Air Force bases. These actions will result in Kincheloe Air Force Base becoming excess to Air Force requirements, and the base will close by October 1, 1970.

The 37th Air Defense Missile Squadron with Bomarc missiles will be continued at its separate site at Raco, Mich., some 20 miles from Kincheloe, with additional facilities provided to make the site self-sustaining.

As a result of these actions at Kincheloe, 2,128 military personnel will be released for reassignment, and there will be a savings of 253 civilian personnel positions. Recurring annual savings will amount to \$14,633,000.

Turner Air Force Base, Albany, Ga.

Turner Air Force Base is a Strategic Air Command (SAC) installation located approximately 3 miles northeast of the city of Albany, Ga. The base presently provides facilities for a strategic force consisting of an air division headquarters, a wing headquarters, a B-52 squadron with 15 aircraft, and a KC-135 squadron also with 15 aircraft. In addition to the supporting units for this strategic force, a photo-mapping wing is also located at Turner.

The modernization and realinement of the strategic bomber force, including the phaseout of some B-52's, will reduce the number of installations required for support of the programed strategic bomber force and allow the closure of excess installations with significant savings to the U.S. Government.

With the phaseout of the B-52's, the primary U.S. Air Force mission at Turner will be eliminated and most effective utilization of the base can be achieved by transferring it to the Navy for support of Navy missions. The 1370th Photo Mapping Wing and ancillary units will remain at Turner in tenant status until programed actions free facilities at the Air Force base to which it will be relocated.

The 822d Air Division, the 484th Bombardment Wing, the 824th Bombardment Squadron, and the supporting units will be inactivated by July 1, 1967. The B-52 aircraft, the KC-135 aircraft, and the AGM-28B Hound Dog missiles will be relocated to other Air Force bases.

The Department of Defense contends that after the phaseout of the Air Force strategic mission by July 1, 1967, Turner Air Force Base will

be transferred to the Navy for the reconnaissance attack mission currently being accomplished at Naval Air Station, Sanford, Fla. In addition, the Navy will transfer to Turner photographic squadrons from naval air stations at Jacksonville and Cecil Field, Fla.

According to the Department of Defense the phaseout and relocation of the Air Force activities from Turner Air Force Base will result in the release of 2,528 military personnel for other assignments and a reduction of 339 civilian manpower spaces. Recurring annual savings will amount to \$20,141,000.

Walker Air Force Base, Roswell, N. Mex.

Walker Air Force Base is a Strategic Air Command (SAC) installation located 6 miles south of the city of Roswell, N. Mex. Field elevation is approximately 3,600 feet above mean sea level. Units there include the 6th Bombardment Wing with two squadrons of B-52 aircraft (15 aircraft each), two air refueling squadrons, each with 15 KC-135 aircraft, and detachment 3, 727th Tactical Control Squadron.

Modernization and realinement of the strategic bomber force will require phasing B-52E aircraft out of the inventory as their useful service life ends. Therefore, the 6th Bombardment Wing with 30 B-52E aircraft and its supporting units will be inactivated by July 1, 1967.

Department of Defense officials maintain that although Walker has a large capacity, and structures are generally in good condition, a significant operational disadvantage makes it less desirable for a strategic mission than other bases which will be available during realinement. According to these officials, the high altitude and relatively high summer temperature limit the effectiveness of strategic aircraft. At high takeoff altitudes and temperatures, the KC-135 tankers cannot carry as much fuel as those taking off from bases more ideally situated. Less fuel available for receiving bombers limits their range and target coverage. With the realinement of the strategic forces, the KC-135 aircraft, the AGM-28B Hound Dog missiles, and the Tactical Control Squadron will all be relocated to other Air Force bases.

As there will be no operational requirement for the base after movement and inactivation of SAC units there, its retention cannot be justified. Therefore, Walker Air Force Base will be closed by July 1, 1967.

The Department of Defense maintains the phaseout and relocation of Air Force activities from Walker will result in recurring annual savings of \$25,186,000, a reduction of 354 civilian personnel positions, and 3,231 military personnel released for other assignments.

Sewart Air Force Base, Smyrna, Tenn.

Sewart Air Force Base is located one-half mile north of the town of Smyrna, Tenn. Its basic mission is to provide facilities for a tactical (C-130) troop carrier division headquarters, a troop carrier wing with three squadrons of C-130 aircraft, and a C-130 combat crew training group. In addition, an aerial support squadron, a communications detachment and a tactical hospital are located at Sewart Air Force Base.

The Department of Defense contends that the modernization and realinement of the strategic bomber force, including the phaseout of

of some B-52's, will reduce the number of installations required for support of the programed strategic bomber force and allow the closure of excess installations with significant savings to the Government.

Two of the Strategic Air Command (SAC) bases which will become available with the modernization and realinement of the strategic bomber force are readily adaptable to troop carrier missions. According to the Department of Defense, the availability of these bases, with more modern facilities, will allow the Air Force to close Sewart and take advantage of the excellent facilities at the other bases without the additional construction costs which would be required if the troop carrier units remained at Sewart.

The 839th Air Division, the 314th Troop Carrier Wing with its three squadrons of C-130 aircraft and supporting units, the 2d Aerial Support Squadron, detachment 1 of the 3d Mobile Communications Group, the 4442d Combat Crew Training Group (C-130), and its supporting units will all be relocated from Sewart Air Force Base by July 1, 1970. The 839th Tactical Hospital will be inactivated and Sewart Air Force Base will be closed and declared excess to the needs of the Department of Defense by July 1, 1970.

The economies associated with the relocations are significant. Projected construction costs over the next 5 years for Sewart Air Force Base of \$12.9 million will be avoided by using the other available facilities. This additional construction would be needed to provide the basic essential facilities required for mission accomplishment at Sewart.

The Department of Defense maintains that the relocation of Air Force activities from Sewart Air Force Base will result in a recurring annual savings of \$10,957,000, a release of 1,207 military personnel for other assignments, and a reduction of 206 civilian personnel positions.

The subcommittee is concerned over the quality of information in the case presented by the Department of Defense to justify the closure of Sewart Air Force Base.

An example of the lack of foresight in the use of this base discloses that 2 months prior to the announcement of the base closure the Air Force made a personal appeal to public officials of Rutherford County and the cities of Smyrna and Murfreesboro to provide additional and expanded community facilities for an increased complement at Sewart Air Force Base. On this same occasion the Air Force appealed to private builders and developers to construct 475 private dwelling units for additional Sewart personnel.

The Defense Department officials had assured as recently as last year that Sewart was a permanent base and was vital to the national defense of this country. At the same time the announcement was made construction in the amount of \$482,000 was proceeding on two dormitories as a part of a continuing modernization program. In addition, \$1,720,000 in construction had already been completed which consisted of 3 dormitories and an officers' quarters which will provide accommodations for over 1,000 personnel. Since fiscal year 1963, \$2,621,000 has been funded and expended for construction projects which, according to the Air Force, were required to eliminate basic deficiencies and replace substandard facilities.

The Department of Defense also advised the subcommittee that the closure of Sewart Air Force Base would result in an annual savings of \$10.9 million. However, additional evidence reflects the combination of the elimination of base support requirements associated with the B-52 units being eliminated at the bases to which the Sewart mission will move, combined with the closure of Sewart Air Force Base, would result in the alleged savings of \$10.9 million. There appears to be some conflict in the actual amount to be saved and the estimates made by the Department of Defense.

The Department of Defense justification further fails to take into account the support provided by Sewart for the Arnold Engineering Development Center, a nearby Air Force facility at Tullahoma, Tenn. It is interesting to note that Sewart entered into written contract with AEDC to provide the following services: (1) handling all pay records for military personnel; (2) providing parachute instruction and testing of aircraft equipment; (3) providing dental services and flight physicals; (4) providing firefighting and crash rescue equipment and (5) providing equipment, transportation, and personnel to assist with unloading and loading of test articles such as rocket motors which are flown into Sewart because of airport limitations at Tullahoma. The subcommittee is left in the dark as to the additional cost the provision of these services at Tullahoma will amount to if Sewart is closed.

Another point of interest which the Department failed to disclose to the subcommittee is that last year the Air Force requested \$1,861,000 to construct a runway at the AEDC which is located approximately 50 miles from Sewart.

The subcommittee questions the wisdom of closing a vital airbase with two adequate runways when at the same time the Air Force is requesting additional funds to construct a runway for the use of another facility only 50 miles away.

Based upon the incomplete justification submitted to the subcommittee it appears that an additional review of this decision should be made prior to any final action on the proposed closure of this base.

REDUCTION IN AIR RESERVE AND GUARD AIRLIFT BASES

The Department of Defense proposes to close Bakalar Air Force Base, Columbus, Ind., and discontinue active Air Force operations at Ellington Air Force Base, Houston, Tex., and at Youngstown Municipal Airport, Ohio, effective January 1968. The reason given for these closures is the decision by the Secretary of Defense to reduce the Air Reserve and Guard Troop Carrier forces.

The Department of Defense justification indicates that the introduction of new long-range military air transport aircraft into the inventory is making it possible to transfer to the remaining Air Reserve and Air Guard Forces a number of the existing C-124 aircraft. As a result, the older and less efficient C-119 aircraft can be discontinued. Department of Defense witnesses insist that even though the number of aircraft and squadrons in the Active Reserve and Guard are being reduced, the total airlift capability will be increased significantly. The selection of these three bases for closure was made primarily because facilities did not exist at these locations to accommodate the

heavier C-124 aircraft. These three locations are not major generation points for airlift, and Air Reserve or Air National Guard airlift forces in the area could cover the predicted cargo or troop generated workload.

The subcommittee is aware that a number of these Air Reserve and Guard units are some of the more outstanding and efficient units available to the Air Force and, in fact, in recent months have been making major contributions to the airlift requirements of the Armed Forces. The subcommittee, therefore, has reservations about the wisdom of the Secretary of Defense's decision to phase out Air Reserves and Guard Troop Carrier forces, especially at a time when military air support aircraft are vitally needed to fulfill our airlift requirements for southeast Asia.

The subcommittee also expresses concern over the reduction of any part of our airlift capability during a time of international crisis. However, this subject is being explored in depth by the Special Subcommittee on Military Airlift of the House Armed Services Committee and their conclusions and recommendations will be covered more extensively in their report.

While it may be justifiable to close or consolidate some bases, the subcommittee does not concur in the reduction of our Air Reserves and Guard airlift capability.

Set forth below are summaries of the above three proposed closures:

Bakalar Air Force Base, Columbus, Ind.

Bakalar Air Force Base, near Columbus, Ind., is assigned to the Continental Air Command with the sole function of Reserve training. The base was first acquired during World War II and most of the facilities, dating from that period, have served their useful lives. The base was closed after World War II but was reopened in 1949 and has continued since that time as a Reserve training installation. The Department of Defense plans to close the base by October 1, 1967.

The Defense Department indicated that the decision to inactivate the 930th and 931st Troop Carrier Groups and close the base resulted from an evaluation of the comparative operational capability and cost effectiveness of all the units in the force. On the basis of that evaluation, which considered all airlift force deployment criteria factors, the units at Bakalar placed lower than did those units which will be retained in the force.

Because of its single function of Reserve training, annual operating costs at Bakalar are approximately \$1.5 million more than for comparable units located on Active Force bases. Therefore, according to the Department, it cannot be operationally or economically justifiable to retain such a base. In addition, the support facilities at Bakalar have long surpassed their life expectancy. Maintenance costs are excessive and would increase in the future. The airfield pavements are not strong enough for long-term support of heavy aircraft such as the C-124, and additional construction or reinforcement would be unnecessarily expensive.

The closure of Bakalar Air Force Base will result in savings of 40 active duty military and 356 full-time civilian manpower authorizations. In addition, 1,642 Reserve manpower authorizations will be saved. Total manpower and operating and maintenance savings will be \$4.7 million annually.

Ellington Air Force Base, Houston, Tex.

Ellington Air Force Base is located at Houston, Tex. It has been used as an Active and Reserve training base since World War II. In 1962 the National Aeronautics and Space Administration (NASA) was licensed to use portions of the base in support of the manned space center at Houston. In addition to NASA functions, the base currently accommodates the 924th and 925th Reserve Troop Carrier Groups, Headquarters Civil Air Patrol (CAP), a fighter interceptor group of the Texas Air National Guard, and an air defense radar unit. By October 1, 1967, the Department of Defense plans to inactivate the 924th and 925th Troop Carrier Groups. Prior to the inactivation of these units, the Department will relocate the CAP headquarters to Maxwell Air Force Base, Ala., and transfer jurisdiction of the base to the Air National Guard.

The decision to inactivate the 924th and 925th Troop Carrier Groups resulted from an evaluation of the comparative operational capability and cost effectiveness of all the units in the force. On the basis of that evaluation, which considered all airlift force deployment criteria factors, the units at Ellington placed lower than did those units which will be retained in the force.

Since Ellington is of World War II vintage, it is costly to maintain. Annual operating costs for the troop carrier units there would be greater than for comparable units located on active force bases. In addition, maintenance costs of facilities used by the units are excessive and would increase in the future.

With the inactivation of the 924th and 925th Troop Carrier Groups, and the move of the CAP, the base population will decrease by approximately 70 percent. As a result there will be savings of 263 military and 609 civilian manpower authorizations. In addition, there will be a savings of 1,642 Air Reserve manpower authorizations. Recurring annual manpower and operating and maintenance savings will be \$10.1 million.

Youngstown Municipal Airport, Vienna, Ohio

The Air Force commenced activities at Youngstown in 1951 with the assignment of an Air Defense Command fighter squadron. This squadron was inactivated in 1960 and jurisdiction of the Air Force installation at this location passed to the Continental Air Command. It has been in continual use as a Reserve training facility since that time. The Department of Defense plans to inactivate the 910th Troop Carrier Group by October 1, 1967.

The decision to include the troop carrier group at Youngstown among the units to be eliminated, in view of the reduced airlift force requirement, resulted from the evaluation of the comparative operational capability and cost effectiveness of all of the units in the force. On the basis of that evaluation, which considered all airlift force deployment criteria factors, it was determined that the operational capability/cost effectiveness of the unit at Youngstown was less than that of the units which will be retained in the force. The principal factors affecting the unit at Youngstown are discussed below.

Operating costs at this installation run over \$1.5 million more per year than for similar units located on active bases. Present facilities are not capable of accommodating C-124 aircraft. The limited

amount of parking apron available is light-duty pavement. Construction costs, therefore, to reequip the 910th Troop Carrier Group with C-124 aircraft would be inordinately high. Such an excessive expenditure of construction funds cannot be economically justified when other operationally suitable bases are available which can be adapted much more economically to accommodate all of the units of the reduced Reserve airlift force.

The phaseout of the 910th Troop Carrier Group at Youngstown will result in eventual annual savings of \$3,162,000 and a reduction of 3 military and 260 civilian manpower spaces.

Portland International Airport, Oreg.

The basic mission of the Air Force units stationed at Portland International Airport is the support of air defense force operations. The primary unit at Portland is the 460th Fighter Interceptor Squadron (FIS) equipped with F-102 aircraft.

The size, composition, and deployment of ADC combat units is determined by the threat. As this threat has evolved from bombers to a mixed force of bombers and missiles, the need for manned interceptors has been reduced. Remaining units will be positioned to provide a protective perimeter around the United States and along major threat routes. In evaluating interceptor force deployments, the Department of Defense determined that the predicted threat routes can be adequately defended without an interceptor squadron at Portland.

The 460th FIS is one of the seven F-102 squadrons scheduled to phase out and therefore will inactivate by April 1, 1966. The F-102 aircraft will be transferred to the Air National Guard unit at Portland International Airport to replace their older F-89 aircraft. Regular Air Force activities at Portland International Airport will terminate with the phaseout. Air Force facilities at Portland International Airport will be available for use by the Reserve Forces.

As a result of this action, 1,424 military personnel will be released for reassignment, and there will be a reduction of 82 civilian personnel positions. Recurring annual savings will amount to \$9,699,000.

Under these circumstances the subcommittee interposes no objection to this planned realignment of fighter forces.

Headquarters, 12th Air Force, Waco, Tex.

Headquarters, 12th Air Force is currently located in facilities leased and operated by General Services Administration in the city of Waco. Logistical support is provided by the Air Training Command from James Connally Air Force Base. All of the Air Training Command missions and functions will be phased out of James Connally by June 30, 1966, at which time new support arrangements for Headquarters, 12th Air Force, will be required. Alternatives are to establish a support activity and facilities at Waco (James Connally) or to move Headquarters, 12th Air Force, to a new location.

The location of Headquarters, 12th Air Force, at Waco, Tex., as opposed to alternate locations, does not fulfill operational requirements or provide any economic advantages. The urban location generates a requirement for special command communications arrangements, duplicating much of the system available on most bases. Personnel support facilities will not be readily available after the closure of

James Connally Air Force Base, thereby creating a requirement for special support in such areas as medical, commissary, chaplain services, and finance.

In the past, the support requirements generated by Headquarters, 12th Air Force, have been satisfied by the Air Training Command from James Connally Air Force Base. Although less than optimum, this arrangement has been acceptable, since essential support could be provided at a reasonable cost. However, with the programmed closure of James Connally Air Force Base, Headquarters, 12th Air Force support at its present location will become extremely costly.

The most acceptable course of action is to relocate Headquarters, 12th Air Force, to an active Air Force installation to provide long-term support at minimal cost and for enhancement of mission accomplishment. Therefore, Headquarters, 12th Air Force, will be relocated to Bergstrom Air Force Base, Tex., by June 30, 1968.

In the interim, James Connally Air Force Base will be operated in an expanded caretaker status to provide essential support for the headquarters, which cannot be provided economically from Bergstrom or other military installations in the vicinity of Waco. Initially, Texas A. & M. College will be supported on a reimbursable basis as a tenant of the Air Force at James Connally, and will take over and operate James Connally as the Headquarters, 12th Air Force, is phased out.

The relocation of Headquarters, 12th Air Force, will result in recurring annual savings of \$3,030,000, a reduction of 30 civilian personnel positions, and the release of 475 military personnel for other assignments.

The subcommittee interposes no objection to this proposed relocation.

CONCLUSIONS

The subcommittee seriously questions the wisdom of proceeding with any significant base closures or reductions during this critical period of increasing demand on our Armed Forces, particularly with an unpredictable and growing conflict in southeast Asia. During such an unsettled period, the subcommittee believes there may be not only severe psychological disadvantages to closing more major military bases but also real doubts as to the actual realization of alleged economies. On balance, it would be wiser to opt on the side of a possible surplus than to dispose of hundreds of millions of dollars in facilities for projected savings which may never materialize. Closing these facilities now might only mean replacing them in the future at equal or greater cost and the vaunted "savings" might prove nothing more than bookkeeping interests.

Also, as previously stated, the subcommittee wishes to reiterate that it would view with grave concern any future decisions to close additional military bases in the San Juan area of the Caribbean.

The subcommittee notes with concern that over \$12.8 million in new construction was authorized and funded by the Congress in fiscal year 1966 for military bases announced for closure on December 8, 1965. Over \$30 million in new construction has been completed or is near completion and approximately \$48 million has been authorized for new construction at these bases since 1962.

This clearly indicates to the subcommittee that, despite previous assurances by military construction experts and Department of Defense authorities, the Department of Defense's planning has been seriously inadequate.

Many of the same representatives who appeared before this subcommittee to justify the base closure actions had, a few months previously, testified before the full House Armed Services Committee in support of the military construction projects for the same bases.

In summary, the subcommittee would hope that when additional closures are undertaken in the future the Department of Defense will exercise the highest care in its decisions, and give increased awareness to possible contingent requirements that may result in our involvement in South Vietnam.

O. C. FISHER, *Chairman*.

JAMES A. BYRNE.

CHARLES H. WILSON.

DONALD J. IRWIN.

FRANK E. EVANS.

E. S. JOHNNY WALKER.

LESLIE C. ARENDS.

CHARLES E. CHAMBERLAIN.

RICHARD S. SCHWEIKER.

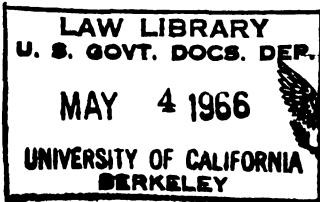
I have read the foregoing report and find myself in full accord with the views and conclusions of the subcommittee.

L. MENDEL RIVERS, *Chairman*.



HEARINGS
ON
MILITARY MEDICAL BENEFITS
AS PROPOSED IN
H.R. 9271, H.R. 13582, AND H.R. 13583
BEFORE
SUBCOMMITTEE NO. 2
OF THE
COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS
SECOND SESSION

MARCH 24, 25, AND 28, 1966



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EIGHTY-NINTH CONGRESS, SECOND SESSION

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**SUBCOMMITTEE NO. 2 CONSIDERATION OF MILITARY MEDICAL
BENEFITS AS PROPOSED IN H.R. 9271, H.R. 13582, AND H.R.
13583**

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE No. 2,
Washington, D.C., Thursday, March 24, 1966.

The subcommittee met, pursuant to call, in room 2212, 10:10 a.m., Rayburn House Office Building, Washington, D.C., Hon. F. Edward Hébert, (chairman of the subcommittee) presiding.

Mr. HÉBERT. The committee will be in order.

Members of the subcommittee, this morning we begin hearings on three bills which, if enacted, will significantly increase the availability of medical care to the families of members of the uniformed services, both active and retired.

(The bills referred to, H.R. 9271, H.R. 13582 and H.R. 13583, with accompanying letters from Department of Defense read as follows:)

[H.R. 9271, 89th Cong., 1st sess.]

A BILL To amend title 10, United States Code, to provide resident care for mentally retarded children of members of the armed forces under certain conditions, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 53 of title 10, United States Code, is amended by adding the following section after section 1039:

"§ 1040. Resident care for mentally retarded children

"(a) Under uniform regulations prescribed by the Secretaries concerned, a person—

"(1) who is an unmarried legitimate child, including an adopted child or a stepchild, of a member of the armed forces who is on active duty for a period of more than thirty days; and

"(2) who is determined by competent authority to be mentally retarded and to need resident care because of that condition;

may be provided resident care while the member is on active duty in facilities of the armed forces established solely for the purpose of providing resident care under this section.

"(b) Charges may be imposed for resident care provided under subsection (a). Amounts received in payment of those charges shall be deposited to the credit of the appropriation supporting the maintenance and operation of the facility providing the care. If a person receives resident care in a facility of an armed force other than that of the member concerned, the appropriation for maintaining and operating that facility shall be reimbursed at rates established by the Bureau of the Budget to reflect the average cost of providing that care, less amounts received in payment of charges imposed for that care under this subsection.

"(c) Under uniform regulations prescribed by the Secretaries concerned, a public or private facility may be reimbursed for all or any part of the resident care that has been provided in that facility to a person described in subsection (a) (1) and (2) and for which the facility has not been paid by the member concerned. Amounts paid to a facility under this subsection may be recovered by monthly deductions from the basic pay of the member concerned and from any amount otherwise due the member upon final settlement of his accounts.

"(d) Regulations that are prescribed by the Secretaries of the military departments under this section shall be approved by the Secretary of Defense."

SEC. 2. The analysis of chapter 53 of title 10, United States Code, is amended by adding the following item:

"1040. Resident care for mentally retarded children."

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, D.C., March 8, 1966.

HON. L. MENDEL RIVERS,
Chairman, Committee on Armed Services,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request for the views of the Department of Defense with respect to H.R. 9271, 89th Congress, a bill to amend title 10, United States Code, to provide resident care for mentally retarded children of members of the Armed Forces under certain conditions, and for other purposes.

The purpose of H.R. 9271 is to provide resident care for mentally retarded children of members of the Armed Forces while the latter are on active duty for a period of more than 30 days. Eligible children of members of the Armed Forces would be those determined by competent authority to be mentally retarded and in need of resident care because of that condition. The bill provides that resident care, for such children, may be provided in facilities of the Armed Forces established solely for that purpose. Charges may be imposed for the resident care provided. Uniform regulations, prescribed by the Secretaries concerned, may provide for reimbursing a public or private facility providing resident care for eligible children. The bill provides that amounts paid to a facility may be recovered from members by monthly deductions from their basic pay and from any amount due upon final settlement of their accounts.

While the Department of Defense supports the purpose of H.R. 9271, we recommend the enactment of the more comprehensive draft attached.

The purpose of the substitute draft is to provide a special program for mentally and physically handicapped children of active duty members of all seven of the uniformed services to the end that the heavy and, at times, unbearable burden of providing continuing care for such children will be lightened for the serviceman.

The Department of Defense recognizes that the basic obligation of providing for the needs of its members, in terms of acceptable living standards, must be fulfilled by the uniformed services if they are to attract and retain a competent, dedicated, and professional force. It is further recognized that payment for the care, treatment, and special education of mentally and physically handicapped children is frequently such a drain on the financial resources of an active duty member as so make it impossible for him to maintain an acceptable standard of living.

The services required by mentally or physically handicapped children of members of the uniformed services are generally not available at uniformed services facilities. Moreover, such children are often unable to receive civilian care and treatment, or special education, because of State residence requirements. The proposal is intended to make public and private nonprofit facilities readily available to children of members of the uniformed services, regardless of the assignment of the member.

The proposal would establish, effective July 1, 1967, a program for the care, training, rehabilitation, and special education of children who are moderately, severely, or profoundly retarded mentally or who have a serious physical handicap.

The care, training, and special education covered by the proposal would all be obtained from civilian institutions and facilities. This provision stems from the conclusion of the Department of Defense that it would be impractical to attempt to solve this problem through the construction of additional military facilities or the augmentation of military staffs.

Under the proposal, active duty members would be required to pay a share of the cost of the benefits provided their children. Members in the lowest enlisted pay grade would be required to pay the first \$25 incurred each month. Members in the highest commissioned pay grade would similarly pay \$250. The amounts to be paid by members in all other pay grades would be determined administratively, except that the amounts so determined could not be less than \$25 or more than \$250 per month.

In an effort to overcome the effects of the residence requirements imposed by some States in connection with their child welfare and crippled children programs, the proposal would, in effect, require such States to waive residence requirements for the children of active duty members (and for a period of 1 year following the member's retirement) in order to obtain Federal grants for their programs.

Except for adding a special new program limited to handicapped children, the proposal would not make any changes in the existing dependents' medical care program.

COST AND BUDGET DATA

It is estimated that enactment of this proposal will result in the following additional annual costs (in millions):

	Fiscal year 1968	Fiscal year 1969	Fiscal year 1970	Fiscal year 1971	Fiscal year 1972
Army.....	9.2	9.6	10.0	10.5	11.1
Navy and Marine Corps.....	7.1	7.4	7.8	8.1	8.6
Air Force.....	11.5	11.9	12.3	12.8	13.5
Coast Guard, Environmental Science Services and Personal Health Services.....	.4	.5	.5	.5	.6
Total.....	28.2	29.4	30.6	31.9	33.8

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee.

Sincerely,

L. NIEDERLEHNER,
Acting General Counsel.

A BILL To amend chapter 55 of title 10, United States Code, to authorize a special program for the handicapped children of members of the uniformed services, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 55 of title 10, United States Code, is amended as follows:

(1) The second sentence of section 1079(a) is amended by striking out "subsection (b)" and inserting in place thereof "subsections (b), (c), and (d)".

(2) Section 1079 is amended by adding the following new subsections at the end thereof:

"(c) Under joint regulations to be prescribed by the Secretary of Defense and the Secretary of Health, Education, and Welfare, in the case of a child, as defined in section 1072(2)(E) of this title, who is moderately, severely, or profoundly retarded mentally or who has a serious physical handicap, the plans covered by subsection (a) shall, with respect to such retardation or handicap, include the following:

"(1) Diagnosis.

"(2) Inpatient, outpatient, and home treatment.

"(3) Training, rehabilitation, and special education necessitated by the child's mental or physical handicap.

"(4) Institutional care in private nonprofit, public and state institutions and facilities and, when appropriate, transportation to and from such institutions and facilities.

"(d) As their share of the cost of any benefits provided under subsection (c), members in the lowest enlisted pay grade shall pay the first \$25 incurred each month and members in the highest commissioned pay grade shall similarly pay \$250. The amounts to be similarly paid by members in all other pay grades shall be determined under joint regulations to be prescribed by the Secretary of Defense and the Secretary of Health, Education, and Welfare. The amounts so prescribed shall not be less than \$25 or more than \$250. A member who has more than one child incurring expenses in a given month under a plan covered by subsection (c) shall not be required to pay an amount greater than he would be required to pay if he had but one such child.

"(e) To qualify for the benefits provided by subsection (c), members shall be required to use public facilities to the extent they are available and adequate as determined under joint regulations of the Secretary of Defense and the Secretary of Health, Education, and Welfare."

SEC. 2. Title V of the Social Security Act is amended as follows:

(1) Section 503 (42 U.S.C. 703) is amended by striking out the word "and" immediately preceding clause 8, by changing the period at the end of clause 8 to a semicolon, and adding the following:

"and (9) provide that children of active-duty members of uniformed services (and the children of those retired members covered by section 1074(b) of title 10, United States Code, for a period of one year following the effective date of the member's retirement) shall not be denied services covered by the plan on the grounds that the member is not a resident of that State or that such children are members of a class eligible for benefits under chapter 55 of title 10."

(2) Section 513 (42 U.S.C. 713) is amended by striking out the word "and" immediately preceding clause 7, by changing the period at the end of clause 7 to a semicolon, and adding the following:

"and (8) provide that children of active-duty members of the uniformed services (and the children of those retired members covered by section 1074(b) of title 10, United States Code, for a period of one year following the effective date of the member's retirement) shall not be denied services covered by the plan on the grounds that the member is not a resident of that State or that such children are members of a class eligible for benefits under chapter 55 of title 10."

SEC. 3. This Act becomes effective July 1, 1967.

[H.R. 13582, 89th Cong., 2d sess.]

A BILL To amend chapter 55 of title 10, United States Code, to increase health benefits for dependents of members of the uniformed services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 55 of title 10, United States Code, is amended as follows:

(1) Section 1077 is amended to read as follows:

"§ 1077. Health benefits for dependents; authorized care in facilities of uniformed services

"(a) Except as provided in subsection (b), health benefits provided under section 1076 of this title may not exceed those provided under the high option of the Government-wide plan covering the larger number of civilian employees contracted for by the Civil Service Commission under section 3003 of title 5.

"(b) The following types of health benefits may also be provided under section 1076 of this title:

"(1) Physical examinations.

"(2) Immunizations.

"(3) Care of the newborn.

"(4) Routine dental care may be provided outside the United States, and in remote areas inside the United States where adequate civilian facilities are unavailable. Emergency dental care, but not including permanent restorative work or dental prosthesis, and dental care as a necessary adjunct to medical or surgical treatment, may be provided worldwide."

(2) Section 1079 is amended as follows:

(A) Subsection (a) is amended to read as follows:

"(A) To assure that medical care is available for spouses and children of members of the uniformed services who are on active duty for a period of more than 30 days, the Secretary of Defense after consulting with the Secretary of Health, Education, and Welfare, shall contract, under the authority of this section, for medical care for those persons under such insurance, medical service, or health plans as he considers appropriate. Health benefits provided under these plans may not exceed those provided under the high option of the Government-wide plan covering the larger number of civilian employees contracted for by the Civil Service Commission under section 3003 of title 5."

(B) Subsection (b) is amended to read as follows:

"(b) Plans covered by subsection (a) shall include provisions for payment by the patient of the following amounts:

"(1) \$25 for each admission to a hospital, or the charge prescribed under section 1078(a) of this title multiplied by the number of days of hospitalization, whichever amount is the greater.

"(2) 20 per centum of the charges for outpatient care, including supplies and services provided in connection with that care."

(C) The following new subsection is added at the end thereof:

"(c) The methods for making payment under subsection (b) shall be prescribed under joint regulations issued by the Secretary of Defense and the Secretary of Health, Education, and Welfare."

(3) The analysis is amended by amending the item relating to section 1077 to read as follows:

"1077. Health benefits for dependents; authorized care in facilities of uniformed services."

SEC. 2. This Act becomes effective July 1, 1967.

THE SECRETARY OF DEFENSE,
Washington, March 2, 1968.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: A draft of legislation "To amend chapter 55 of title 10, United States Code, to increase health benefits for dependents of members of the uniformed services" is enclosed.¹

This proposal is part of the Department of Defense legislative program, and the Bureau of the Budget has advised that, from the standpoint of the administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress. It is recommended that the proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to increase the attractiveness of a military career by improving the health care program for the dependents of active-duty members of the uniformed services, to the end that the benefits available to such persons will be more comparable to those offered in the health care plans of industry and labor, and those offered under the Federal employees health benefits program.

Since early in the 19th century, the Armed Forces traditionally have provided medical care for the dependents of their active duty members on a "space-available" basis. In the case of Army dependents, this historic practice was recognized by statute in 1884 when the 48th Congress provided in an appropriation act "That the medical officers of the Army and contract surgeons shall whenever practicable attend the families of the officers and soldiers free of charge" (23 Stat. 112).

Concern by the Congress and the Department of Defense over the fact that approximately 40 percent of the dependents of active duty members did not live in areas where military medical facilities were available, led to the enactment in 1956 of the Dependents' Medical Care Act (now codified as chapter 55 of title 10, United States Code). In addition to establishing a uniform program for health care for dependents in all uniformed services treatment facilities, the act, in effect, authorized dependents to use civilian hospitals at a cost of \$25 per admission or \$1.75 a day, whichever is greater.

Since medical care from civilian sources is, for the most part, limited under the present dependents' medical care program to inpatient hospital care, it follows that the goal of the 1956 statute of equalizing health care benefits as between those dependents who had access to military medical facilities and those lacking such access was not fully realized. The inclusion of civilian outpatient care in the benefits covered by the new program was considered during the hearings on the bill (H.R. 9429, 84th Cong.) which became the Dependents' Medical Care Act. The two main reasons for its exclusion appear to have been concern over the estimated cost of adding it to the benefits authorized under the bill, plus the fact that the inclusion of such benefits was not a common practice in the group health plans then being offered by industry and labor. Regarding the latter reason, the Health Insurance Association of America reports that the number of persons with some form of outpatient coverage has increased by almost 500 percent between 1956 and 1965 to a current total of 47 million.

Another fact to consider is that since 1956, the practice of medicine has changed; many types of cases which 10 years ago would have been treated on an inpatient

¹ Same as H. R. 13582.

basis are now treated on an outpatient basis. For example, in fiscal year 1956, the average daily patient load in military hospitals was 40,019, coupled with a total of 39 million outpatient visits for the year. For fiscal year 1965, the inpatient figure was down 23 percent to 30,452, while the outpatient figure had increased 11 percent to 44 million.

Another significant development during the interim was the establishment of the Federal employees health benefits program, under which the dependents of civilian employees of the Government receive civilian outpatient care.

Thus, it is clear that while the practice of medicine has changed and the benefits, including outpatient coverage, offered by most health plans have been expanding rapidly, the benefits provided under the dependents' medical care program have remained frozen at the 1956 level.

The proposal would remove the statutory restrictions on the types of health care which may be provided dependents of active duty members, both in uniformed services and civilian facilities, effective July 1, 1967. Under the proposal, the Secretary of Defense and the Secretary of Health, Education, and Welfare would determine administratively the benefits to be provided dependents, except that, in general, benefits would not be provided at a level which would exceed those provided under the larger Government-wide plan of the Federal employees health benefits program.

It is contemplated that if the proposal is enacted, all health benefits covered by the plan of the Federal employees health benefits program referred to above will be authorized dependents of active duty members in uniformed services facilities on a space-available basis.

The principal result of enactment of the proposal would be to authorize civilian outpatient care for dependents under the same general circumstances as such persons are now eligible for civilian inpatient care. Under the proposal, dependents would be required to pay 20 percent of the charges for outpatient care, an amount commonly specified in many civilian group health plans. No change would be made in the charges established in 1956 for inpatient care.

COST AND BUDGET DATA

It is estimated that enactment of this proposal will result in the following additional annual costs:

[In millions of dollars]

	Fiscal year 1968	Fiscal year 1969	Fiscal year 1970	Fiscal year 1971	Fiscal year 1972
Army.....	15.4	15.5	15.7	16.1	16.4
Navy and Marine Corps.....	12.5	12.5	12.7	13.0	13.2
Air Force.....	19.2	18.9	18.9	19.4	19.7
Coast Guard, Environmental Science Services and PHS.....	.7	.7	.8	.8	.8
Total.....	47.8	47.6	48.1	49.3	50.1

Sincerely yours,

(Signed) CYRUS VANCE.

[H. R. 13583, 89th Cong., 2d sess.]

A BILL To amend chapter 55 of title 10, United States Code, to authorize a civilian health benefits program for retired members of the uniformed services and their dependents

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 55 of title 10, United States Code, is amended as follows:

(1) Sections 1071, 1072, 1073, and 1084 are each amended by striking out "1085" wherever it appears (in catchline or text) and by inserting in place thereof "1086".

(2) Section 1074(b) is amended by adding the following sentence at the end thereof: "The Secretary of Defense and the Secretary of Health, Education, and Welfare may, with the agreement of the Administrator of Veterans' Affairs, provide care to persons covered by this subsection in facilities operated by the Administrator and determined by him to be available for this purpose on a reimbursable basis at rates approved by the Bureau of the Budget."

(3) The following new sections are added after section 1085:

“§ 1086. Contracts for health benefits for certain members, former members, and their dependents

“(a) To assure that health benefits are available for the persons covered by subsection (b), the Secretary of Defense, after consulting with the Secretary of Health, Education, and Welfare, shall contract under the authority of this section for health benefits for those persons under such insurance, medical service, or health plans as he considers appropriate. Benefits provided under these plans may not exceed those provided under the high option of the Government-wide plan covering the larger number of civilian employees contracted for by the Civil Service Commission under section 3003 of title 5.

“(b) The following persons are eligible for health benefits under this section:

“(1) Those covered by sections 1074(b) and 1076(b) of this title, except those covered by section 1072(2)(F) of this title.

“(2) A dependent of a member of a uniformed service who died while on active duty for a period of more than thirty days, except a dependent covered by section 1072(2)(F) of this title.

However, a person who is entitled to hospital insurance benefits under title I of the Social Security Amendments of 1965 (79 Stat. 286) is not eligible for health benefits under this section.

“(c) The Secretary of Defense, after consulting with the Secretary of Health, Education, and Welfare, shall prescribe the amounts payable by the persons covered by subsection (b) and the methods of making payment for benefits, including supplies and services, provided under plans covered by subsection (a). He shall base such payments on his estimate of the amounts necessary to assure that the Government's share of the cost of the benefits provided under the plans covered by subsection (a) shall approximate, but not exceed, 75 per centum of the total costs incurred under those plans.

“(d) No benefits shall be payable under any plan covered by this section in the case of a person enrolled in any other insurance, medical service, or health plan provided by law or through employment, except for benefits not payable under the other plan.

“(e) A person covered by this section may elect to receive benefits either in (1) Government facilities, under the conditions prescribed by sections 1074 and 1076-1078 of this title, or (2) the facilities provided under a plan contracted for under this section. However, under joint regulations issued by the Secretary of Defense and the Secretary of Health, Education, and Welfare, the right to make this election may be limited for those persons residing in an area where adequate facilities of the Government are available.

“§ 1087. Programing facilities for certain members, former members, and their dependents in construction projects of the uniformed services

“(a) Facilities for inpatient and outpatient care for persons covered by sections 1074(b) and 1076(b) of this title may be programed in uniformed services construction projects by the Secretary concerned only on a case-by-case basis under joint regulations to be prescribed by the Secretary of Defense and the Secretary of Health, Education, and Welfare.

“(b) The extent to which space covered by subsection (a) may be provided will be based on the teaching and training requirements of the medical interns and residents assigned to the facility, using standards prescribed by medical specialty boards and the American Medical Association as guidelines, and taking into account those patients who would otherwise be provided care in the facilities.

“(c) The Secretary concerned may also consider programing a reasonable number of hospital beds for persons covered by this section in extreme cases where he determines that all of the following conditions exist in an area within one hour's traveltime of a uniformed services hospital:

“(1) The persons covered by this section constitute a large concentration.

“(2) There is an existing demonstrable critical shortage of beds at civilian hospitals.

“(3) There are no plans for eliminating the critical shortage of civilian hospital beds by the time the programed uniformed services hospital is constructed.

“(d) Facilities programed under this section shall be the minimum necessary for the purposes specified in subsections (b) and (c).”

(4) Section 1082 is amended by inserting "and 1086" immediately after "1081" and by amending the catchline to read as follows:

"§ 1082. Contracts for health care: advisory committees"

(5) The analysis is amended by striking out the following items:

"1071. Purpose of sections 1071-1086 of this title."

"1073. Administration of sections 1071-1086 of this title."

"1082. Contracts for medical care for spouses and children: advisory committees."

and inserting the following items:

"1071. Purpose of sections 1071-1086 of this title."

"1073. Administration of sections 1071-1086 of this title."

"1082. Contracts for health care: advisory committees."

"1086. Contracts for health care for certain members, former members, and their dependents."

"1087. Programing facilities for certain members, former members, and their dependents in construction projects of the uniformed services."

SEC. 2. This Act becomes effective on July 1, 1967.

THE SECRETARY OF DEFENSE,
Washington, March 3, 1966.

Hon. JOHN W. McCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: A draft of legislation "To amend chapter 55 of title 10, United States Code, to authorize a civilian health benefits program for retired members of the uniformed services and their dependents" is enclosed.¹

This proposal is part of the Department of Defense legislative program and the Bureau of the Budget has advised that, from the standpoint of the administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress. It is recommended that the proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to provide a program of health benefits equally available to all retired members of the uniformed services and their dependents. Such a program is required to provide equitable benefits to our rapidly increasing retired population. In future years, these benefits must increasingly be provided by civilian institutions due to the declining coverage of space-available care in military facilities.

Under the Dependents' Medical Care Act (now codified as chapter 55 of title 10, United States Code), any person entitled to retired pay or similar pay (other than a person entitled to retired pay under chapter 67 of title 10, United States Code, who served less than 8 years of active duty) may, upon request, be given health care in any facility of any uniformed service, subject to the availability of space and facilities and the capabilities of the professional staff. The dependents of such persons and of certain deceased active duty, retired or former members may also be given care in such facilities. In general, the dependents in question are provided care subject to the same conditions as apply in the case of retired members. These groups are not presently authorized care from civilian sources at Government expense.

Space has generally been available in military facilities for those retired members and their dependents who reside near or are able to travel to such facilities. The Department of Defense recognizes, however, that the projected increase in the size of the retired population will eventually result in large numbers of retired military personnel whose health care needs cannot be met by military medical facilities.

When the bill (H.R. 9429, 84th Cong.) which became the Dependents' Medical Care Act was under consideration by the Congress, the question arose as to whether retired personnel and their dependents should be entitled to medical care from civilian sources at Government expense. The bill passed by the House granted the Secretary of Defense discretionary authority to arrange for such care. The Senate amendment contained no similar provision. During the meeting of the committee of conference, the House managers agreed to the exclusion of this discretionary authority with the understanding that it might be possible later to

¹ Same as H. R. 13583.

extend the civilian program by including the retired group after a certain amount of cost and experience data had been accumulated (p. 9, H. Rept. 2195, 84th Cong.).

Early in 1964, the Special Subcommittee on Construction of Military Hospital Facilities of the House Armed Service Committee held extensive hearings on the retired military health care problem. In its report (No. 67) issued on September 30, 1964, the subcommittee stated (p. 10377): " * * it is clear to the subcommittee that in future years a major portion of care must come from civilian facilities if it becomes governmental policy to provide such care." The subcommittee recommended that the Department of Defense promptly submit recommendations for the necessary legislation to resolve the retired military health care problem in an equitable and feasible manner, and that some beds be programed in military hospitals for the retired group.

The proposal would establish a civilian health benefits program for retired members and their spouses and children, and for the spouses and children of deceased active duty and retired members, effective July 1, 1967. With one exception, eligibility for benefits for civilian care for all persons covered by the program would end when they reached 65 years of age, at which time they would become eligible for participation in the health care program for the aged established by title I of the Social Security Amendment of 1965 (79 Stat. 286). With respect to the exception, while no specific cases have been identified, it is theoretically possible that a small number of retired members and dependents may never qualify for benefits under the new health insurance program for the aged. The proposal takes this into account by providing, in effect, that the persons in question shall remain eligible for civilian health care benefits under the military retiree program beyond age 65.

Under the program, the Secretary of Defense and the Secretary of Health, Education, and Welfare would have the same wide latitude in selecting a specific method of providing care as they now have under section 1079(a) of title 10 in the case of dependents of active duty members of the uniformed services. It is contemplated that if the proposal is enacted, the retired group will be added to the civilian care segment of the existing dependents' medical care program, effective July 1, 1967, and that the program for retirees would be administered in the same manner and by the same organization that administers the present program, thus taking advantage of the low administrative costs and valuable experience obtained under the present program. There would be only two departures from the present program. The first departure would be a requirement that the Secretary of Defense, after consulting with the Secretary of Health, Education, and Welfare, would prescribe the amounts to be paid by the persons covered by the program and the methods of paying the amounts so prescribed. Under the proposal, the Secretary of Defense would, in effect, be required to establish a cost-sharing system under which the Government would pay approximately 75 percent of the total costs of the benefits provided, with the beneficiaries paying approximately 25 percent of such costs. The second departure involves the so-called free choice concept. Under the present program, dependents who reside apart from their sponsor have free choice as between using uniformed service or civilian facilities, whereas in the case of those who reside with their sponsor this freedom may be restricted. Since retirees and their dependents are not normally separated, their freedom of choice could under the proposal be restricted in the interests of continued economical utilization of Government facilities.

The proposal would make no changes in the existing programs in uniformed services facilities for various categories of personnel which are based on the Dependents' Medical Care Act. All persons eligible for benefits under the new program would continue to be eligible for space-available care in uniformed services facilities.

The proposal also provides for the programing of some space for the retired group in medical construction projects of the uniformed services. The amount to be programed would be determined by the Secretary concerned on a case-by-case basis. In making such determinations, consideration would be given to teaching and training requirements prescribed by specialty boards and the American Medical Association.

In extreme cases, determinations would be made on the basis of a demonstrable critical shortage of beds in a particular community which warrant some reasonable supplementation to serve a large concentration of retired uniformed services personnel.

The proposal would also authorize retired members as such (rather than as veterans) to obtain care in facilities of the Veterans' Administration on a space-available basis. Under the proposal, the Department of Defense would reimburse the Veterans' Administration for care provided retired members at rates approved by the Bureau of the Budget.

COST AND BUDGET DATA

It is estimated that enactment of this proposal will result in the following additional annual costs (in millions of dollars):

	Fiscal year—				
	1968	1969	1970	1971	1972
Army.....	46.1	52.1	59.6	65.8	72.2
Navy and Marine Corps.....	47.2	53.2	60.5	67.3	74.3
Air Force.....	22.5	25.4	29.0	31.9	37.9
Coast Guard, environmental science services and PHS.....	3.5	4.0	4.6	5.4	6.2
Total.....	119.3	134.7	153.7	170.4	190.6

Sincerely,

(Signed) CYRUS VANCE.

Mr. HÉBERT. As the members of this subcommittee are well aware, the Congress, in 1956, made a very determined effort to assure the availability of health care benefits to the dependents of uniformed services personnel by the enactment of the Dependents Medical Care Act, Public Law 84-569.

That act, first drafted by this subcommittee under the chairmanship of the distinguished Paul J. Kilday, of Texas, was one of the most forward-looking pieces of legislation passed by the Congress. It establishes medical care as a statutory right for the dependents of military personnel and—for the first time—authorized health care for dependents in nonmilitary hospitals.

It is important to note that at the time there was no precedent for providing this type of civilian medical care coverage to either military dependents or to Federal employees. Therefore, the program developed by the Congress and the Department of Defense was entered into with great care and reservations so as to avoid the possibility that the program would prove so expensive that it would be abandoned.

All segments of the civilian community cooperated magnificently with the Department of Defense and the Congress in developing a program that eventually became the model for the health benefits program subsequently authorized by the Congress for Federal employees and their dependents.

Since 1956 our Nation has experienced a tremendous increase in the growth of health care benefits programs, both in the numbers of individuals covered and the scope of benefits available. Unfortunately, despite these expanded programs in the civilian community, the benefits provided under the Dependents Medical Care Act for uniformed services personnel have remained frozen at the 1956 level.

The bills before us today will provide a realistic expansion of these health care benefits for the families of our uniformed services person-

nel. This would be accomplished by the following bills, and I will enumerate them as now before us:

H.R. 13582 would permit a general expansion of medical care benefits available to dependents in uniformed services facilities and would permit civilian outpatients care for dependents.

In H.R. 13583 there would be authorized a program of assured medical care for the retired members of the uniformed services and their dependents. This program would, for practical purposes, be identical to that provided the families of active duty members of the Uniformed services.

In H.R. 9271, which I introduced in June of last year, there would be authorized, with the Department of Defense's recommended changes, a specific program for the mentally and physically handicapped children of active duty members of the uniformed services. This program for the care, training, and special education of handicapped children is, in my judgment, particularly important since there are more than 100,000 handicapped children of active duty personnel.

Approximately 7,000 of these are mentally retarded children. The bill grew out of the fact that retarded children of service personnel are generally unable to participate in existing programs of special care because of State residency requirements.

I may interpose here and say that this came to my attention in a case involving some Navy personnel being transferred to the city of New Orleans and the difficult time I had at that time to obtain the proper care for this officer's child. And, while the bill is introduced under my name and will be reported out of this committee if it is found to be agreeable, I do want to pause here to give particular credit to my young assistant at that time, Mr. William Billeter, who has left now and is with the Courier General. But, Mr. Billeter was handling this and Bill became so involved with it, and discussed this with the people in the Defense Department that this legislation is a result.

The cost of care for these unfortunate children is extremely high and can lead to tragic situations for service families denied help.

My bill would have authorized the care in either military or civilian facilities. The Department, in supporting the bill, proposed a program using civilian institutions alone and requiring States to waive the residency requirements for military personnel in order to obtain Federal grants.

I am happy to note that all these recommended improvements to the health benefits program of the uniformed services have been endorsed and supported by the executive branch. This, as we all know, is particularly important since we are discussing legislation which will involve an expenditure of an additional \$1 billion over the next 5 years.

In conducting these hearings we are building on the considerable foundation laid by the Special Subcommittee on Construction of Military Hospital Facilities which, under the leadership of our able committee chairman, L. Mendel Rivers, carried out so important a study in 1965.

The Department of Defense's proposals for retired medical care in H.R. 13583 are in response to a mandate from that special com-

mittee. And, I again may pause to say that it is refreshing to know that this committee is receiving cooperation from the Department of Defense in the medical area. I wish I could say the same in other areas.

For purposes of the record, I have attached to my statement a copy of the recommendations made by the Rivers subcommittee in respect to proposed legislative and policy changes required in the area of medical care. The bills being considered by the subcommittee today would generally appear to satisfy the legislative objectives recommended by the Rivers subcommittee which were as follows:

[From Committee Document 67, "Military Hospital Construction and Utilization Policies," Sept. 30, 1964]

RECOMMENDATIONS

Legislative

1. That the Department of Defense promptly submit recommendations for the necessary legislation to resolve the retired military health care problem in an equitable and feasible manner.

2. That such legislation be considered promptly by the Congress.

3. That amendatory language be added to the present Dependents' Medical Care Act, making it unmistakably clear that the so-called space-available concept may not be used as a vehicle to limit or eliminate space available for retired military personnel and their dependents in military facilities.

Changes in Department of Defense policy:

1. That the Department of Defense program beds for retired military personnel and their dependents in new military hospital construction on the basis of projected workloads, but not to exceed 10 percent of the beds otherwise programed for each hospital. Even in the case of teaching hospitals, or under special circumstances, the subcommittee believes that not more than 20 percent additional should be programed.

2. That the Department of Defense program beds for dependents of active-duty personnel in new military hospital construction on the basis of projected mission, and not depend on civilian hospitals in nearby communities which are subject to local fluctuating conditions.

3. That the Department of Defense keep always in mind potential mobilization usefulness which will be met by beds programed for other than active-duty military personnel.

4. That the services revise their recruitment and retention literature to make it conform to present governmental policy that service-provided health and medical care is available to military retirees and their dependents only in military facilities on a space-available basis.

In these hearings we will not have to go over ground already covered by that early subcommittee. I also may indicate here I will ask the subcommittee to consolidate all of the bills that we approve, if we approve them. Instead of submitting the bill under the chairman's name, it will be submitted under Mr. Rivers' name because of the magnificent work he did when he was chairman of this committee.

In the matter of medical care for retired personnel, for example, the earlier subcommittee established that the Government has a moral obligation to provide the care for retired military personnel and their dependents. The basic objective of the present hearing, therefore, is to determine how best to meet that obligation. I trust those who testify will address themselves to these current problems.

I was going to say I will take the witnesses of the executive first. However, we have present with us this morning a very valuable member on the Committee on Armed Services who is present and we will hear from our distinguished colleague, Senator Charles E. Bennett of Florida. [Laughter.]

Mr. HÉBERT. If you want to make the announcement today, we will express our sadness at losing you and express our happiness in the Senate gaining some knowledge.

**STATEMENT OF HON. CHARLES E. BENNETT, REPRESENTATIVE
FROM FLORIDA**

Mr. BENNETT. Thank you.

Mr. Chairman, I appreciate this opportunity to appear in support of medical care benefits for retired military personnel.

As you may know, the number of retired military personnel and their dependents in my own congressional district numbers more than 42,000, and as long as military personnel continue to retire in such great numbers in Duval County, Fla., the number of retirees there can only accelerate. I point this out because the new Navy hospital now under construction at Jacksonville will provide space for only 400 beds, and additional beds will be needed for retired military personnel and their dependents. All in all, the new hospital will not be able to meet the medical needs of active-duty personnel, retirees, and others who make up the more than 95,000 people it must presently serve. It will clearly not be able to render the care promised military retirees, so long as this care remains on a space-available basis.

As an early introducer of legislation to provide more adequate medical facilities for retired members of the uniformed services and their dependents, I cannot overemphasize the urgency for enacting such a program. The Department of Defense has recently stated that by 1970 there will be 25 military retirees for every 100 persons on active duty, and that by 1977 military retirees will equal 40 percent of the total number of active-duty personnel. These retired and active-duty personnel, together with an additional one and a half million dependents, vividly demonstrates the immediate need for increased care and facilities.

It has been charged in some quarters that medical care is not due these retirees.

Maybe we should just ask those who have served on active duty how the recruiter and the Defense Department as far back as they can remember promised them medical care would be provided upon their retirement. The fact of the matter is that as far back as the Civil War our Government provided these benefits, and they were established of right by statute in 1884.

In an effort to begin remedial action I introduced in the beginning of the 88th Congress H.R. 178 and subsequently, at the request of the Fleet Reserve Association, H.R. 10763. In this Congress the earlier bill is now numbered H.R. 279, and the Fleet Reserve bill H.R. 1525. From the time I initially introduced H.R. 178, I have heard only favorable testimonials on the merits of the proposal.

I believe it once had, and perhaps still has, departmental favor.

Since H.R. 1525 has met the "test of fire" by its endorsement from a major military retirees association, it seems to me that serious consideration should be given to it.

I know that there is strong support in Congress and among the service and veterans organizations for this legislation, and I urge the members of this subcommittee and the full committee, to give the matter their usual careful consideration, reporting favorably

my bill H.R. 279 or as an alternative, the more specific plan H.R. 1525.

Mr. HÉBERT. Thank you very much, Charlie. We always appreciate the opportunity to get your views.

Any questions of the members of the committee, except how big the vote will be in Florida?

Mr. PIRNIE. It will be good.

Mr. HARDY. Mr. Chairman, if I might just compliment our colleague as I was thinking of this. He has always been in the forefront of this activity.

Mr. HÉBERT. You may quote that. It is in open session. [Laughter.]

Now, members of the committee, we will proceed in the regular order and I will ask that Secretary Morris come forward with the three Surgeons General and Dr. Fisk from the Department of Defense so we will have all the gentlemen at the table at the same time.

Secretary Morris, may I welcome you back before the committee. You are an old friend of ours, and have been here many, many times before, but you come here today I think for the first time in a new role as Assistant Secretary of Defense in charge of personnel, and we wish you well and offer you our full cooperation and we feel so certain that in this area of personnel the obstacles and hills won't be as pointed as they were in your previous operation where you had to close the bases down.

Mr. HARDY. That is a promise, Mr. Chairman.

Mr. HÉBERT. Here you will find out that dealing with human beings is a little different than dealing with figures and computers, so we welcome you here today and you may proceed.

STATEMENT OF HON. THOMAS D. MORRIS, ASSISTANT SECRETARY OF DEFENSE (Manpower)

Mr. MORRIS. Mr. Chairman and members of the subcommittee, we are pleased to have this opportunity to present for your consideration three interrelated legislative proposals designed to modernize and liberalize health benefits for active duty dependents of military members; and for retired members and their dependents. I have with me today the Surgeons General of the military Departments, and Dr. Fisk, Deputy Assistant Secretary of Defense, Health, and Medical. We appear before you as a team to describe these proposals which have been jointly developed.

These three bills represent the major military personnel legislation proposed to the Congress this year. In fact, the Secretary of Defense instructed me last October, when I assumed my present duties, to give the solution of these medical care problems first priority. In developing the proposals we have given particular study and attention to the reports of the House Armed Services Committee on these problems.

The scope and significance of the three proposed bills are highlighted by the contribution which we believe that they will make to the morale of our military families, and particularly to our men serving in Vietnam who need the assurance that their dependents—many of whom do not reside in convenient proximity to military facilities—receive first-class medical care at minimum cost. Another measure of the significance

of the legislation is its contribution to the economic welfare of our people. The first year cost is estimated at \$191 million to the DOD, rising to \$267 million in the fifth year. This is the equivalent to about a 1-percent increase in military compensation for active-duty personnel.

We are aware, of course, that these bills do not accomplish all of the improvements which may be ultimately required. One important area which is still not covered in either civilian or military health-care programs generally is dental care. We are giving this matter further study. We believe, however, that these proposals are a significant step forward in maintaining a progressive health-care program for military families—equal or superior to those available to civilian employees in Government and industry.

First, we would like to discuss H.R. 13583.

Civilian health benefits program for retired members and their dependents.

The first of the three bills has as its objective the provision of a program of DOD-sponsored medical care benefits—both hospital and outpatient care—equally available to all retired members and their dependents until they attain age 65 and become eligible for the new social security medical care program.

Today, as you know, the only care available to retired personnel is in our own facilities on a "space available" basis.

We estimate that only about half of the military retired population is geographically located so as to use military facilities. While in the past we have been able to accommodate most of the group who live near our facilities and request such service, our capability to do so is diminishing due to the rapid increase in the retired population.

In 1964 a special subcommittee of the House Armed Services Committee made an intensive study of this problem and reached the following conclusions which are the foundation for the program we are proposing.

First—

that the traditional benefit of hospital care to military retirees and their dependents must be continued.

Second, that—

the best solution to the retired health problem is to use civilian facilities, as well as military facilities.

The provision of care to retirees dates back into the 19th century and for many years was stressed as a major fringe benefit in personnel recruiting literature.

A survey made of a large cross section of retirees in 1963 revealed that:

First, almost 6 out of 10 said that the availability of medical care was important to their joining and making the military service a career.

Second, a similar number expressed the view that retired personnel should receive the same scope of medical care as those on active duty.

Third, almost all of those using military medical facilities stated that the availability of such facilities was an important consideration in selecting their residence on retirement.

Fourth, of those not using military facilities, two-thirds said that the reason was because of distance.

The growing urgency and seriousness of today's problem is highlighted by the following:

First, the number of retirees has doubled since 1960 and will almost treble by 1970.

The average number of retired military personnel drawing retired pay in each of these periods is shown in the table below, growing from 242,904 in 1960 to over 500,000 in this fiscal year and projected for over 722,000 in 1970.

In this fiscal year, we estimate that about 57,000 members will retire, and that this number of retirements will continue at this or a higher level in the future.

But this, of course, is only part of the problem, since today there are approximately 2 million members and their dependents in the retired population, and this number is expected to reach almost 3 million by 1970.

A second consideration is that medical care is believed to be particularly important to military families during their first retirement years.

The average career member retires after about 22 years of service—typically in his early forties—at which time he must start a second career. While it appears that he leaves service with a generous retirement income—50 percent of his base pay—it must be pointed out that base pay is, in fact, only part of the total compensation earned by military personnel. In fact, the average military retirement income this year is just over \$250 per month. Hence, we are requiring the military member to leave service at the point in his life when his financial responsibilities may be the greatest, with much less than half of his active-duty income to sustain him while he reestablishes his second career.

Third, it is impractical to meet the rapidly expanding retired medical care requirements in military facilities.

Last year, we were able to accommodate most of the inpatient-outpatient retired workload requested by retired personnel in our own facilities. By 1970, we estimate that we can meet less than two-thirds of the requested outpatient workload, and only one-half of the requested inpatient workload.

Furthermore, our military facilities must be maintained at those locations which support active-duty military missions, with the result that we cannot possibly hope to provide enough facilities nationwide to assure adequate availability to the entire retired population. We believe that this factor, along with the scarcity of medical personnel, led the special subcommittee of the House Armed Services Committee to conclude in its 1964 report, and I quote, "that in future years a major portion of care must come from civilian facilities."

H.R. 13583 proposes that the problems outlined above be alleviated by a program incorporating the following features:

First, continue the provision of medical care to retired personnel and their dependents in military facilities, to the extent that space is available, throughout their retired lifetimes. We believe this is wise because the professional growth of our physicians requires a full range of patient content, and accrediting bodies insist upon this in our teaching hospitals; and (2) it is more economical to provide such care, to the extent that it is available, in our own facilities. No charge is made for outpatient care, and only minimal charges for

inpatient care, that is, \$1.10 per day for the commissioned member, nothing for the enlisted member and \$1.75 per day for the dependents of both.

Second, the retired group would be eligible for both inpatient and outpatient care from civilian physicians and hospitals on a cost-sharing basis. Although the bill gives the Secretary of Defense, after consulting with the Secretary of HEW, latitude in determining the retiree's and the Government's share, it provides that the Government's share shall approximate but not exceed 75 percent of the total cost of the civilian-care segment of the program. This percentage would apply to both inpatient and outpatient care costs.

The third feature is the eligibility of the retired group for both inpatient and outpatient care from civilian physicians and hospitals under our proposed program would begin at the time of the member's retirement and end, in the case of the retired member himself, when he reaches age 65, at which time he becomes eligible for participation in the new health care program administered by the Social Security Administration. His spouse would also remain eligible for civilian care under the DOD-sponsored program until she reached age 65. His unmarried children would, with one exception, remain eligible for care from civilian sources until reaching age 21, or age 23 in the case of those dependent children who are enrolled in an approved college or university. The exception involves unmarried dependent children who are incapable of self-support because of a mental or physical incapacity that existed before reaching age 21. Such children would retain their coverage so long as they remained unmarried and incapacitated.

Fourthly, the bill provides for the programing of beds and outpatient facilities for the retired group in new medical construction projects to meet two specific objectives. The amount to be programed would be determined by the Secretary of the military department concerned on a case-by-case basis. The first consideration is the teaching and training requirements of interns and residents assigned to the hospitals, using standards of the American Medical Association as guidelines. The second consideration is the availability of civilian capacity in the community. Here the bill provides that determinations would be made on the basis of a demonstrable critical shortage of beds in a particular community which warrant some reasonable supplementation to serve a large concentration of retired uniformed services personnel.

Fifthly, our proposal would authorize retired members to obtain care in facilities of the Veterans' Administration on a space-available basis.

We estimate the costs of the above proposed program to be as follows:

In the first year, DOD cost would be \$115.8 million. That of other uniformed services would be \$3.5 million, for a total program of \$119.3 million, while in the fifth year these amounts would grow to \$184.4 million and \$6.2 million, for a total of \$190.6 million.

Next we would like to discuss H.R. 13582, providing increased health benefits for dependents of active-duty members of the uniformed services.

The purpose of this bill is to increase the attractiveness of a military career by providing benefits to the dependents of active-duty military

personnel, comparable generally to those offered in the health care plans of industry and labor, and those offered under the Federal employees health benefits program.

The medical care presently authorized by law for dependents of active-duty members of the uniformed services in civilian facilities is limited for the most part to inpatient hospital care. Hence, the goal of the Dependents' Medical Care Act of 1956—which was to equalize health care benefits between those dependents who had access to military medical facilities and those lacking such access—is not being fully realized.

The inclusion of civilian outpatient care in the benefits covered by the dependents' program was considered during the hearings on the 1956 bill. The main reasons for its exclusion appear to have been concern over the estimated additional cost of adding it to the benefits authorized under the bill, plus the fact that the inclusion of such benefits was not then a common practice in the group health plans being offered by industry and labor.

In the 10 years which have elapsed since passage of the Dependents' Medical Care Act, the practice of medicine has changed significantly. Many types of cases which 10 years ago would have required hospitalization are now treated on an outpatient basis. Second, the Health Insurance Association of America reports that the number of persons with some form of outpatient coverage has increased almost six times between 1956 and 1965—to a current total of 47 million people. Another significant development has been the establishment of the Federal employee health benefits program, under which the dependents of civilian employees of the Government receive Government-sponsored civilian outpatient care.

Thus, while the practice of medicine has changed and the benefits—including outpatient coverage—offered by most health plans have expanded rapidly, the benefits provided under our dependents' medical care program have remained at the 1956 level.

Recognition of this, plus concern over the present situation confronting some military dependents who find Government-sponsored medical care unavailable at home while their sponsors are engaged in the struggle against the Vietcong, has led to the development of the legislative proposal contained in H.R. 13582.

This proposal would remove the present statutory restrictions on the types of health care which may be provided dependents of active-duty members of the uniformed services, both in uniformed service and civilian facilities. Under the proposal, the Secretary of Defense and the Secretary of Health, Education, and Welfare would be authorized to provide all of the benefits available under the high option of the Government-wide service plan of the Federal employees health benefits program.

Under the proposed plan, these benefits will be authorized from civilian sources, as well as on a space-available basis in uniformed services medical facilities.

The principal result of enactment of this proposal would be the establishment of a civilian outpatient care program for some 3.8 million active-duty dependents, under the same general circumstances as they are now eligible for civilian inpatient care. Under the proposal, dependents would pay 20 percent of the charges for outpatient care, an amount commonly specified in civilian group health plans.

No change is proposed in the present inpatient charges in civilian facilities, that is, \$25 per admission, or \$1.75 per day, whichever is greater.

We estimate that the costs to the Government for expanded civilian outpatient care would be as follows:

To DOD, \$47.1 million in the first year, rising to \$49.3 million in the fifth. The other uniformed services, \$0.7 million to \$0.8 million, for a total from \$47.8 million to \$50.1 million.

To put the above costs in perspective, our expenditures for dependents' medical care in fiscal year 1966 were \$372,600,000. Hence, by increasing these costs 12 percent we can provide care comparable to that presently available to a large segment of the civilian work force, and assure that this care is available to all dependents. This is equal to about \$12.60 per person per year—the equivalent of two visits to a doctor's office per year.

Thirdly we would like to address H.R. 9271, which involves a special program for mentally and physically handicapped children of active duty dependents.

While this is the smallest of the proposals being made, it can make a very significant contribution to relieving serious and distressing problems faced by thousands of military families.

The magnitude of this problem is indicated in the following table. It shows in connection with mentally retarded dependents of active duty personnel that there are almost 7,000 today, 6,964. In the area of our dependent children who have a serious physical handicap, the total is 94,144, for a grand total of children with serious problems of this type of 101,108.

We have been aware for some time that we lack an adequately funded, comprehensive and uniform program among the military services to meet the special problems of active duty members who have mentally or physically handicapped children. Service facilities are generally limited in providing care for these children to diagnostic services on a space-available basis. Treatment of chronic conditions on an inpatient basis is only authorized in certain acute situations.

For the most part, the nonmedical services offered handicapped children of servicemen are through local projects and of scattered and limited scope. As a result, the serviceman with handicapped children must turn to State or voluntary programs for financial assistance. Voluntary agencies normally refer those without adequate funds to public agencies. State laws generally provide benefits only to persons who have legal settlement within their borders. These laws vary widely from State to State, but, in general, they operate to deny State treatment programs and institutional facilities to children of service personnel whose residence in a given State is temporary, being determined by the serviceman's duty assignment.

After studying a number of approaches offering some solution to this problem, we recommend approval of H.R. 9271, with several substantive amendments which have been developed to assist the subcommittee in this matter. If enacted, the bill would establish a satisfactory program for the care, training, rehabilitation, and special education of children who are moderately, severely, or profoundly retarded mentally, or who have a serious physical handicap.

The care, training, and special education for handicapped children of active duty members would all be obtained from civilian institutions and facilities. This approach stems from the conclusion that it would be impractical to attempt to solve this problem through the construction of additional military facilities on the augmentation of military staffs with the required specialists.

Active duty members would be required to pay a share of the cost of the benefits provided. Members in the lowest enlisted pay grade would be required to pay the first \$25 incurred each month. Members in the highest commissioned pay grade would similarly pay \$250. The amounts to be paid by members in all other pay grades would be determined administratively, except that the amounts so determined could not be less than \$25 or more than \$250 per month.

In an effort to overcome the limitations of the residence requirements imposed by some States in connection with child welfare and crippled children programs, the proposed amendments would require such States to waive residence requirements for the children of active duty members, and for a period of 1 year following the member's retirement, in order to obtain Federal grants for their programs.

We estimate the cost of H.R. 9271, as amended, to be as follows: First year, \$28.2 million, rising in the fifth year to \$33.8 million.

Mr. Chairman, the above proposals result from the efforts over the past several years—both by this committee and the Department of Defense—to design acceptable solutions to problems which are becoming increasingly urgent and complex. My associates and I will be pleased to answer the subcommittee's questions regarding these bills and those dealing with our health care problems generally, after you have heard from each of the Surgeons General.

Mr. HÉBERT. We thank you very much, Secretary Morris, and we will comment after we have heard from the three Surgeons General.

General Heaton, Surgeon General of the Army.

STATEMENT OF LT. GEN. LEONARD D. HEATON, SURGEON GENERAL OF THE ARMY

General HEATON. I have a statement, Mr. Chairman.

Mr. Chairman and members of the committee, I appreciate the opportunity to speak in support of H.R. 9271, with proposed amendments, H.R. 13582, and H.R. 13583. These three bills will correct deficiencies and inequities in the present program of medical care for the dependents of active duty members of the uniformed services, retired members and their dependents, and the dependents of deceased personnel.

As Secretary Morris mentioned, when the Dependents' Medical Care Act was passed by the Congress 10 years ago, benefits provided by private health insurance programs were much more limited than they are today. The coverage then provided was primarily for hospitalization and physician services during hospitalization, and this concept was followed in enacting the legislation for the medical program for dependents of uniformed services personnel. The dependents' medical care bill as originally proposed by the Department of Defense in 1956 included outpatient care from civilian sources but the act, as passed, specifically excluded treatment normally considered to be outpatient care. It was the judgment of the Congress that the

money should be placed where it was needed the most; that is, to handle large hospital costs that so often are catastrophic to families of limited income.

The inclusion of authority in that act for the Secretary of Defense to contract for civilian medical care for retired members of the uniformed services and their dependents was also considered. The Congress felt, however, that our first obligation must be to the wives and children of active duty personnel. The conference report on the Dependents' Medical Care Act contains a statement that the House managers agreed to the exclusion of this authority with the knowledge that after the program had been in operation for spouses and children for a period of time it might be possible to later extend the plan by law to retired personnel and their dependents. Our inability to program beds for retired personnel and their dependents and the dependents of deceased personnel has resulted in our new hospitals lacking the capability to provide care for some of these individuals.

Outpatient care frequently constitutes the primary medical service required by many military families. Dependents who are not located near a uniformed services medical facility must obtain outpatient treatment and medicines from civilian sources at personal expense. The inability to secure these services from civilian sources under the "Dependents' medical care program" is a very serious limitation. The lack of these services for their dependents is the subject of the majority of letters that we receive today from servicemen in Vietnam. We had a letter recently from an enlisted man whose wife had taken their five children and returned to her parents' home when he was sent to Vietnam. None of the children was seriously ill, but they did have the usual childhood diseases and upper respiratory infections and their medical bills had risen to the place where his wife was working as a waitress to help pay the family medical expenses.

Likewise, our inability to pay for civilian care obtained by retired personnel and their dependents, even in an emergency creates extreme financial hardship for these good people. These are often cases which are admitted to a civilian hospital on an emergency basis and later transferred to a military hospital. The widow of a retired member who communicated with us recently owed over \$800 for just such treatment and had no means of paying it. Further, the increasing numbers of active duty personnel who must be furnished medical services are making it necessary to sometimes reschedule and restrict routine medical and dental treatment for retired personnel and their dependents in uniformed services facilities. The numbers of retired personnel are also increasing rapidly and soon will far exceed the capability of our present medical facilities.

For many years we have been concerned about military families who have mentally retarded and physically handicapped children. We are unable to assist these families since Army medical facilities are neither staffed nor equipped to provide long-term institutional type care and the special training which these children require. A tragic case was brought to our attention recently by the father of a 6-year-old boy. This child is severely retarded mentally, he is partially blind, and has uncontrolled epilepsy. A civilian physician has recommended that he be placed in an institution for the good of the family as well as the child. However, the father is an enlisted man

and cannot afford the charges for institutional care. Care for such children even in facilities of State or local governments ranges from approximately \$150 to \$250 a month.

Since passage of the Dependents' Medical Care Act in 1956, private health insurance programs have expanded their benefits and now include almost complete medical coverage. During this same period three Government-sponsored health programs have been authorized by the Congress—the Federal employees health benefits program, the retired Federal employees health benefits program, and the new social security health program for the aged. All of these programs provide more liberal benefits than the dependents' medical care program, such as outpatient treatment and drugs. The new social security program also includes convalescent hospital and nursing-home care.

In summary, I feel that the dependents' medical care program should be expanded as contemplated by these three bills in justice to our fighting men and those who have given the major portion of their working years to the military service. I have discussed this legislation with the Secretary of the Army, the Chief of Staff of the Army, and the Deputy Chief of Staff for Personnel, and they all wholeheartedly support the proposed programs.

Thank you for your kind attention and the courtesy that has been extended to me by this committee.

Mr. HÉBERT. Thank you very much, General Heaton.

Now, Admiral Brown.

STATEMENT OF VICE ADM. ROBERT B. BROWN, SURGEON GENERAL OF THE NAVY

Admiral BROWN. Mr. Chairman and members of the subcommittee, as Surgeon General of the Navy, I am grateful for the opportunity to appear before you today in support of these legislative proposals dealing with health benefits for dependents of military members on active duty, retired members, and dependents of retired and deceased members. In spite of the splendid support we have received from Congress for the operation and maintenance of medical facilities, for new construction, and specifically for the Dependents' Medical Care Act of 1956, the Navy Medical Department is finding it increasingly difficult to provide medical care for the categories of patients just mentioned. The legislation proposed is designed to remedy untoward situations which, if uncorrected or allowed to progress, may be expected to have an increasingly adverse effect upon the morale and economic welfare of our service families, enlistment and retention rates, and ultimately the very scope and quality of medical care itself.

The ever widening disparity between the outpatient workload and our resources to handle it is a major problem. Particularly in areas of high concentration of retired and dependent patients, this is evidenced by protracted waiting periods with resultant irritation and inconvenience for the patient, working hours and patient appointment lists that are unreasonably long and professionally frustrating for the doctor, and a resultant deterioration of the patient-doctor relationship with all that this implies. The provisions in these proposals dealing

with outpatient care will allow us to modify the character and magnitude of our outpatient workload so as to bring it into line with our resources and our patients' needs. Equally important, retired members and dependents will be entitled to outpatient care from civilian sources when residing in areas distant from service medical facilities or where an existing facility lacks the required capability.

While it is not easy to fully forecast any program of this character and magnitude, there are certain effects that appear most likely from the point of view of Navy medicine. More and more diseases and injuries are being treated on an outpatient basis. The advantages, both in time savings and quality of care, are becoming increasingly evident. As a consequence of this factual experience and given the fundamentals of these proposals, I visualize that our outpatient facilities will become much more efficient and thus more capable of handling an even wider range of medical problems on an outpatient basis.

With respect to our capability to handle the retired and dependent inpatient load in naval medical facilities, the problems are similar in kind but not of the same magnitude as those relating to outpatients. The existing dependents' medical care program has provided us the means for balancing the inpatient load of dependents of active duty members with our resources and still assure that none are denied the medical care that is their right. A similar program for retired members, their dependents and the dependents of deceased members is urgently needed. H.R. 13583 provides such a program.

The proposed legislation deals very specifically with a most important subject, the extent to which we will retain our present capability to care for the retired group in our naval medical facilities. It provides that outpatient facilities and beds will be included in new construction to the extent necessary to support the training of interns and residents; also, to compensate for a demonstrable critical shortage of beds in the adjacent civilian community. The authority to continue medical care for the retired group in all naval hospitals on a space available basis, combined with the foregoing provisions, should assure maximum utilization of our facilities and also preserve and improve our medical capabilities.

The ever growing national interest in the handicapped child serves to highlight and emphasize our responsibility to our service members with children so afflicted. We are not meeting this responsibility. On the one hand, we do not have in our service facilities the specialized capabilities to care for the needs of these children. On the other hand, and for various reasons, the service family is ill equipped to cope with this problem by utilizing civilian institutions. Financial considerations and the inability to meet the residency requirements for use of State or local facilities are major difficulties. The proposed legislation recognizes these problems and contains provisions for handling them.

I speak also for the Secretary of the Navy, Chief of Naval Operations, Commandant of the Marine Corps, and the Chief of Naval Personnel in recommending strong support for these legislative proposals. I thank you for your courtesy.

Mr. HÉBERT. Thank you very much, Admiral.
General Bohannon.

STATEMENT OF LT. GEN. RICHARD L. BOHANNON, SURGEON GENERAL OF THE AIR FORCE

General BOHANNON. Mr. Chairman and members of the committee, as Surgeon General of the Air Force, I am glad to have the opportunity to press for improvement of the health services that we make available to our active and retired military communities that we serve. I fully support the proposed legislation and the presentations of Secretary Morris and General Heaton and Admiral Brown. I should like to add that Secretary Brown and Lieutenant General Stone, Air Force Deputy Chief of Staff, Personnel, are also in complete agreement with the proposals.

The justification for a program of health care for dependents and retired members of the uniformed services was established a decade ago, and the acceptance by the Congress of that justification resulted in the dependents' medical care program much as we know it today. Section 1071 of title 10 states the purpose of that program:

* * * to create and maintain high morale in the uniformed services by providing an improved and uniform program of medical and dental care for members and certain former members of those services, and for their dependents.

This program has certainly done much to create and maintain high morale, and we in the medical services recognize it and give thanks for it every day. We acknowledge that for a variety of reasons we are frequently unable to provide the care that is essential and deserved. In many instances it is just plain geography—the patients are there and we are here.

In others we just do not have the capability to handle the volume of authorized care, and we must issue statements to that effect.

In others again we do not possess the capability and we believe it would be unwise to develop it—for instance, we do not believe that long-term care associated with treating and training retarded children is properly a permanent mission of the uniformed medical services.

In sum, we have been able to offer certain health care from outside sources under the medicare program; and morale of the forces has been enhanced thereby. But, that care that we have been able to offer fell short of need in many instances. Many bills incurred by service families have impaired morale.

The family that is separated by service demands is the one most entitled to maximum assistance; but it is that very family that would be most likely to live at a place where no service medical facility is located. This is the typical wife and children who have gone back home to live with the old folks while "Dad" is away on an overseas tour.

As to the family with a retarded child, the tragedy itself is of such magnitude that it influences every phase of family life. But when that problem is aggravated by the closed door when aid is sought—usually through failure to qualify for benefits because of lack of permanent residence, in the case of a military family—the enormity of the burden seems beyond limits.

And then the retired community—I believe that the obligation of the Government to this group has been acknowledged in various studies; and some relief is essential. We are already being bombarded with complaints, despite our earnest effort to provide care to the retirees and their families. Members of Congress, particularly those

representing California are as aware as we are that every day brings additional complaints about service inability to provide care to the exploding population of retirees—and many other areas are rapidly approaching the same situation. Additionally, and more importantly, retention of our skilled members is much influenced by what they see as the whole package of fringe benefits, particularly those that will be available after completion of a full career in the service of their country.

Gentlemen, enactment of the proposed legislation will have a positive effect for good on the morale and effectiveness of the Armed Forces, and we see passage of the proposals as being directly in the national interest.

Mr. HÉBERT. Thank you very much, General.

Mr. Secretary and Surgeons General, I want to say that I think today there is, indeed, building a recognition of a milestone of co-operation, understanding, and partnership between the Defense Department and the several services. As one who has been perhaps one of the most vocal if not the most vocal in critical examination of what I consider the lack of a partnership in arrangement and co-operation, today I think demonstrates clearly an entirely complete picture of exactly what can be accomplished in an understandable arrangement and a mutual cooperation between the Defense Department and the members of this committee and the Congress. I say this to you, Mr. Secretary, not facetiously, nor in any derogatory or needling manner, because you have stood on the battlefield on both sides and you know what I am talking about. You have taken the brunt of a lot.

So, it is I think most important that you or the Secretary and representative of the Defense Department come in here today with this type of cooperation and this type of understanding. As you know, and the members of the services know, this legislation was not developed overnight. It has been in the making over a year or longer, particularly in the retarded children's area with which I am more closely familiar.

The legislation which we hope to report out of this committee will be the result of this cooperative effort and complete partnership. These matters have been discussed at length. There have been differences in the beginning which have been attempted to resolve, particularly in the retarded children's area which now brings before us the presentation of the bills by the Congress, the discussion of these bills by you, the Secretary of Defense, and the Surgeons General in uniformity whereby we come to a meeting point where we can publicly discuss the matters and resolve whatever problems there are.

This is why today I believe is a milestone. If this same procedure had been obtained in the past, we would not have had the difficulties that we have had.

The military medical services is out of this service, that's why I address my remarks to the Secretary who is more knowledgeable. But, this, Mr. Secretary, I think is something you can bring back to the Department as a demonstration of the desire and willingness of this committee to cooperate and particularly this committee which has been perhaps the most vocal besides the big committee. I thank you personally. I acknowledge it publicly.

Mr. MORRIS. Thank you very much, Mr. Chairman.

Mr. HÉBERT. This is something.

Now, to the Surgeons General, let me say to you gentlemen, you appear here today for the first time wearing three stars, all of you, together. General Heaton took a lead on you, but he wears his stars today which he so adequately and justly deserves, through stature and not through the individual recognition of a President.

President Eisenhower gave him the third star. But, this committee is cognizant of the job you are doing. The President, of course, has signed the bill which makes you all three stars. Today, this is an honor, I think, that you justly deserve and was late in arriving. I'm glad that the opportunity had been here today to have you three appear before Congress for the first time wearing those statutory stars.

To you, Admiral Brown, and you, General Heaton, on behalf of the committee let me commend both of you for the fine establishment which you operate.

General Bohannon realizes he is a youngster in this. The Air Force has come up in recent years and he maintains your aim and may even pass you.

[Laughter.]

But, seriously, and with great sensitivity and great sincerity, I do want to congratulate you, particularly those two great institutions which are taking such wonderful care of our people and particularly the soldiers and sailors on that level who receive equal attention of any individual at either institution in your limited capacity.

I think General Heaton, and Admiral Brown, you are to be highly complimented for the care you take of these returning boys and the attention you give them. Kind words is not my business.

[Laughter.]

So, I hope you will realize what compassion I have in making these public admissions.

General BOHANNON. We appreciate them very much.

Mr. HÉBERT. I will just have one question or two to ask the Secretary in this connection. Then I would like Mr. Slatinshek who has been working on it to talk for me through this area so that everything can be developed and we know what we are talking about. The members of the committee will have the benefit of these discussions and perhaps the benefit of the disagreements which exist which can be resolved and then they can more intelligently inquire.

Only two areas, Mr. Secretary. In one area I understand that there is a differential contribution from the retiree to the active duty or the active duty to the retiree. One pays more than the other. What is the rationale of that?

Mr. MORRIS. Sir, the program for the dependents of the active-duty personnel that we are proposing builds upon the foundation of the 1956 act which provided the very excellent care of hospital care in civilian facilities with certain rather modest charges, \$25 per admission, or \$1.75 per day, whichever is greater. To this we are proposing now to add a program of outpatient care.

The proposed charge to the beneficiary for the outpatient service is 20 percent. This percentage happens to be the same as that which is present in the Government-wide service plan of the civilian Federal employees health benefits program. We are more liberal, however, than the Government program in that no deductibles would be applied

to our dependent program. The Federal civil servant must deduct the first \$200 per year, whereas we require no deduction.

Now, it is true that the retired program, both for the member and his dependents, in outpatient facilities and civilian hospitals requires a higher contribution—25 percent instead of the 20 percent—which I mentioned.

We developed this program separately on its own merits. We felt that it did make sense for the retired family to pay a somewhat higher charge than the active-duty member, this being consistent with the general philosophy of approach in retired income payments versus active-duty income.

However, again we feel we have set a very modest standard of payment for the retired family, and one that can be preserved over many years without challenge. These were the basic judgments that went into the selection of these charges.

Mr. HÉBERT. Well, now, wouldn't it be logical to assume that the retiree receiving less income would be in a less advantageous position to contribute more than he did as an active duty man?

Here, in other words, the man on active duty receiving his full pay, contributes less than the individual receiving a retired pay who receives less income, but has to contribute more. Now, wouldn't it be much better to take that into consideration since we do acknowledge and admit a definite obligation to take care of the hospital needs and care of the man in uniform?

Mr. MORRIS. Sir, this is certainly an important consideration. We were influenced in our thinking by the fact that the general practice in the development of retired health coverage programs both in the civilian government and in private industry is to require a somewhat higher contribution.

This is the practice we followed, but on a very modest basis.

Mr. HÉBERT. What would the cost be if we made it all equal?

Mr. MORRIS. Sir, if we use the same scale of hospital deductions for the retired member and his dependents in civilian facilities; namely, \$25, or \$1.75, whichever is greater per admission, I believe that would add about \$10.5 million to our proposed program of \$119 million in the first year.

Mr. HÉBERT. Wouldn't it, \$10 million against \$190 or \$200 million—use your computer brain—what percentage of \$10 million against \$200 million? Less than what? Just about 5 percent—we have some computers up here.

[Laughter.]

But, only \$10 million, then against the \$200 million, and wouldn't it be more simple in administration? Wouldn't you recoup or regain perhaps some of that \$10 million in less expensive administration by not needing additional bookkeeping, et cetera?

Mr. MORRIS. I don't think that would be much of a factor, sir. The straight 25-percent principle which is proposed in the bill, I believe, is the simplest.

Mr. HÉBERT. Administratively you think?

Mr. MORRIS. Yes, because it is a single standard that applies to all kinds of costs whereas so many of these plans have a whole series of deductibles and special schedules of fees, particularly for surgeon's work and so on. We are suggesting one standard which we hope by law would work in perpetuity.

Mr. HÉBERT. Well, is it one standard when you pay more as a retiree than you pay as an active duty of the uniformed services?

Mr. MORRIS. No, admittedly the retired program is somewhat less generous than the provision of care today to our active-duty dependents. To that extent I must admit your point is completely correct.

Mr. HÉBERT. What would be the position of the Department if the committee in its judgment decided to equalize everything? Would you strongly oppose that or would you accept our judgment?

Mr. MORRIS. We would naturally accept the judgment of the committee, sir, and the Congress on these matters. We are bringing forward the product of the best judgments we have to bring to bear within the executive branch. We believe these are sound and proper conclusions for the reasons I have stated.

Mr. HÉBERT. But, if we decided otherwise, you would accept what we decided?

Mr. MORRIS. We would, sir.

Mr. HÉBERT. That is again refreshing.

Now, another area I want to cover. It seems to be a great area. In connection with your statement, I don't know whether to amend the law, change the law, or tell the States that these people in effect, while being resident, are in reality residents of the State. We are not getting down to the voting area, I know, but we are getting down to the distribution of Federal funds where you have individuals who are not in reality residents of the State. However, by edict or law you do make them residents of the State for the purpose of receiving Federal money. Is that correct?

Mr. MORRIS. Sir, the technical language is to waive the residency requirement.

Mr. HÉBERT. Then to waive the residency requirement.

Mr. MORRIS. Yes, sir.

Mr. HÉBERT. This is the very point of the whole thing. Is that in the Federal regulations in giving or granting the Federal moneys to the States? The Congress has passed certain laws giving the Executive the power to grant to the States certain Federal moneys. In addition to that it has given to the executive department the power to regulate and issue regulations which will determine how that money shall be granted. Now, wouldn't it be in that area where the regulations would be amended? In other words, tell the States, "Now we give you this money and you administer this money in this fashion." However, in one area where the man in uniform is concerned you waive that part of the regulation, necessity for law? I mean, this is a regulation, isn't it?

Mr. MORRIS. This is my understanding.

Mr. HÉBERT. It is a regulation?

Mr. MORRIS. Of HEW, yes.

Mr. HÉBERT. That it is a regulation?

Mr. MORRIS. I believe so.

Mr. HÉBERT. So, in other words, where you find your result and your decision would not be in amending the law, but in going to HEW to have them amend their regulation and legislation is not necessary.

Mr. MORRIS. Pardon me, my earlier answer was incorrect. Dr. Fisk advises me that present practices would have to be corrected by law, as we are suggesting.

Mr. HÉBERT. Again, a refreshing admission.

I just want to be sure what we are doing.

Mr. MORRIS. Right, sir.

Mr. HÉBERT. Now, Mr. Slatinshek, if you will proceed now in developing these matters.

Does any member want to ask anything before Mr. Slatinshek? I don't want to hold any member except I want the whole area to be developed before we start asking questions.

Mr. HARDY. I don't want, Mr. Chairman, to disrupt your program, but there were a few questions that came to mind as we went through here and if Mr. Slatinshek—

Mr. HÉBERT. That is what I am wondering. I am trying to do this for the sake of expediency so we can get through with this business and Mr. Slatinshek can develop these things.

Mr. HARDY. I had a couple points I wanted to add to some of your very erudite comments. It is very refreshing to have the Secretary back. I would like to welcome you back this time in your different capacity.

Actually, you are on the other side of the table from what your position had been before. It is really delightful to see you proposing to add to consideration the construction of military hospitals now and you and Dr. Fisk were both on the other side of the table last year as I remember it.

Mr. HÉBERT. Dr. Fisk hasn't recovered yet.

He is still silent.

Mr. HARDY. I notice he is still silent and I was wondering if he was going to stay that way.

[Laughter.]

But, this is a most refreshing situation, and I would like to commend you for seeing the light that we tried to point out a year ago.

Of course, Admiral Brown, and General Heaton to the extent that they were permitted to express their own views are consistent with where they were before, but it is real fine. I compliment you on some of your points that you raised.

There are one or two points in connection with one of the bills before us and, also in connection with your statement, Mr. Secretary, that I'm a little bothered about. This is H.R. 13583 where you are talking about facilities. That's the subject I was particularly concerned with, and Mr. Chairman, if I might, I would like to just get right to the language that they put in this bill.

It is in section 1087. I don't know what page it is in the bill, but page 8 of the committee print, line 23, it says: "this title may be programed in uniformed services construction projects by the Secretary," facilities for inpatient and outpatient care for persons covered by sections 1074(b) and 1076(b). You put "may be" in there. Are you trying to get all the discretion? Why don't you put "shall" in there like you should have done to start with?

Mr. MORRIS. I wasn't aware, sir, that we were not expressing a firm intention because indeed it is our intention to program space under the two conditions outlined. It is on page 19 of the committee print.

Mr. HARDY. You don't mind if we just right now go ahead and think in terms of "shall" instead of "may be." It is all right?

Mr. MORRIS. The intent is to apply the conditions as outlined later in this section—

Mr. HARDY. You folks are just used to writing that kind of language to give you all the latitude in that matter.

Mr. HÉBERT. You will accept "shall" as Mr. Hardy suggests?

Mr. MORRIS. Yes.

Mr. HARDY. Let's turn over to the next page, line 7, of my print it says:

The extent to which space covered by subsection (a) may be provided will be based on the teaching and training requirements of the medical interns and residents assigned to the facility, using standards prescribed by medical specialty boards and the American Medical Association.

How can you put the AMA in there?

Mr. MORRIS. Because, sir, they are the authorities who we look to in the accreditation of our teaching hospitals and we thought it wise to cite the standards.

Mr. HARDY. I'm not sure that makes any sense. I think I will probably want to explore that a little bit more. It seems this is an area where you ought to make your own determination. You have your own boards set up for this purpose, haven't you?

Mr. MORRIS. If I may, sir, I would like to suggest that Dr. Fisk comment on this.

Mr. HARDY. I know how his bias would run on this. If he hasn't been indoctrinated into DOD long enough—but maybe he has. So go ahead, I would be glad to have you comment on it.

Dr. FISK. Sir, military hospitals seek accreditation by the Joint Commission on Accreditation of Hospitals, of which the American Hospital Association and the AMA are member organizations. This is the reason that the language was used. This allows hospitals that are so accredited to function as training and teaching hospitals for interns and residents.

Mr. HARDY. Now, are we going to get into conflict here between the views of the AMA and the American Hospital Association?

Dr. FISK. They are pretty well joined together.

Mr. HARDY. They don't always stay together.

Dr. FISK. No; but in this particular instance I believe they do, sir.

Mr. HARDY. How can we depend on their being, thinking in conformity with each other on this thing? You know, we had a little hassle here over this bill, medicare bill, we had last year and the American Hospital Association was a long way away from the AMA. You remember that situation? As a matter of fact, I don't think it has been resolved satisfactorily yet.

Dr. FISK. I don't recall that, sir, to be honest.

Mr. HARDY. You didn't?

Dr. FISK. No.

Mr. HARDY. Many people in the AMA didn't appreciate the view of the American Hospital Association either.

Mr. MORRIS. Mr. Hardy, as I understand it, there is a joint committee or commission of the AMA and the AHA. They are the accrediting authorities for teaching hospitals and it is very important to our physicians that they work in accredited institutions.

Mr. HARDY. I can understand that and I won't press this further at the moment, but I think it is something that we are going to want

to look into, Mr. Chairman, as we proceed with the consideration of this bill.

Now, continuing on down on line 17, and this relates to comments that I noted in several of the statements, yours particularly, Mr. Secretary, on line 17, you said "There is an existing demonstrable critical shortage of beds at civilian hospitals." This is one of the conditions.

Mr. MORRIS. Yes, sir.

Mr. HARDY. I am trying to tie it back to—you have a "may" in that section on line 10. I got a little ahead of myself:

The secretary concerned may also consider programing a reasonable number of hospital beds for persons covered by this section in extreme cases where he determines that all of the following conditions exist.

Now, if he determines all these following conditions exist, why do you want to give him discretionary authority by putting "may" in there? So we will change that one to "shall," all right?

Mr. MORRIS. I don't believe there was any intent to avoid a positive decision under such conditions.

Mr. HÉBERT. It is just habit. We know that.

Mr. HARDY. That is good. We will change that.

Now, we get down to this line 17 and one of the conditions that he determines, that there is existing demonstrable critical shortage of beds in civilian hospitals. Is there any area in the United States today close to a thickly populated military population that doesn't have a critical shortage of hospital beds today?

Mr. MORRIS. I can't honestly answer that. I am sure the surgeons general know better.

Mr. HARDY. The Surgeon General is here and Admiral Brown is here, and I think I know a little something about one of your most densely populated naval areas, sir.

Admiral BROWN. I agree with you.

Mr. HARDY. You stick this kind of thing in here and who determines what is critical? This is one of the key problems to the arguments you are making. I don't disagree with your point of view in providing for some civilian hospitals, but how are you going to get the civilian hospitals that have got the space to take care of them?

Mr. MORRIS. If I may comment just briefly, sir. We agree with the point you are making. We wanted this section of the law to be very explicit in terms of the condition about which no one could raise a question as to when retired beds should be programed.

We are quite aware there has been a long debate as to whether we should program beds for retired personnel, both within Congress as well as the executive branch. So, we wanted to write language that would be understandable to all concerned.

In so doing, we wrote rules in very strong language here.

Mr. WILSON. We can understand there isn't going to be any beds.

Mr. HARDY. As of right now, and I think maybe you said this is very strong language. I think in order for us to understand whether or not it is strong, I would like to have a definition of the word "critical."

Mr. MORRIS. I agree, sir, all these phrases have to be approached with commonsense and the application of good judgment in analyzing situations.

Mr. HARDY. What do you mean by critical? What does it mean to you, Mr. Secretary?

Mr. MORRIS. The meaning to me in this case is that given an area where there is a definable deficit in hospital beds in relation to both civilian and military workloads over a foreseeable period of time, that we should supplement our hospital construction plans to make up for that deficit in order to care for the retired population.

It is simply a matter of getting the facts in each case, looking as far ahead as our programmers and the civilian community can look ahead, and proving that we need that number of beds.

Mr. HARDY. Of course, all of us, Mr. Secretary, are inclined to think of these things in terms of what our own experience is—our own areas—and I have a little knowledge of situations in my own backyard.

We at the moment have a new wing being constructed on the biggest hospital in Norfolk today. It has been under construction for 2 years. We have been bothered with some strikes and a few other things. I'm just looking now, you are talking about, I think you used the term "reasonable foreseeable future." I don't know what that means.

You try to explain one word that I don't know there what it means, "critical," by using a flock of others that fall in the same category. So when you are going to program construction of a new hospital and going to take into account these factors, I think we have got to have them a little clearer, spelled out a little clearer. I don't think you did such a fine job of spelling this thing out here that it won't be contravened by somebody's arbitrary action right back there in the spot that you are sitting in today. I'm talking now about the future. There is no use you shaking your head, Dr. Fisk, you would have done this yourself last year. I would hate to operate under the instructions you were under last year.

We wouldn't have gotten a thing. We didn't get a thing. We are talking about trying to get a little increase in the construction in last year's bill, and we didn't get any, remember? We didn't get a bit of help out of you, not any, and if you were working on these guidelines we still wouldn't have gotten any because you had your orders and Mr. Morris was sitting in the installations office at that time. Isn't that right, Mr. Secretary?

Mr. MORRIS. That is right. Since 1962 and up until now sir, we have had a policy against any such programing.

Mr. HARDY. Yes, thank goodness you got a little sense finally, but I am still worried about this kind of language, Mr. Secretary. I think we have to do something with it, and maybe you folks can come up with something that won't be susceptible to arbitrary interpretation by somebody who might be occupying your job a year or two from now.

You follow what I am worrying about, don't you?

Mr. MORRIS. I know what you are worrying about, sir, because we worried about it for a good many weeks and debated among ourselves as to how to write the language.

Mr. HARDY. Let me proceed a little further. You have in the next one of these conditions that have to be determined, the same words, "critical shortage of civilian hospital beds" again. Now, I think, Mr. Chairman, I would like to ask the Secretary and his

associates to come up with some improvement in this language for us to understand, recognizing the problem that we have ahead of us, and the fact that we want to try to see that we have a reasonable approach to this thing.

Mr. HÉBERT. I suggest, Mr. Hardy, you pursue the definition of "critical" at this moment.

Mr. HARDY. I was trying to get that a minute ago, but Mr. Morris came out with such devious definitions of it, it didn't help us very much.

Mr. HÉBERT. Let's ask each witness. We will ask General Heaton what is your idea of "critical shortage"?

General HEATON. A critical shortage of beds in a hospital exists when that hospital runs over 80 percent of beds occupancy. That is what we in the Army utilize.

Mr. HÉBERT. Admiral Brown, what is your interpretation?

Admiral BROWN. We use the same criteria for occupancy. Sometimes we use an alternate, and that is a dispersion factor which is 1.33. This enables us to dispurse the cases, and sexes and so forth, and come out with about the same figure.

Mr. HÉBERT. Are you in agreement with General Heaton?

Admiral BROWN. Yes.

Mr. HÉBERT. Do you agree?

General BOHANNON. Yes, I do agree.

Mr. HÉBERT. We have the three services agreeing and we have solved your problem, Mr. Secretary.

Mr. HARDY. Let's look at that. I don't know whether that might be a pretty good guideline for programing purposes. I don't know. Now, critical shortage of beds still might not give us, I mean using this definition, might not give us a projection that would be realistic, looking at the situation again right in my own backyard. One of my close neighbors, an elderly woman, fell and broke her hip about 2 weeks ago and she just got in the hospital the day before yesterday. I had a situation where the wife of a member of the hospital board of the Norfolk General Hospital was taken critically ill and it took them over a week to get her in the hospital.

We have a fine naval hospital down there too, Admiral Brown, one of the best, and one of the largest, but the community facilities—and if we are going to throw these additional retirees and their dependents on civilian facilities and the facilities aren't there, what are you going to do about increasing the military facilities to take care of them, or are you going to wait for HEW to find some way to increase the civilian facilities?

This is a fine approach, but I'm not sure we have the answer to it.

Mr. HÉBERT. Mr. Hardy, may I ask you this question in trying to develop this. We do not have the definition now in existence of what is "critical" except in the discussion here, and we know it has existed in the past. Now, to the three Surgeons Generals, I will address this: Would this formula which you have suggested relieve the situation and give you the room area, the elbow room to take care of many of these cases? You don't have it now. That is correct, isn't it? I mean, you don't have that formula applied now. You do have a shortage of critical beds in your military hospitals as Mr. Hardy has suggested. All I am trying to do at the moment in the discussion is to get your thinking that would help us in writing the legislation; is that correct, Mr. Hardy?

Mr. HARDY. That is right. I think, though, Mr. Chairman, I would hope that we can come up with something that is better than the language we have here now, either that or find some way to spell it out.

Mr. HÉBERT. But, are you in agreement that at the starting point the three Surgeons General have indicated, we are enabled to write the legislation?

Mr. HARDY. Yes; I think they have given us a guideline.

Mr. HÉBERT. That is a guideline and we can take that guideline and use that in writing the legislation.

Mr. HARDY. I think that is right.

Mr. HÉBERT. That is our objective.

Mr. HARDY. That is right, and I hope they would give us some help in trying to get this worked out.

Mr. Chairman, I don't want to pursue these things very much further, but there is one other thing I think I maybe ought to bring up.

When you talk about outpatient care again I congratulate you on that approach, but outpatient service is in pretty bad shape too. I believe General Bohannon brought this out about the effect on patient-doctor relationship of the long waiting periods. This is a terrible situation. How are we going to make provisions for reasonably taking care of these dependents on an outpatient basis?

How far have you gone in your thinking on that, Mr. Secretary?

Mr. MORRIS. Sir, we feel that the same approach in principle must be applied to both outpatient space and hospital beds.

Mr. HARDY. I don't find any problem with the principle, but I am trying to look at the practical application of it and if you already are overloaded in your outpatient facilities, now, in your military establishments, and your civilian facilities are also so overloaded, then what have you done about adding to the total load which you will make available as to use both civilian and military facilities unless you provided additional facilities?

Dr. Fisk, you can take that.

Dr. FISK. I would like to answer that, Mr. Hardy. I think that the hospital beds situation and outpatient facilities situation in civilian communities may be totally different.

Mr. HARDY. It may be totally different, but they can both be totally critical too.

Dr. FISK. No; the outpatient facilities as exemplified in the bill, in civilian doctor's offices, now granted this may be overcrowded also. It doesn't mean the facilities in the hospital in the usual sense.

Mr. HARDY. I understand that.

Dr. FISK. So, you may have a very critical bed situation in a hospital but you might conceivably have space in outpatient facilities, that is, in the doctor's office or house calls.

Mr. HARDY. That is conceivable, but in fact, if it doesn't exist then what are you going to do? Have you made any provision for correcting this? The outpatient facilities in the Norfolk area of the military establishments are so overtaxed now that it is really pathetic and private doctors' offices in most cases are just as bad.

Mr. MORRIS. We must meet these situations, sir, as they develop.

Mr. HARDY. They are already developed and I expect that some of your California situations are just as bad if not worse. I think this is a fine approach and I really congratulate you all on having

worked this thing out. I'm afraid there are some practical implementation problems that haven't been adequately thought through, and that we are going to have to think through when we get this legislation in its final form.

Thank you, Mr. Chairman.

Mr. HÉBERT. All right, I suggest that Mr. Hardy has developed this and I'll ask the members to discuss this area and confine themselves to this area alone so that we can do as much as we can to dispose of it.

Mr. Wilson of California has been named as a state of explosive—

Mr. WILSON. First, Mr. Chairman, I think I should associate myself with the floodtide of good will that you exuded this morning.

Mr. HÉBERT. You notice it weakened a little bit as we went along. [Laughter.]

Mr. WILSON. You reminded me of the spring tides of the Mississippi down past New Orleans and I would like to float along with them. But, 10 years ago I helped work on this Dependents' Medicare Act and it had a lot of promise too in those days and everybody was happy because everybody was going to be taken care of and in a very short time we ran into funding problems and that act, frankly, was a disappointment in the minds of a lot of us.

It didn't give the care, and I notice in General Bohannon's statement that he said he acknowledged that frequently the dependents didn't get the medical care they were entitled to, particularly because of geography. I want to know from the three Surgeons General if they felt there was adequate funding of the Dependents' Medicare Act over the past 10 years? Have you gotten all the money you needed to take care of the responsibilities given you by the act?

General BOHANNON. I would say that on the whole we have not, when you consider all the requirements.

Mr. WILSON. In other words, there were a lot of people that were actually entitled, but you didn't have enough funds to give them the required treatment?

General BOHANNON. But we tried to take care of them in our own places where possible. We refer them to the civilian professional when we could not.

Mr. WILSON. I would say that the major change that is going to be important, the fact that you are providing for outpatient care outside the military hospital to take care of those who are not in an area where they can't be serviced. Also, and I hope you intent it so as to provide such outpatient care in areas where there are military hospitals but completely crowded and unable to give the proper outpatient treatment. I have one of the largest outpatient facilities in San Diego and outpatient is one of the most critical problems we have there. We are building a new facility to improve it, but this is one of the big problems as far as service personnel is concerned, and I am very much encouraged. I would say this, Mr. Chairman, just one point. You talked about the encouragement of having the witnesses come forth finally with a program that is going to solve a lot of these problems. I certainly agree. I think the important point that is taken here as far as military retirees is that if we adopt this legislation pretty much as written, it will be the first time that the basic right of military care for military retirees is acknowledged.

It has been on a privileged basis so this is historic and it will be a tremendous help for us in our morale problem.

Thank you.

Mr. HÉBERT. May I pursue what you asked General Bohannon on this subject and this is the area where Mr. Hardy was developing the "may" and the "shall" business. Did you ask so far as the Air Force is concerned, for any implementation of the law as we wrote it by way of appropriation in funds? Did you ask any?

General BOHANNON. Yes, we did.

Mr. HÉBERT. Who turned it down? Did the Congress turn it down or were you able to get beyond the Bureau of the Budget and Secretary of Defense?

General BOHANNON. We did not get beyond that, I believe.

Mr. HÉBERT. That is correct, beyond the Secretary of Defense and Bureau of the Budget.

Admiral?

Admiral BROWN. Our situation, I believe, is somewhat different. I don't believe that we have ever been denied any significant amount of funds needed to take care of the Medicare Act of 1956 as it deals with inpatients.

Mr. HÉBERT. We are going beyond that. This act deals with outpatients, too.

Mr. WILSON. We are talking about the medicare aspect——

Mr. HÉBERT. This law we thought was encompassing and we found an interpretation which was not new.

Mr. WILSON. For dependents away from a military hospital?

Mr. SLATINSHEK. Perhaps, I can clarify it. I think what the members are pursuing, Admiral, is the fact that granted Dependents' Medicare Act did not permit you to contract for outpatient care from civilian facilities, however, it did provide outpatient care in uniformed services facilities and the question therefore is, Have your uniformed services facilities been adequate to provide outpatient care required of your active duty dependents? This is the question.

In other words, have you been getting enough money to build facilities which will take care of your civilian outpatient loads?

Admiral BROWN. I can answer that. I misunderstood you.

Our present uniformed services facilities are not adequate to take care of the outpatient load as it exists. We have been able in our new construction, as it has been approved under the existing rules, to program for outpatient care, including dependents and retired. And, we have had outpatient facilities approved on this basis.

Mr. HÉBERT. What you are saying, Admiral, and I like these phrases, I'm always intrigued by them. Under existing rules. Now, as a matter of fact, the existing rules don't let you ask, don't let you come before us for what you want; isn't that right? Those are the existing rules. You can't come up here unless you are cleared by the Department of Defense. You can't go beyond what they tell you to tell us unless we are a little bit more knowledgeable and ask you some questions. Under the guidelines they say now you can give your personal opinion. The stars will fall pretty heavily if you do give them.

Admiral BROWN. I stand corrected on semantics. [Laughter.]

Mr. HÉBERT. These are facts of life.

Admiral BROWN. I restate that we have had to date approval by and large for adequate outpatient facilities in our newly programed construction.

Mr. HÉBERT. We will go by your words again. By and large, it is always qualifying.

Are you satisfied with what you are getting as to what you really need and what you want?

Admiral BROWN. Well, we have, in answer to that, and directly as possible——

Mr. HÉBERT. Again, qualifying. I will accept the qualification.

Admiral BROWN. Yes, sir. We have had some disagreements as to total space and as to the programing of particular space, but these have been honest disagreements based on——

Mr. HARDY. Guidelines.

Mr. HÉBERT. They are all honest. I have never challenged the integrity from Secretary McNamara down.

Admiral BROWN. I would like to restate that we feel we have come out with quite practical and usable outpatient facilities.

Mr. HÉBERT. Then you are happy now you have taken care of everything.

Mr. HARDY. Mr. Chairman, could I make an aberration on that? It reminds me of this marine we had testify over in Naples who said he could carry out his mission even though he didn't have certain equipment that was essential but he could carry out his mission if he didn't have a thing in the world except a rifle.

Mr. HÉBERT. Maybe not be successful. You mean attempt.

General HEATON, you always have something to add.

General HEATON. Well, I can give you two concrete examples of how we feel. Within the last few months I have personally participated in the dedication and opening of two brand new army hospitals, one at Fort Leonard Wood, Mo., a huge post, and one at Fort Sill, Okla., another post that is huge, and I was very favorably impressed with the new ideas of outpatient construction.

Mr. HÉBERT. I am not talking about construction. I am talking about getting the money for what you want.

General HEATON. I got it.

Mr. HÉBERT. You got everything you wanted?

General HEATON. Yes, sir, I got it. One of the most important things today in new hospitals is the outpatient facilities.

Mr. HÉBERT. You got enough of them?

General HEATON. And, we got them in those two hospitals.

Mr. HÉBERT. I know you got 2, but did you ask for 10 of them?

General HEATON. Sir?

Mr. HÉBERT. How many did you ask for, two?

General HEATON. No, I'm giving you concrete examples of these hospitals.

Mr. HÉBERT. We are not talking about the physical—when you produce a hospital or build a hospital, we are very well satisfied that it is what you want, but do you get as much as what you need?

General HEATON. Yes, sir; we certainly got it in these two hospitals for outpatients.

Mr. HÉBERT. I admire you more every time I talk with you. [Laughter.]

Mr. LONG. Mr. Chairman, could I ask one question? Have you asked for any hospital facilities at Fort Polk, La.?

General HEATON. We have not put in for Fort Polk yet.

Mr. LONG. Why?

Mr. HÉBERT. You don't need them?

We are not being provincial, we are just covering everything.

Mr. LONG. You speak for yourself.

General HEATON. We have not yet put in for a new hospital at Fort Polk, La.

Mr. LONG. You say you have not?

General HEATON. Not yet.

Mr. HÉBERT. Would you like to have one?

General HEATON. We would like to replace all of our old hospitals, Mr. Chairman.

Mr. LONG. Well, if the need exists, why don't you ask for it?

General HEATON. We are, yes, sir.

Mr. LONG. You are going to ask for one for Fort Polk?

General HEATON. We are going to ask for a new hospital everywhere until all of our old ones are replaced.

Mr. HÉBERT. Are you going to ask for one at Fort Polk?

General HEATON. Yes, sir.

Mr. HÉBERT. Mr. Pirnie?

Mr. PIRNIE. Mr. Chairman, I was interested in having served on that special committee that gave some thought to this general subject in a different climate. Remember we suggested that there should be some programing in military construction for retired personnel and we selected a percentage in that report. What is the reaction now to that proposal?

Mr. MORRIS. Sir, we gave this very great thought, decided that it was wiser to state the objectives and the conditions under which we should include this without regard to a given percentage target or ceiling or floor; 10 percent is suggested in the report, but it could be too little in some cases. So it was the judgment of all of us that if we stated the reasons for including such beds, not being bound by any specific percentage, which might be taken as an arbitrary goal or ceiling—that we would be better off. It is that simple.

Mr. PIRNIE. I wouldn't want to take the position that any of us on the committee should be arbitrary with respect to that because we were only seeking to fulfill a requirement.

Mr. MORRIS. Yes.

Mr. PIRNIE. When we stated that there might be a different requirement in the case of teaching hospitals, we were just recognizing something that I assume you would consider appropriate. That is right.

Dr. FISK. Yes, sir.

Mr. PIRNIE. So in effect you are telling us now the theory which prompted that recommendation is now accepted by you and that there is no real conflict even though you do not happen to pick up the percentage which we suggested; is that correct?

Mr. MORRIS. We think we are completely consistent with what we understand the intent of your recommendation to be; namely, that we must provide proper training and professional development for our physicians from a self-interest point of view and, secondly, we must provide the capacity where the civilian community cannot do so, to meet our retired workload.

Mr. PIRNIE. So, we can contemplate that at the time of construction?

Mr. MORRIS. Yes, sir.

Mr. PIRNIE. So, there will be an excess for that purpose?

Mr. MORRIS. Yes.

Mr. PIRNIE. We had another recommendation, you remember, that related to considering the mission of the hospital. Giving that a priority perhaps even over local conditions which might fluctuate and be subject to the control of others than ourselves. Do you recall that recommendation?

Mr. MORRIS. Not quite as clearly, sir; I'm sure.

Mr. PIRNIE. Let me quote.

Mr. MORRIS. Fine.

Mr. PIRNIE (reading):

That the Department of Defense program beds for dependents of active duty personnel in new military hospital construction on the basis of projected mission and not depend on civilian hospital in nearby communities which are subject to local fluctuating conditions.

Now, I never took that to be exclusive, but to make your planning basic with respect to the military mission to be served by that hospital. Don't you feel that there is a thought there that should be given considerable priority and planning so as to assure that the mission of that military hospital is completely fulfilled which means the protection of the morale and the needs of the military identified with that hospital?

Mr. MORRIS. By all means, sir, our programing for construction at our long-term installations should be based upon their long-term missions and their long-term active strength as best we can judge them.

Mr. PIRNIE. Thank you, Mr. Chairman.

Mr. HÉBERT. Mr. Nedzi?

Mr. PIRNIE. Excuse me, Mr. Chairman, I would be remiss if in view of having served on that committee, I didn't express my personal pleasure at the change of atmosphere and I'm sure it is going to be healthy for us all.

Mr. HÉBERT. I can also share that too, Mr. Pirnie, because every time I attend a wedding I just wonder how long the beautiful honeymoon is going to last.

Mr. Nedzi?

Mr. NEDZI. Mr. Chairman, I think you had an eminently reasonable suggestion in asking Mr. Slatinshek to develop the record, and I won't take up any time by asking any questions now.

Mr. HÉBERT. You are always most cooperative and I am sure you enjoy the atmosphere on this side.

Mr. Lennon?

Mr. LENNON. Mr. Chairman, I would like to address a question or two to the Secretary.

I note that you say that the average career member has about 22 years of service and typical retirement is in his early forties.

Mr. MORRIS. Yes, sir.

Mr. LENNON. And that the average military retirement income is just over \$250 a month.

Mr. MORRIS. Yes, sir.

Mr. LENNON. And you do think there ought to be a distinction in the benefits to the retiree's dependents as distinguished between active military personnel's dependents?

Mr. MORRIS. We have felt so, sir; yes.

Mr. LENNON. Now, what percentage of your retirees in the early forties establish a new career or new profession?

Mr. MORRIS. After leaving with 20 year service?

Mr. LENNON. The average is in the forties. What percentage of them establish a second career?

Mr. MORRIS. I don't have precise figures, but I would expect a very high figure in the nineties.

Mr. LENNON. A preponderance of them certainly would in retiring in early forties establish some subsequent career?

Mr. MORRIS. I'm certain; yes, sir.

Mr. LENNON. I am impressed with your total statement. It is heartening to see what the military, Department of Defense has finally come up with. Hopefully we can believe that this implementation of the passage of this legislation or the implementation after passage will bring the desired results. I say "hopefully." We don't know that it will. We do know that beginning July 1 our hospitals are going to be crowded, our civilian hospitals everywhere.

Mr. MORRIS. Yes.

Mr. LENNON. You state here with respect to retirees that no charge would be made for outpatient care and only minimal charges for inpatient care of \$1.10 for the commission member only and nothing for the enlisted member, and \$1.75 per day for the dependents of both.

Since this is going to be a program that will ultimately affect so many civilian hospitals across the country, have you by any chance conferred with the executive director of the American Hospital Association with respect to their views on the effect that the passage of this legislation would have on the members of the American Hospital Association?

Mr. MORRIS. I would like to ask Dr. Fisk to comment on this.

Dr. FISK. I don't believe, sir, that we have directly given them or let them see this legislation or the changes that are attended to it.

Mr. LENNON. Well, I think they have seen it.

Dr. FISK. They have not discussed it with us. I was at a meeting last week with the American Hospital Association among other groups.

Mr. LENNON. They suggest a different approach.

Dr. FISK. Yes.

Mr. LENNON. From what this bill provides. They suggest a program comparable to our civilian component, with respect to hospital care for your retirees, particularly in the aspect of the dependents.

They raise a question too of the benefits for medical care not exceeding 75 percent repaid by the DOD or the Federal Government as related to the amount that is paid for civilian retirees for medical benefits.

Were you impressed with the argument that they present there in that?

Dr. FISK. Sir, I unfortunately didn't get that argument from them. They made no comment at the time I was there.

Mr. LENNON. I just happened to read the letter that was addressed to the chairman of this committee in which they make an analysis of each of the three bills that are being considered here today and a copy of it was sent to my colleague here and he permitted me to read it during your testimony.

I think it would be worth while to read that letter. I am sure that the chairman of the committee would furnish it to you gentlemen and in order that you might show them why you took this approach rather than the approach that they have advocated because this is going to resolve itself into ultimately personal relationship with members of the American Hospital Association.

Now, the chairman has indicated, and I think Mr. Hardy too, that they were looking with some favor upon the treatment of your dependents of your retirees for hospitalization and medical care and the same method that we treat the members of dependents of those on active duty service, and I believe you indicated it would cost approximately \$10 million more on an annual basis.

Mr. MORRIS. That is correct, for hospital care.

Mr. LENNON. Would that be the first year in the time frame?

Mr. MORRIS. Yes.

Mr. LENNON. Would that have a tendency to accelerate over the 5-year period that you projected the total cost for that program for that time?

Mr. MORRIS. Yes.

Mr. LENNON. Other than the cost factor, Mr. Secretary, would you tell us why you had arrived at the judgment that there ought to be a distinction between the benefits to the retiree's dependents as contrasted to the dependents of those on active duty?

Mr. MORRIS. Sir, as I indicated earlier we followed what we thought was the best and most modern practice in the development of charges for such health care programs. We have come up with what is a more liberal program than the Federal Government for its civilian retirees and more liberal, we believe than that available in private industry, generally. It is a little less liberal than that for our active duty dependents, but we think it is consistent with good practice.

After all, our retirement incomes are also scaled down based on the years of service of the individual.

Two and a half percent a year in terms of his base pay.

Mr. LENNON. If the average retiree is drawing as you stated here, \$250 a month, he could acquire for his dependents a policy that would pick up this approximately \$1.75 per diem for hospitalization, could he not? Couldn't he buy a policy which would put him in a position at a reasonable premium that would pay the difference between, well, would pay \$1.75 per day for hospitalization and pay the 25 percent for medical services both inpatient and outpatient which is what he would pay under this bill for his dependents?

Mr. MORRIS. Sir, many of our retirees, of course, when they start their second career, join companies that have health care programs and they also participate in them. So, that ours is a supplementary program where they do elect to take out other health care plans.

Mr. LENNON. In other words, the retiree, even though he was a commissioned officer retiree, would be subject to a cost of only \$1.10 per day?

Mr. MORRIS. In our facilities, in military facilities.

Mr. LENNON. In military facilities?

Mr. MORRIS. Otherwise, he pays 25 percent of the cost, and the Government pays 75 percent of the cost which is a very generous arrangement.

Mr. LENNON. If that commissioned member is confined necessarily because of distance to a hospital, civilian hospital, how do you participate in that?

Mr. MORRIS. 75-25 cost sharing is proposed under the bill.

Mr. LENNON. 75-25?

Mr. MORRIS. Yes, sir.

Mr. LENNON. The Government up to but not exceeding 75.

Mr. MORRIS. Yes, sir.

Mr. LENNON. How would the determination be made as to whether or not the Department of Defense picked up 75 percent of the cost or 50 or 60?

Mr. MORRIS. Under the bill as written, the Secretary of Defense and Secretary of HEW would develop administratively the scale of charges from year to year.

Mr. LENNON. Would it be based on a man's retirement pay or his income from his second profession or what?

Mr. MORRIS. At the outset our feeling has been that we would probably adopt a straight 75-25 across the board for all eligibles under the program; but that as we accumulated experience we might find it desirable to make it possible for some personnel with more severe problems to pay less than 25 percent and others to pay more than 25 percent. This flexibility would be permitted under the law, and we think it is a wise principle to have in a permanent statute.

But, on the average the 25-75 would be the cost to all retirees on the one hand and the Government on the other.

Mr. LENNON. Now hospital costs can be as much as 50- to 60-some-odd dollars a day; can't it?

Mr. MORRIS. Yes, sir. Again, I must stress this is an extremely generous program.

Mr. LENNON. Sir?

Mr. MORRIS. I would like to stress this is an extremely generous program from the point of view of the retired member and his dependents.

Mr. LENNON. Are the Surgeons General of the three Departments normally the Army, Navy, and Air Force, are they in total agreement with respect to you and this difference as provided for the retirees' dependents as contrasted to the active service dependents?

Mr. MORRIS. I would like them to speak for themselves, sir.

Mr. LENNON. I would like, sir, do you make that as a flat categorical statement?

General BOHANNON. Yes, sir.

Mr. HÉBERT. And you, sir, Admiral?

Admiral BROWN. Yes.

Mr. HÉBERT. And you, General?

General HEATON. Yes, sir.

Mr. LENNON. I think that is all at the moment.

Mr. HÉBERT. Thank you. I do have to say this because it has come to my mind when discussing these things, I think it would be of interest, this is what the public doesn't get, and the columnists don't particularly say anything about is our great fringe benefits for Mem-

bers of Congress. The dependent who enters any of our military hospitals pays \$1.75 a day, isn't that right, Dr. Heaton?

General HEATON. Yes, right; \$1.75.

Mr. HÉBERT. What do I pay?

General HEATON. \$46 a day.

Mr. HÉBERT. They pay. And every time I go out to Walter Reed, it costs me \$46 a day.

Mr. MORRIS. I am in the same boat.

Mr. HÉBERT. I agree, you should be, but what I am trying to find out here, the concern we have for the man in uniform and the false impression so many people have on the outside. I am glad to have you associated with me in this because certainly every time a Member of Congress goes and enters a hospital, it is \$46 a day. We do not get this for nothing. There are no franks on that medical care out there at all. We come up with that cash. I know the time that I have been out to General Heaton's hospital out there, people thought that here is a Congressman out there and he is getting everything for nothing, but I get those bills and I have to pay them.

It is \$46 a day, and it is based as I understand it, General Heaton's and other hospitals too, on a cost estimate, that figure.

General HEATON. Average cost estimates for a fiscal year.

Mr. HÉBERT. Average cost estimates, because I remember years ago it was something like \$20 a day and it is now \$46 a day and as you say, Mr. Secretary, if you go out there, you don't get a free ride.

Mr. MORRIS. No, sir.

Mr. HÉBERT. No, but I really think this is something important that people should really know. Many times people in the Executive are identified as being at Bethesda or Walter Reed and I'm sure the general impression is that these people are out there as freeloaders, and they are not out there as freeloaders. They are paying the price of \$46 or whatever the going rate is, and in comparison to that figure I think it should be indicated now to show exactly what consideration we are giving for those dependents. There is a big difference between \$1.75 and \$46.

I'm not complaining about the money. That is all right. I'm willing to pay it, but I think this should be pointed out and brought into focus, the thoughts that we have in giving our man in uniform every advantage that we can possible give him.

Now, we have Mr. Hagan.

Mr. HAGAN. Mr. Chairman, I want to say I regret very much my unavoidable delay in arriving this morning, but I consider of great importance the increased availability of medical care to the men in uniform, both to retired and to active duty as I will acquaint myself fully with everything that has transpired here this morning.

Mr. HÉBERT. Thank you, Mr. Hagan.

Mr. Long, you have some more questions?

Mr. LONG. If it would be appropriate at this time I would like to direct a few questions in regard to H.R. 9271.

Mr. HÉBERT. Before you get into that, may I say for the record it is important to identify the fact that you have been associated with this type of legislation some years as a legislator in Louisiana.

I always like to qualify the people on my team with their expertise.

Mr. LONG. Thank you, sir, I don't know how expert I am in this field, but I am interested in it, and I hope however none of my questions are interpreted to mean that I'm not in complete sympathy and accord with legislation in this field as long as it is legislation that might do some good, so that I might not be misleading.

Now, if you will turn to page 12, I see where you have the mentally retarded defined, pointed out here.

Profoundly or severely. Do you mean by that, those cases which require institutionalized care? And, those that have criminal tendencies also in your definition and understanding of it, Mr. Secretary, or maybe one of the Surgeons General?

Mr. MORRIS. I would like to ask Dr. Fisk to comment on this if he would.

Dr. FISK. I think the general term of retarded and mentally handicapped child doesn't necessarily include those that have criminal tendencies, Mr. Long.

Mr. LONG. No; not necessarily, but it could and that is because some retardees do, you know, and in this program is it intended to cover those also, sir?

Dr. FISK. I think if they qualify as a dependent child and were mentally retarded in the sense, medical sense, of word, severely medically, mentally retarded, they would qualify for the plan. I don't know how many of these have criminal tendencies. If they were severely retarded they would probably not be intelligent enough to have criminal tendencies.

Mr. LONG. Some do because I know in Louisiana we have several institutions, in fact one in my own congressional district, in which provision had to be made that although some did not require institutionalized care from the standpoint that they were uncontrollable, merely because they were retardees, but because they also had criminal tendencies, also.

Maybe not as a general proposition but many are. A large percentage and maybe the larger percentage of our mental retardees are the docile type. At least it has been my experience.

Dr. FISK. More what?

Mr. LONG. Docile, and well behaved. There are some that are not. Some that have criminal tendencies that cannot be controlled by their parents. Cannot be turned loose on society.

Now, my question is in this profound or severe case, does that also include that type or just those that require institutionalized care?

Dr. FISK. I don't believe this legislation as it was written contemplated this type of individual. I think the criminally insane, if this is what you are referring to——

Mr. LONG. No; I am talking about a retardee, mentally retarded child.

Dr. FISK. I would think they would include this. I would think very definitely.

Mr. LONG. Now on your moderately, your definition of the moderately, is that just restricted to those trainable and those that are educable?

Dr. FISK. I think in trying to define the three groups, we did go through certain exercises which I grant didn't give a very clear line because I don't believe there are these clear lines of theory. In the mildly retarded and mildly handicapped I think we considered these

individuals to be those who could be cared for at home provided they got certain outpatient care, say from the standpoint of teaching and training.

Those that were not able to be controlled at home, in other words, it would be a hardship on the family and the children associated with it. Those who would be moderately or severely handicapped or retarded, obviously would have to be institutionalized for their proper care.

Mr. MORRIS. We have some definitions of these adjectives. They are used in the literature of the National Association for Retarded Children.

Moderately retarded are defined as those who under sheltered conditions are able to perform simple tasks and enjoy simple recreational activities and usually not capable of self-maintenance.

Whereas, severely retarded persons have some understanding of speech and are capable of some response, however, these children require continuing direction, and supervision in a protected environment.

Mr. LONG. I have to speak in reference to my own experience in my own State. We have an institution in my own area where they are institutionalized to take care of approximately 1,400 of these retarded and we also have a school in another section of my area which is near an Army center whereby they give them some educational training up to the level that they can be trained.

We have it broken down in our State. We do have those that are trainable, who require institutionalized care and those that are educable up to a certain grade level, we will say fifth, sixth or seventh grade.

What I am trying to say is, will those classes be eligible under the provisions of this act?

Mr. MORRIS. Yes.

Mr. LONG. Now, speaking about what we are going to accomplish by this proposal as I understand it, is that in effect all it does is say that a State cannot refuse admittance or treatment of one of these children simply because his father or dependent is in the military?

Mr. MORRIS. No, sir, that is only one provision. One tool to make this possible. It is the preferred way where it is possible but the funds proposed in the bill could be used for care in private institutions, for special training and special training institutions and for help to the sponsors of the child in various ways.

It is a flexible program, in other words.

Mr. LONG. I have seen statistics in the past that about 3 percent of any given community would fit under the mentally retarded and then your physically handicapped; either paralysis, speech, or spastics, or, epilepsy, an all in one of these exceptional categories. The State of Louisiana, for instance, which has over 3 million people, has over 90,000 children who unfortunately would fit into this category, and of course, Louisiana has several schools for these exceptional children both private and public.

We have workshops for those that can be trained.

We have various facilities but nowhere do we come up to what is needed within that State. I'm sure you are going to find nowhere in the United States that there are adequate facilities, just page after page of waiting lists. So, what I'm trying to find out is in effect,

what good is this act going to do in those areas where a waiting list is long and will it be enforced to the extent that the States will be forced to give military or people eligible under this act first preference?

Mr. MORRIS. There is no intent, sir, to crowd out other worthy cases. The intent of our proposal is to make fully available to our military person all the benefits available to the citizens in a community and in addition make it possible for the Government to help the parents in financing this.

Mr. LONG. Within that particular given community, or can they send their children from one community to another?

Mr. MORRIS. They may well have to.

Mr. LONG. Or from one State to another where a facility may be available?

Mr. MORRIS. Yes.

Mr. LONG. Either private or public?

Mr. MORRIS. Yes, sir.

The first preference where it is available is the public institution which is usually Government financed in some degree. Where those arrangements are not adequate to meet the needs, the funds available under the act could be used for the other purposes you suggest.

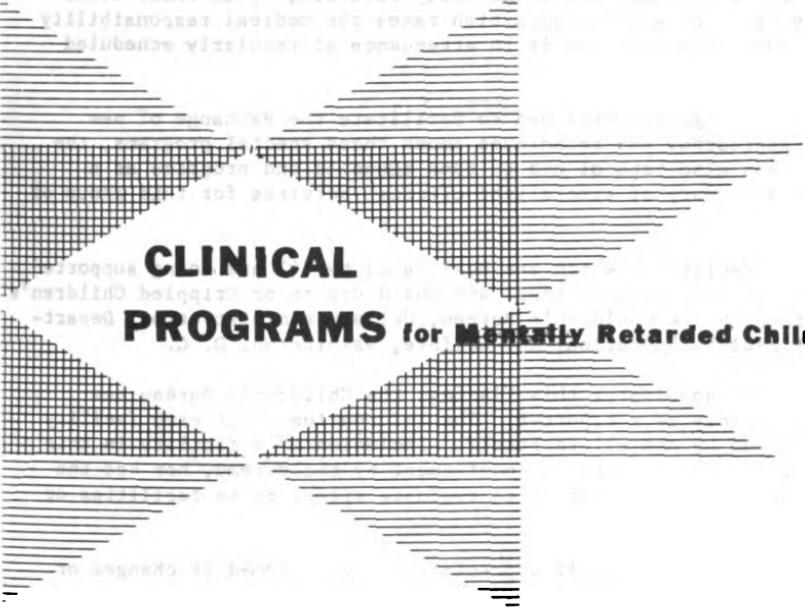
Mr. HÉBERT. Would it be possible, Mr. Secretary, to supply for the record a full list of federally supported institutions in this area that would be affected because I think that's what you have in mind.

Mr. LONG. Yes, I would like that.

Mr. HÉBERT. Would you supply that?

Mr. MORRIS. We will work with the Department of HEW.

(The following material was received for the record:)



**CLINICAL
PROGRAMS for Mentally Retarded Children**

(5777)

This is the sixth listing of special clinical facilities for mentally retarded children compiled by the Children's Bureau. In general, the clinics which have been listed are those which can be defined as outpatient medical facilities providing comprehensive evaluation, treatment, or follow-up services primarily to children suspected of or diagnosed as mentally retarded, by an inter-disciplinary team, of which a physician takes the medical responsibility for all patients seen and is in attendance at regularly scheduled hours.

Initially developed to facilitate the exchange of new ideas, approaches and techniques among these special programs, the listing has also been of use to some agencies and programs as a partial directory of specialized clinical services for this group of children.

Facilities which are designated by (*) are being supported fully or in part with Maternal and Child Health or Crippled Children's Funds through the Children's Bureau, Welfare Administration, Department of Health, Education, and Welfare, Washington, D. C.

In developing this listing, the Children's Bureau has functioned only as a reporter. The information about each facility was provided by the clinic itself. Inclusion of a facility in this list does not constitute an endorsement by the Bureau, nor has the Bureau necessarily attempted to evaluate either these facilities or their services.

The Bureau would appreciate being informed of changes or additions to this compilation.

5779
CLINICAL PROGRAMS
FOR
MENTALLY RETARDED CHILDREN

A LISTING

Compiled by:

Rudolf P. Hormuth
Specialist in Services for
Mentally Retarded Children
Division of Health Services

U. S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Welfare Administration
Children's Bureau
1965

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Welfare Administration
Children's Bureau
Washington, D. C. 20201

October 1965

**NOTICE OF ADDITIONS AND CHANGES IN 1965 LISTING
CLINICAL PROGRAMS FOR MENTALLY RETARDED CHILDREN**

ADDITIONS:

MISSOURI

***MULTIPLE HANDICAP CLINIC**

University of Missouri School of Medicine
Medical Center
Columbia, Missouri

Telephone: Gibson 2-5111
Ext. 296

Medical Coordinator: James M. Pickens, M.D.
Area Served: State of Missouri
Ages Accepted: Birth to 21 years
Sponsored by: University of Missouri School of Medicine
Clinic Hours: By appointment

***MULTIPLE HANDICAP CLINIC**

Children's Mercy Hospital
1710 Independence Avenue
Kansas City, Missouri

Telephone: Grand 1-5250

Clinic Director: Ned W. Small, M.D.
Area Served: Kansas City area and Western part of Missouri
Ages Accepted: Birth to 14 years
Sponsored by: University of Missouri School of Medicine
Clinic Hours: By appointment

VIRGINIA

***CHILD EVALUATION CLINIC**

13 Midway Street
Bristol, Virginia 24201

Telephone: 669-3031

Clinic Director: Nellie Dorsey Wright, M.D.
Area Served: State of Virginia Southwest Area (Dickenson, Lee, Scott, Wise, Russell, Buchanan, Tazewell, Washington, Smyth, Grayson, Wythe, Bland and Carroll Counties and the Cities of Bristol and Galax)
Ages Accepted: Children up to 10th birthday
Sponsored by: State Department of Health, Bureau of Crippled Children
Clinic Hours: 8:15 a.m. to 5:00 p.m. Monday through Friday - by appointment

Application is made through the local health department in the area in which the patient resides.

CHANGES:

NEBRASKA

MENTAL RETARDATION EVALUATION AND COUNSELING CLINIC
Omaha, Nebraska

From: Clinic Director: Steven Dutch, M.D.

To: Clinic Director: Richard L. Cohen, M.D.

NEW MEXICO

CHILD STUDY CENTER FOR RETARDED CHILDREN
Albuquerque, New Mexico

From: 1111 Stanford, N. E.

To: 605 Copper, N. E.

ALABAMA***DIAGNOSTIC SERVICE FOR MENTALLY RETARDED CHILDREN**

University of Alabama Medical Center
Birmingham, Alabama

Telephone: 323-8811

Medical Director: Frieda Lehmann, M.D. (Acting)
 Area Served: Alabama State except eight counties served
 by Montgomery Project
 Ages Accepted: Birth to 5 years (older children seen under
 special circumstances)
 Sponsored by: Alabama Department of Public Health, Bureau of
 Maternal and Child Health; Jefferson County
 Health Department; Medical College of Alabama
 Department of Pediatrics
 Clinic Hours: Monday through Friday by appointment

***DIAGNOSTIC AND GUIDANCE CENTER**

Children's Center of Montgomery, Inc.
310 Madison Terrace
Montgomery 7, Alabama

Telephone: 262-5744

Medical Director: Henry S. Durham, Jr., M.D.
 Area Served: State of Alabama, but priority given to Autauga,
 Barbour, Bullock, Elmore, Lowndes, Macon,
 Montgomery, and Russell Counties
 Ages Accepted: Birth to 21 years (priority to children
 under 12)
 Sponsored by: State Department of Public Health, Bureau of
 Maternal and Child Health; and the Children's
 Center of Montgomery Association, Inc.
 Clinic Hours: 9:00 A.M. to 3:00 P.M. daily except Saturday -
 by appointment

ALASKA***CHILD STUDY CENTER**

327 Eagle Street
Anchorage, Alaska

Telephone: BR 6-5351

Clinic Director: Helen S. Whaley, M.D.
 Area Served: Alaska
 Ages Accepted: Birth to 8 years given priority
 Sponsored by: State Department of Health and Welfare
 Clinic Hours: Monday through Friday

ARIZONA

***CHILD DEVELOPMENT CENTER**
 333 West Thomas Road
 Phoenix 13, Arizona

Telephone: 264-5564

Clinic Director: Clarence R. Laing, M.D. - Pediatrician-Director
 Area Served: Maricopa County and on special occasions,
 other areas of the State
 Ages Accepted: Birth to 8 years (under special circumstances
 older children will be seen)
 Sponsored by: Maricopa County Health Department
 Clinic Hours: 8:00 A.M. to 5:00 P.M. Monday through Friday -
 by appointment only

ARKANSAS

***CHILD DEVELOPMENT CENTER**
 1425 West Seventh Street
 Little Rock, Arkansas

Telephone: FR 4-7489

Clinic Director: Reginald C. Ramsey, M.D.
 Area Served: State
 Ages Accepted: Birth to 21 years (priority given to those
 under 8)
 Sponsored by: State Department of Health, Maternal and Child
 Health Division
 Clinic Hours: 8:00 A.M. to 5:00 P.M. Monday through Friday -
 by appointment only

CALIFORNIA

***CHILD DEVELOPMENT CLINIC OF KERN COUNTY**
 Kern County Health Department
 1700 Flower Street
 Bakersfield, California

Telephone: FA 5-5051

Clinic Director: Millicent Johnson, M.D.
 Area Served: Kern County
 Ages Accepted: Preschool children given priority
 Sponsored by: Kern County Health Department
 Clinic Hours: Monthly clinic, by appointment

***CHILD DEVELOPMENT CLINIC**

Inyo County Health Department
Independence, California

Telephone: IN-2606

Clinic Director: Victor H. Bough, M.D.
Area Served: Inyo and Mono Counties
Ages Accepted: Infancy through childhood, as needed by the individual patient
Sponsored by: Inyo County Health Department; Children's Hospital Child Development Clinic and Inyo County Welfare Department
Clinic Hours: Every 3-6 months as Health Department schedule permits

***LONG BEACH CHILDREN'S CLINIC**

Diagnostic Services for Mentally Retarded
430 West 14th Street
Long Beach, California 90813

Telephone: BE 5-7529

Clinic Director: Kay Baker
Area Served: Long Beach, Lakewood, Domingues, Signal Hill, and Catalina
Ages Accepted: 6 years and under (priority to children under 3 years)
Sponsored by: United Way Funds and Long Beach City Health Department
Clinic Hours: 4th Friday of the month

***CHILD DEVELOPMENT CLINIC**

Children's Hospital
Society of Los Angeles
4614 Sunset Boulevard
Los Angeles, California 90027

Telephone: 663-3341

Clinic Director: Richard Koch, M.D.
Area Served: Los Angeles County and surrounding counties
Ages Accepted: To the 7th birthday
Sponsored by: State Department of Public Health, Bureau of Maternal and Child Health
Clinic Hours: Daily by appointment only

***CHILD DEVELOPMENT CLINICS OF LOS ANGELES COUNTY**
HEALTH DEPARTMENT
 220 North Broadway
 Los Angeles, California

Telephone: MA 5-3611

Clinic Director: Kenneth Sutherland, M.S.
 Area Served: Los Angeles County
 Ages Accepted: Birth to 6 years
 Sponsored by: Los Angeles County Health Department
 Clinic Hours: By appointment

***GUIDANCE CENTER**

Exceptional Children's Foundation
 2225 West Adams Boulevard
 Los Angeles, California

Telephone: RE 1-6366

Clinic Director: C. Brooks Fry, M.D.
 Chief of Guidance Services: Molly C. Gorelick, Ed.D.
 Area Served: Los Angeles Greater Area
 Ages Accepted: All ages
 Sponsored by: Exceptional Children's Foundation and Share, Inc.
 Clinic Hours: 9:00 A.M. to 4:30 P.M.

***SOUTH DISTRICT CHILD DEVELOPMENT CLINIC**
 1522 East 102nd Street
 Los Angeles, California 90002

Telephone: LO 4-5811

Clinic Director: H. Kolts, M.D. - Health Officer
 Area Served: South, Southeast and Harbor districts,
 Los Angeles County
 Ages Accepted: 6 years and under
 Sponsored by: Los Angeles County Health Department
 Clinic Hours: Meets once monthly

***NORTHERN CALIFORNIA REGIONAL CHILD
 DEVELOPMENT CENTER**

Children's Hospital of the East Bay
 51st and Grove Streets
 Oakland, California

Telephone: 654-5600

Clinic Director: Richard Umansky, M.D.
 Area Served: Northern California
 Ages Accepted: 6 years and under
 Sponsored by: Children's Hospital of the East Bay
 Clinic Hours: Daily, Monday through Friday

***PASADENA CHILD DEVELOPMENT CLINIC**

City Hall
Pasadena, California

Telephone: SY 2-6161
Ext. 284

Clinic Director: Morris L. Grover, M.D. - Health Officer
Area Served: Pasadena and San Gabriel Valley
Ages Accepted: 6 years and under
Sponsored by: Pasadena Department of Public Health
Clinic Hours: By appointment

***DEVELOPMENTAL PROBLEM SERVICE**

Mt. Diablo Therapy Center
100 Golf Club Road.
Pleasant Hill, California

Telephone: 682-6330
Ext. 521

Clinic Director: Ronald L. Thiele, M.D.
Area Served: Contra Costa Health Department and Mt. Diablo
Therapy Center
Ages Accepted: Under 5 years
Sponsored by: Contra Costa County Health Department
Clinic Hours: By appointment

***SAN BERNARDINO CHILD DEVELOPMENT CLINIC**

316 Mt. View Avenue
San Bernardino, California

Telephone: TU 9-0111

Clinic Director: M. Cosand, M.D. - Health Officer
Area Served: San Bernardino County
Ages Accepted: 6 years and under
Sponsored by: San Bernardino Health Department
Clinic Hours: Meets once monthly

***CHILD DEVELOPMENT CLINIC**

Childrens Hospital
Highway 395
San Diego, California

Telephone: BR 7-5806

Clinic Director: Burch Mahlen, M.D.
Area Served: San Diego County
Ages Accepted: 6 years and under
Sponsored by: Childrens Hospital; San Diego City Schools;
San Diego Health Department and San Diego
Association for Retarded Children
Clinic Hours: Meets once monthly

CHILD DEVELOPMENT CENTER
 Children's Hospital
 3700 California Street
 San Francisco, California

Telephone: BA 1-1200

Clinic Director: H. E. Thelander, M.D.
 Area Served: Northern California
 Ages Accepted: Up to 21 years
 Sponsored by: Community Agencies
 Clinic Hours: By appointment

***CHILD DEVELOPMENT CLINIC OF ORANGE COUNTY**
 Eighth and Ross Streets
 Santa Ana, California

Telephone: 547-0547

Clinic Director: Milton Borenstein, M.D.
 Area Served: Orange County
 Ages Accepted: 2 to 6 years
 Sponsored by: Orange County Health Department
 Clinic Hours: By appointment only

***SANTA MARIA CHILD DEVELOPMENT CLINIC**
 Santa Barbara Health Department
 P. O. Box 119
 Santa Barbara, California

Telephone: WO 6-1611

Clinic Director: Louis Needels, M.D.
 Area Served: Northern Santa Barbara County
 Ages Accepted: Birth to 7 years
 Sponsored by: Santa Barbara County Health Department
 Clinic Hours: By appointment

KENNEDY CHILD STUDY CENTER
 1339 - 20th Street
 Santa Monica, California

Telephone: EX 3-9585

Clinic Director: Evis J. Coda, M.D.
 Area Served: Greater Los Angeles
 Ages Accepted: Birth to 17 years
 Sponsored by: St. John's Hospital and the Archbishop's Fund,
 Hope Guild, Inc., as well as by donations
 and fees
 Clinic Hours: 8:30 A.M. to 5:00 P.M. Monday through Friday -
 by appointment

***WEST VALLEY CHILD DEVELOPMENT CLINIC**

14340 Sylvan Street
Van Nuys, California

Telephone: ST 2-6125

Clinic Director: G. Gayler, M.D. - Health Officer
Area Served: San Fernando Valley
Ages Accepted: 6 years and under
Sponsored by: Los Angeles County Health Department
Clinic Hours: Meets once monthly

COLORADO***MENTAL EVALUATION CLINIC**

Boulder City-County Health Department
Boulder, Colorado

Telephone: 442-5926

Clinic Director: Charles H. Dowding, Jr., M.D.
Area Served: City and County of Boulder
Ages Accepted: Birth to 21 years
Sponsored by: Boulder City-County Health Department and
State Health Department
Clinic Hours: One day per week, by appointment

***MENTAL EVALUATION CLINIC**

El Paso City-County Health Department
Colorado Springs, Colorado

Telephone: 634-3771

Clinic Director: Paul G. duBois, M.D.
Area Served: El Paso County
Ages Accepted: Birth to 21 years
Sponsored by: State Department of Public Health, Maternal
and Child Health Section and the El Paso
City-County Health Department
Clinic Hours: 1:00 P.M. to 5:00 P.M. Thursday, with full
time Secretary and 1/2 time Social Worker

CHILDREN'S HOSPITAL DEVELOPMENTAL AND EVALUATION CLINIC

The Children's Hospital
1056 East 19th Avenue
Denver, Colorado 80218

Telephone: Main 3-1261

Clinic Director: Jean L. McMahon, M.D.
Area Served: State and children from out of State in
special circumstances
Ages Accepted: Birth to 21 years
Sponsored by: Boettcher Foundation
Clinic Hours: Daily

***CHILDREN'S DEVELOPMENTAL EVALUATION CENTER**

Department of Pediatrics
University of Colorado Medical Center
Denver, Colorado

Telephone: 399-1211

Clinic Director: Donough O'Brien, M.D. - (Acting Director
pending recruitment)
Area Served: Primarily the State of Colorado
Ages Accepted: Up to age 12 Nov. 1964 to Nov. 1966, then
up to age 8
Sponsored by: University of Colorado Medical Center; State
Department of Public Health, Maternal and
Child Health Division
Clinic Hours: By appointment. Meets daily.

***THE MENTAL RETARDATION CLINIC**

San Juan Basin Health Unit
Durango, Colorado

Telephone: CH 7-5702

Clinic Director: Joseph A. Browning, M.D.
Area Served: San Juan Basin
Ages Accepted: Birth to 21 years
Sponsored by: State Department of Public Health, Maternal
and Child Health Section
Clinic Hours: 8:00 A.M. to 4:30 P.M. Monday through Friday

***MENTAL RETARDATION CLINIC**

Pueblo City-County Health Department
Pueblo, Colorado

Telephone: LI 4-6031

Clinic Director: Rodney Smith, M.D.
Area Served: Pueblo and Pueblo County
Ages Accepted: Birth to 21 years (preference given to
children of preschool age)
Sponsored by: State Department of Health, Maternal and
Child Health Section; and the Pueblo City-
County Health Department
Clinic Hours: Monday through Friday by appointment

CONNECTICUT**DIAGNOSTIC CLINIC FOR MENTALLY RETARDED CHILDREN AND ADULTS**

Kennedy Center
115 Virginia Avenue
Bridgeport, Connecticut

Telephone: 366-4501

Clinic Director: Alex Tolar, Ph.D.
Medical Director: Harold L. Kleinman, M.D.
Area Served: State of Connecticut
Ages Accepted: 3 years and up
Sponsored by: Parents and Friends of Mentally Retarded
Children of Bridgeport
Clinic Hours: 9:00 A.M. to 5:00 P.M. daily

GROVER F. POWERS MENTAL RETARDATION CLINIC

Yale-New Haven Medical Center
Department of Pediatrics
333 Cedar Street
New Haven, Connecticut

Telephone: 562-1161
Ext. 2220

Clinic Director: Sally Provence, M.D.
Area Served: State of Connecticut
Ages Accepted: Infants to 16 years
Sponsored by: Grace New Haven Medical Center and Yale
Medical Center
Clinic Hours: Tuesday morning and Thursday evening -
by appointment

***NEW HAVEN EVALUATION AND COUNSELING PROGRAM**

FOR RETARDED CHILDREN
860 Howard Avenue
New Haven 11, Connecticut

Telephone: 777-5401

Medical Director: Joseph P. Rossi, M.D.
Area Served: State of Connecticut
Ages Accepted: Birth to 7 years (priority given to pre-
school children)
Sponsored by: State Department of Health, Maternal and
Child Health Section
Clinic Hours: By appointment

DELAWARE

**CHILD DIAGNOSTIC AND DEVELOPMENT CENTER
OF DELAWARE, INC.**
1202 Jefferson Street
Wilmington, Delaware

Telephone: OL 2-4088

Executive Director: Henry Stroud, M.D.
Area Served: State of Delaware
Ages Accepted: Birth to 16 years
Sponsored by: The Junior League; Delaware Foundation for
Retarded Children; Children's Beach House;
A.I. duPont Institute; Delaware Chapter of
the National Foundation; State Board of
Health and the State Medical Society
Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday

DISTRICT OF COLUMBIA

***D. C. CLINIC FOR RETARDED CHILDREN**
65 Massachusetts Avenue, N. W.
Washington 1, D. C.

Telephone: NA 8-6000
Ext. 773

Clinic Director: Rosalyn Payne Epps, M.D.
Area Served: District of Columbia
Ages Accepted: Birth through 21 years (priority to pre-
school children)
Sponsored by: D. C. Department of Public Health, Bureau
of Maternal and Child Health
Clinic Hours: Daily except Saturday by appointment

**GEORGETOWN UNIVERSITY HOSPITAL CHILDREN'S
DIAGNOSTIC AND DEVELOPMENT CENTER**
3800 Reservoir Road, N. W.
Washington 7, D. C.

Telephone: FE 3-2000
Ext. 643 - 644

Clinic Director: Julius Hoffman, M.D.
Area Served: D. C. Metropolitan and Chesapeake Area
Ages Accepted: Birth through 12 years
Sponsored by: Department of Pediatrics, Georgetown University
Medical Center
Clinic Hours: By appointment

FLORIDA***DEVELOPMENTAL EVALUATION CLINIC**

Dade County MR Project
2700 S. W. Third Avenue
Miami 36, Florida

Telephone: 377-0257

Medical Director: George F. Smith, M.D.
Area Served: Dade County primarily and selected cases
from other counties in the State
Ages Accepted: Birth to 14 years with emphasis on preschool
children
Sponsored by: State Board of Health, Bureau of Maternal and
Child Health and the Dade County Health
Department
Clinic Hours: Daily except Saturday

GEORGIA***CHILD DEVELOPMENT AND EVALUATION CENTER**

District Health Department
Health District No. 35
Columbus, Georgia

Telephone: FA 7-1541

Clinic Director: Jane Rivers, M.D.
Area Served: Muscogee, Harris, Chattahoochee, Troup,
Meriwether, Talbot, Sumter, Marion, Schley,
Stewart, Webster, and Taylor Counties
Ages Accepted: Preschool and selected children under teenage
Sponsored by: Georgia Department of Public Health, Maternal
and Child Health Service and the District
Health Department
Clinic Hours: Daily except Saturday by appointment

***DEVELOPMENT EVALUATION CLINIC FOR CHILDREN**

118 Barry Street
Decatur, Georgia

Telephone: 378-8002
377-8156

Clinic Director: Elaine Donnellon, M.D.
Area Served: DeKalb and Rockdale Counties
Ages Accepted: Up to 14 years of age
Sponsored by: State Department of Public Health, Maternal
and Child Health Service and the District
Health Department
Clinic Hours: 8:30 A.M. to 5:00 P.M. Monday through Friday

HAWAII***EVALUATION CLINICS FOR MENTALLY RETARDED CHILDREN**

Mental Retardation Division
Hawaii State Department of Health
P. O. Box 3378
Honolulu, Hawaii

Telephone: HONolulu
5-07711 Ext. 550

Clinic Director: Angie Connor, M.D.
Area Served: All Islands, Itinerant Clinic to Maui,
Molokai, Lanai, Kauai, Hawaii
Ages Accepted: All ages - children to age 16
Sponsored by: Hawaii State Department of Health
Clinic Hours: Kauai - 4 clinics (every three months)
Maui - 4 clinics (every three months)
Molokai - 2 clinics (every six months)
Lanai - 1 clinic
Hawaii - 6 clinics (every two months)
Oahu - 60 clinics (five a month)

IDAHO***SPECIAL MENTAL RETARDATION PROJECT**

Idaho State Department of Health
Boise, Idaho

Telephone: 344-5811

Clinic Director: Robert McKean, M.D.
Area Served: State
Ages Accepted: Birth to 21 years (priority to preschool
children)
Sponsored by: State Department of Health, Maternal and
Child Health; and Crippled Children Services
Clinic Hours: 8:00 A.M. to 5:00 P.M. week days

ILLINOIS***CHILD DEVELOPMENT CLINIC**

Children's Memorial Hospital
707 West Fullerton Street
Chicago 14, Illinois

Telephone: DI 8-4040

Clinic Director: Jerome L. Schulman, M.D.
Area Served: Chicago
Ages Accepted: Birth to 16 years (priority to preschool
children)
Sponsored by: State Department of Public Health, Bureau
of Maternal and Child Health; and Children's
Memorial Hospital
Clinic Hours: 8:30 A.M. to 5:00 P.M. Monday through Friday

DR. JULIAN D. LEVINSON RESEARCH AND TREATMENT CENTER
FOR MENTALLY RETARDED CHILDREN
1850 West Harrison Street
Chicago 12, Illinois

Telephone: MO 6-8388

Medical Director: Sherman E. Kaplitz, M.D.
Area Served: Cook County
Ages Accepted: Birth through 16 years
Sponsored by: Private donations
Clinic Hours: Monday and Wednesday mornings

INDIANA

*RILEY MEMORIAL CLINIC FOR INTELLECTUALLY
HANDICAPPED CHILDREN
Indiana University School of Medicine
1100 West Michigan Street
Indianapolis 7, Indiana

Telephone: ME 5-8431

Clinic Director: Arthur L. Drew, M.D.
Area Served: State of Indiana
Ages Accepted: Birth to 16 years
Sponsored by: Riley Memorial Foundation; University School
of Medicine; Maternal and Child Health
Division, State Board of Health
Clinic Hours: By appointment

*ACHIEVEMENT CENTER FOR CHILDREN
502 Russell Street
Lafayette, Indiana

Telephone: Lafayette
92-2921

Medical Director: John T. Burns, M.D.
Executive Director: N. C. Kephart, Ph.D.
Area Served: Tippecanoe County and surrounding area
Ages Accepted: Birth to 15 years
Sponsored by: State Board of Health; Purdue University
and Local Community groups
Clinic Hours: By appointment

IOWA

***THE CENTER FOR MENTALLY RETARDED CHILDREN**
 Des Moines-Polk County Department of Health
 Argonne Armory Building
 East 1st and Des Moines Streets
 Des Moines, Iowa

Telephone: 283-2611

Medical Director: Julius S. Conner, M.D.
 Area Served: Des Moines and Polk County residents
 Ages Accepted: Birth to 18 years
 Sponsored by: Des Moines-Polk County Department of Health;
 State Department of Health, Division of
 Maternal and Child Health; and Des Moines
 Council of Social Agencies
 Clinic Hours: By appointment

***CHILD DEVELOPMENT CLINIC**
 Department of Pediatrics
 State University of Iowa College of Medicine
 Iowa City, Iowa

Telephone: 337-3111

Clinic Director: Gerald Solomons, M.D.
 Area Served: State
 Ages Accepted: Birth through 16 years
 Sponsored by: State Department of Health, Division of
 Maternal and Child Health; Department
 of Pediatrics, University of Iowa College
 of Medicine
 Clinic Hours: Monday through Friday by appointment

KANSAS

***CHILDREN'S REHABILITATION CENTER**
 University of Kansas Medical Center
 39th Street and Rainbow Boulevard
 Kansas City, Kansas

Telephone: AD 6-5252

Director: Herbert Miller, M.D.
 Educational Director: Norris G. Haring, Ed.D.
 Area Served: Metropolitan Kansas City, plus regional
 consultation
 Ages Accepted: Nursery school to vocational training
 Sponsored by: University of Kansas Medical Center
 Clinic Hours: By appointment

KENTUCKY

MENTAL RETARDATION CLINIC
 Department of Pediatrics
 University Hospital
 Lexington, Kentucky

Telephone: 255-3600
 Ext. 2826

Clinic Director: Wylda Hammond, M.D.
 Area Served: Primarily State of Kentucky
 Ages Accepted: All ages
 Sponsored by: University of Kentucky College of Medicine
 and Kentucky Department of Mental Health
 Clinic Hours: By appointment. Meets weekly.

***CHILD DIAGNOSTIC AND EVALUATION CENTER**

University of Louisville
 323 East Chestnut Street
 Louisville, Kentucky

Telephone: JUniper 2-1621
 Ext. 356

Clinic Director: R. D. Brooke Williams, M.D.
 Area Served: Western half of State of Kentucky
 Ages Accepted: Birth to 16 years
 Sponsored by: State Department of Health, Division of Maternal
 and Child Health; and Department of Pediatrics
 University of Louisville
 Clinic Hours: By appointment through Division of Maternal and
 Child Health, 275 East Main Street, Frankfort,
 Kentucky (Helen B. Fraser, M.D., Phone: Capitol
 7-4531 Ext. 271)

LOUISIANA

NEW ORLEANS REGIONAL MENTAL HEALTH CENTER
 3100 General De Gaulle Drive
 New Orleans, Louisiana

Telephone: 367-3850

Clinic Director: James H. Neely, Ed.D.
 Area Served: Parishes of: Orleans, Jefferson, St. James,
 St. John, St. Charles, St. Bernard, and
 Palquemes
 Ages Accepted: Birth through 21 years
 Sponsored by: State Department of Hospitals
 Clinic Hours: 8:30 A.M. to 5:00 P.M. Monday through Friday

MAINE

***MENTAL RETARDATION CLINIC**
 Central General Hospital
 Lewiston, Maine

Telephone: 784-4011

Clinic Director: Russell Morissette, M.D.
 Area Served: Western Maine
 Ages Accepted: Birth to 6 years
 Sponsored by: State Department of Health and Welfare,
 Division of Maternal and Child Health
 Clinic Hours: Monthly

***MENTAL RETARDATION CLINIC**
 Thayer Hospital
 Waterville, Maine

Telephone: TRinity 2-2766

Clinic Director: Edmund Ervin, M.D.
 Area Served: State of Maine
 Ages Accepted: Birth to 5 years
 Sponsored by: State Department of Health and Welfare,
 Division of Maternal and Child Health
 Clinic Hours: Meets bi-monthly by appointment

MARYLAND

ANNE ARUNDEL COUNTY MULTI-PROBLEM CLINIC FOR CHILDREN
 Annapolis, Maryland

Telephone: Colonial
 7-8151

Clinic Director: Mary Warner, M.D.
 Area Served: Anne Arundel County
 Ages Accepted: Birth to age 5 years
 Sponsored by: Anne Arundel County Health Department
 Clinic Hours: By appointment

***CENTRAL EVALUATION CLINIC**
 University of Maryland Hospital
 112 South Greene Street
 Baltimore 1, Maryland

Telephone: LE 9-0320
 Ext. 841

Clinic Director: Raymond L. Clemmens, M.D.
 Area Served: State of Maryland
 Ages Accepted: Birth to 21 years
 Sponsored by: University School of Medicine; University of
 Maryland Hospital; and the Division for
 Crippled Children, State Health Department
 Clinic Hours: By appointment

***CLINIC FOR THE EXCEPTIONAL CHILD**

University of Maryland Hospital
Lombard and Greene Streets
Baltimore 1, Maryland

Telephone: LE 9-0320

Clinic Director: Ruth W. Baldwin, M.D.
Area Served: Baltimore City and various counties in Maryland
Ages Accepted: Birth to 21 years (limited to children with epilepsy, brain damage and behavior disorders on an organic basis)
Sponsored by: Children's Bureau, Welfare Administration, Department of Health, Education, and Welfare
Clinic Hours: 2:00 P.M. to 5:00 P.M. Monday through Friday - New patients Monday only. By referral only.

***DIAGNOSTIC AND EVALUATION CENTER FOR HANDICAPPED CHILDREN**

Department of Pediatrics
Children's Medical and Surgical Center
Johns Hopkins Hospital
Baltimore 5, Maryland

Telephone: 955-5636

Clinic Director: Frederick Richardson, M.D., M.R.C.P.
Area Served: State of Maryland and all areas
Ages Accepted: Birth to 21 years
Sponsored by: The Johns Hopkins Hospital and University; and Division for Crippled Children, State Department of Health
Clinic Hours: By appointment for State and private patients. 8:45 A.M. to 5:00 P.M. Monday through Friday

SERVICE FOR RETARDED AND HANDICAPPED CHILDREN

Prince George's County Health Department
Cheverly, Maryland

Telephone: SPruce 3-1400

Clinic Director: Hildegard Rothmund, M.D.
Area Served: Prince George's County
Ages Accepted: Birth to 18 years
Sponsored by: Prince George's County Health Department
Clinic Hours: By appointment

MASSACHUSETTS**RETARDATION UNIT****COUNSELING SERVICE FOR MENTALLY RETARDED CHILDREN**

Telephone: REgent 4-6000

Children's Medical Center

300 Longwood Avenue

Boston 15, Massachusetts

Unit Director: William Berenberg, M.D.
 Area Served: New England
 Ages Accepted: Birth to 21 years
 Sponsored by: Children's Hospital Medical Center of Boston
 Clinic Hours: By appointment

***CHILDREN'S DEVELOPMENTAL CLINIC**

City Hall Annex, Room 6

57 Inman Street

Cambridge 30, Massachusetts

Telephone: KIRkland
7-0011

Acting Director: Marjorie E. Kettell, Ph.D.
 Area Served: Cambridge and surrounding communities
 Ages Accepted: Birth to 16 years (primary focus on preschool age)
 Sponsored by: State Department of Public Health, Division of
 Maternal and Child Health; and the Cambridge
 Health Department
 Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday

MICHIGAN***TRAINING PROGRAM FOR PROFESSIONAL PERSONNEL****REGARDING CARE OF MENTALLY RETARDED CHILDREN**

Telephone: MO 3-1531

University of Michigan (Mental Study Unit)

Ann Arbor, Michigan

Clinic Director: Richard J. Allen, M.D.
 Area Served: Mainly Michigan State; a few patients from
 surrounding States
 Ages Accepted: Birth to 14 years
 Sponsored by: Michigan Department of Health, Maternal and
 Child Health Division; and University of Michigan
 Clinic Hours: 8:00 A.M. to 5:00 P.M. Monday through Friday

MINNESOTA

***FERGUS FALLS CHILD DEVELOPMENT CENTER**
 406 South Cascade Avenue
 Fergus Falls, Minnesota

Telephone: RE 6-6567

Clinic Director: -- Vacant --
 Area Served: Becker, Clay, Otter Tail, and Wilkin Counties
 Ages Accepted: Birth to 21 years (priority to referrals
 eight years or under)
 Sponsored by: State Department of Health, Division of Special
 Services; and the Minnesota Department of
 Public Welfare, Medical Service Division
 Clinic Hours: By appointment

***CHILD STUDY CENTER**
 215 South Oak Street
 Owatonna, Minnesota

Telephone: 451-6650

Clinic Director: -- Vacant --
 Area Served: Dodge, Rice, Steele, and Waseca Counties
 Ages Accepted: Birth to 10 years of age
 Sponsored by: State Department of Health, Division of
 Special Services; and Minnesota Department
 of Public Welfare, Division of Medical and
 Rehabilitation Services
 Clinic Hours: By appointment

MISSISSIPPI

MENTAL RETARDATION CLINIC
 University Hospital
 Jackson, Mississippi

Telephone: EM 6-2681

Clinic Director: Margaret Batson, M.D.
 Area Served: State of Mississippi
 Ages Accepted: Birth to 14 years
 Sponsored by: Pediatric Department, University of
 Mississippi Medical School
 Clinic Hours: 8:00 A.M. to 12:00 Noon Thursdays

***REGIONAL CHILD DEVELOPMENT CLINIC**
REGIONAL REHABILITATION CENTER, INC.
 615 Pegram Drive, P. O. Box 435
 Tupelo, Mississippi

Telephone: 842-1891

Medical Director: Luther L. McDougal, Jr., M.D.
 Area Served: 14 Northeastern Mississippi Counties
 Ages Accepted: Up to age 14
 Sponsored by: State Board of Health, Division of Maternal
 and Child Health
 Clinic Hours: Monday through Friday

MISSOURI

***CHILD DEVELOPMENT CLINIC**
 Cardinal Glennon Memorial Hospital for Children
 1465 South Grand Boulevard
 St. Louis, Missouri 63104

Telephone: Prospect
 2-7990

Clinic Director: Austin R. Sharp, M.D.
 Area Served: State of Missouri
 Ages Accepted: Birth to 14 years (priority to infants
 and preschool children)
 Sponsored by: State Department of Public Health and Welfare,
 Division of Health, Bureau of Maternal and
 Child Health; and the St. Louis University
 School of Medicine
 Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday -
 by appointment

CHILD GUIDANCE AND CHILD EVALUATION CLINIC
 Washington University School of Medicine
 369 North Taylor
 St. Louis 8, Missouri

Telephone: FO 1-6884

Clinic Director: Thomas Brugger, M.D.
 Area Served: Mainly Greater St. Louis (St. Louis city
 and county, East St. Louis and other
 cities in Western Illinois)
 Ages Accepted: All ages
 Sponsored by: Washington University School of Medicine;
 St. Louis Association for Retarded Children;
 The Children's Research Foundation; United
 Fund; and Missouri Division of Health
 Clinic Hours: 8:30 A.M. to 4:30 P.M. Monday through Friday

MONTANA

***MONTANA CEREBRAL PALSY AND HANDICAP CENTER**
 c/o Eastern Montana College of Education
 Billings, Montana

Telephone: 259-2637

Clinic Director: Allan P. Hartman, M.D.
 Area Served: Southeastern Montana
 Ages Accepted: Infants and preschoolers
 Sponsored by: Montana State Board of Health
 Clinic Hours: 1st Thursday of each month by appointment
 and physician referral

NEBRASKA

***MENTAL RETARDATION EVALUATION AND COUNSELING CLINIC**
 The University of Nebraska College of Medicine
 602 South 44th Avenue
 Omaha 5, Nebraska

Telephone: 556-6211

Clinic Director: Steven Dutch, M.D.
 Area Served: Nebraska and region (limited as to number of
 people who may be accepted from surrounding
 states)
 Ages Accepted: Infancy through 12 years
 Sponsored by: Nebraska Psychiatric Institute
 Clinic Hours: 9:00 A.M. to 5:00 P.M.

NEVADA

***SPECIAL CHILDREN'S CLINIC**
 Southern Nevada Memorial Hospital
 Out-Patient Department
 Las Vegas, Nevada

Telephone: DU 4-9465

Clinic Director: Kermit Ryan, M.D.
 Area Served: Nye, Esmeralda, Lincoln, White Pine, and
 Clark Counties
 Ages Accepted: Birth to 8 years
 Sponsored by: State Department of Health, Maternal and
 Child Health Service
 Clinic Hours: 8:00 A.M. to 5:00 P.M. daily

***SPECIAL CHILDREN'S CLINIC**
 790 Sutro Street
 Reno, Nevada

Telephone: 786-2200
 Ext. 311 - 312

Clinic Administrator: Samuel L. Ornstein, Ph.D.
 Area Served: Northern Nevada
 Ages Accepted: Birth to 6 years
 Sponsored by: State Department of Health, Maternal and
 Child Health Services
 Clinic Hours: 8:00 A.M. to 5:00 P.M. daily

NEW HAMPSHIRE

***CLINIC FOR RETARDED CHILDREN**
 Laconia Hospital
 Elliott Street
 Laconia, New Hampshire

Telephone: LA 4-3211

Clinic Director: Ursula Sanders, M.D.
 Area Served: State of New Hampshire
 Ages Accepted: Birth to 21 years (emphasis on preschool
 children)
 Sponsored by: State Department of Health and Welfare, Maternal
 and Child Health Division
 Clinic Hours: 9:00 A.M. to 5:00 P.M. on the 2nd Tuesday of
 each month only

NOTE: Correspondence and appointments should be directed to the Division
 of Maternal and Child Health, State Department of Health and Welfare,
 61 South Spring Street, Concord, New Hampshire.

NEW JERSEY

CLINIC FOR THE RETARDED
 62 North Walnut Street
 East Orange, New Jersey

Telephone: OR 6-8070

Medical Director: Bernard R. Goldberg, M.D.
 Area Served: Essex and West Hudson Counties, primarily
 Ages Accepted: Children and adults
 Sponsored by: Essex Unit of New Jersey Association for
 Retarded Children
 Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday

***CHILD EVALUATION CENTER**

Morristown Memorial Hospital
100 Madison Avenue
Morristown, New Jersey

Telephone: JEFFerson
8-4500

Clinic Director: Catherine E. Spears, M.D.
Area Served: State of New Jersey
Ages Accepted: Birth through 20 years
Sponsored by: State Department of Health, Bureau of
Maternal and Child Health; and the Morristown
Memorial Hospital
Clinic Hours: By appointment

**RETARDED CHILDREN'S CLINIC WITH DIAGNOSTIC
AND COUNSELING SERVICES**

St. Mary's Hospital
204 Aycrigg Avenue
Passaic, New Jersey

Telephone: GREGory 3-1000

Clinic Director: Miss Mary Ransburg, ACSW
Area Served: Bergen and Passaic Counties
Ages Accepted: Children and young adults
Sponsored by: Bergen-Passaic Unit of the New Jersey
Association for Retarded Children
Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday -
Evenings by appointment

NEW MEXICO

***CHILD STUDY CENTER FOR RETARDED CHILDREN**

Bernalillo County Health Unit
1111 Stanford, N. E.
Albuquerque, New Mexico

Telephone: 268-4535

Medical Director: Eleanor L. Adler, M.D.
Area Served: Bernalillo County (if feasible, counties of
Valencia, Sandoval, and Torrance)
Ages Accepted: Birth to 8 years
Sponsored by: New Mexico Department of Public Health, Maternal
and Child Health Division; Bernalillo County
Health Department; and Albuquerque Association
for Retarded Children and United Community Fund
Clinic Hours: 8:30 A.M. to 4:30 P.M. Monday through Friday

***THE CHILD DEVELOPMENT CENTER**
 217 East Marcy Street
 Santa Fe, New Mexico

Telephone: 982-1908

Medical Director: Dina Bayer, M.D.
 Area Served: State of New Mexico
 Ages Accepted: Birth to 10 years
 Sponsored by: New Mexico Department of Public Health,
 Maternal and Child Health Services
 Clinic Hours: 8:00 A.M. to 5:00 P.M. Monday through Friday

NEW YORK STATE

***BUFFALO DIAGNOSTIC AND COUNSELING STUDY CENTER**
FOR MENTALLY RETARDED CHILDREN
 Children's Rehabilitation Center
 A Unit of Children's Hospital
 936 Delaware Avenue
 Buffalo, New York 14209

Telephone: TT 6-5100 and
 883-5810

Clinic Director: Robert Warner, M.D.
 Area Served: Buffalo and Erie County
 Ages Accepted: Preschool children and emergency cases
 have priority
 Sponsored by: State Department of Health, Bureau of Maternal
 and Child Health; State Department of Mental
 Hygiene, Office of Mental Retardation
 Clinic Hours: By appointment

ASSOCIATION FOR HELP OF RETARDED CHILDREN
 189 Wheatley Road
 Brookville
 Glen Head, New York

Telephone: MA 6-1000

Medical Director: Jack Storm, M.D.
 Area Served: County of Nassau
 Ages Accepted: All age groups
 Sponsored by: Association for Help of the Retarded
 Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday

SUFFOLK COUNTY CLINIC FOR MENTALLY RETARDED CHILDREN
 Smithtown General Hospital
 Long Island, New York

Telephone: AN 5-5220

Medical Director: Albert Adler, M.D.
 Area Served: Suffolk County
 Ages Accepted: No age limitation
 Sponsored by: Association for the Help of Retarded Children;
 and the County of Suffolk under contract
 with Suffolk County Mental Health Board
 Clinic Hours: 9:00 A.M. to 4:30 P.M. Monday through Friday

THE CHILDREN'S CLINIC
 Route 6
 Mahopac, New York

Telephone: MA 8-6100

Clinic Director: Gail Gaines, M.D.
 Area Served: Putnam County
 Ages Accepted: Birth to 18 years
 Sponsored by: Putnam County Chapter of the Association for
 the Help of Retarded Children, Inc.
 Clinic Hours: By appointment

MENTAL RETARDATION DIAGNOSTIC CLINIC
 Strong Memorial Hospital
 260 Crittenden Boulevard
 Rochester 20, New York

Telephone: GR 3-4400
 Ext. 2551

Clinic Director: Albert P. Scheiner, M.D.
 Area Served: Monroe County and surrounding area
 Ages Accepted: Birth to 21 years
 Sponsored by: State Department of Mental Hygiene, Office
 of Mental Retardation; and the University
 of Rochester Medical School
 Clinic Hours: 8:30 A.M. to 5:00 P.M.

DIAGNOSTIC AND GUIDANCE CLINIC FOR RETARDED CHILDREN
 The Burke Foundation Rehabilitation Center
 White Plains, New York

Telephone: White Plains
 8-0050

Clinic Director: Sidney A. Haber, M.D.
 Area Served: Westchester County, New York
 Ages Accepted: Infancy to adulthood
 Sponsored by: The Burke Rehabilitation Center and the
 Westchester Community Mental Health Board
 Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday

NEW YORK CITY**DEVELOPMENTAL EVALUATION CLINIC**

Albert Einstein College of Medicine
 Jacobi Hospital
 Pelham Parkway South and Eastchester Road
 Bronx, New York

Telephone: SY 2-2200
 Ext. 413

Clinic Director: Lawrence T. Taft, M.D.
 Area Served: Bronx, essentially, but some cases from other
 boroughs of New York City are accepted
 Ages Accepted: No specific age limits
 Sponsored by: New York City Community Mental Health Board
 and the Albert Einstein College of Medicine
 Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday

THE SHIELD OF DAVID INSTITUTE FOR RETARDED CHILDREN

1800 Andrews Avenue
 Bronx 53, New York

Telephone: CYpress 9-7600

Clinic Director: Joseph Michaels, M.D.
 Area Served: Metropolitan New York
 Ages Accepted: Birth to 12 years
 Sponsored by: The Shield of David Institute
 Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday

MORRIS J. SOLOMON CLINIC FOR RETARDED CHILDREN

Jewish Hospital of Brooklyn
 555 Prospect Place
 Brooklyn 38, New York

Telephone: ULster 7-8700
 Ext. 584

Clinic Director: Joseph Wortis, M.D.
 Area Served: Borough of Brooklyn
 Ages Accepted: Birth to 14 years
 Sponsored by: Community Mental Health Board of New York;
 Morris J. Solomon Sunshine League; United
 Cerebral Palsy Association for the Help
 of Retarded Children, etc.
 Clinic Hours: Daily except Saturday

KENNEDY CHILD STUDY CENTER

151 East 67th Street
New York 21, New York

Telephone: YU 8-9500

Clinic Director: Mary T. Piana, M.D.
 Administrator: Sister Mary Patricia, Ph.D.
 Medical Director: Mary Gasparik, M.D.
 Area Served: Those sections of New York City and the adjacent counties that are included in the Catholic Archdiocese of New York: Manhattan, Bronx, Richmond, and Northern Westchester
 Ages Accepted: The developmental and training programs includes children from 4 to 8 years only, but for diagnostic evaluation, a wider age span is accepted
 Sponsored by: Catholic Charities of the Archdiocese of New York
 Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday

LENOX HILL HOSPITAL

76th Street and Park Avenue
New York, New York

Telephone: TRafalger
9-8000 Ext. 624

Chief Psychiatrist: Katharine Woodward, M.D.
 Pediatric Psychiatry Service
 Area Served: Metropolitan area of New York
 Ages Accepted: Children under 4 years in whom there is no organic basis for mental retardation
 Sponsored by: Pediatric Service of Lenox Hill Hospital
 Clinic Hours: By appointment

MENTAL RETARDATION CLINIC

Flower-Fifth Avenue Hospitals
New York Medical College
1 East 105th Street
New York 29, New York

Telephone: TRafalger
6-5500

Clinic Director: Margaret J. Giannini, M.D.
 Area Served: No geographical limitations, all people are permitted to attend
 Ages Accepted: Birth to 19 years
 Sponsored by: New York Medical College, Flower-Fifth Avenue Hospitals
 Clinic Hours: 9:00 A.M. to 5:00 P.M. daily

NORTH CAROLINA

***DEVELOPMENTAL EVALUATION CLINIC**
OF WESTERN NORTH CAROLINA, INC.
 Asheville Orthopedic Hospital
 Asheville, North Carolina

Telephone: 254-8876

Clinic Director: Bernhard H. Hartman, M.D.
 Area Served: Western North Carolina
 Ages Accepted: Birth to 21 years
 Sponsored by: State Board of Health
 Clinic Hours: 8:30 A.M. to 5:00 P.M.

DIAGNOSTIC CLINIC
Murdoch Center
 Butner, North Carolina

Telephone: 985-6511
 Ext. 23 - 45

Director: Dorothy B. Shearin, M.D.
 Area Served: State of North Carolina
 Ages Accepted: Children of all ages
 Sponsored by: State Department of Mental Health
 Clinic Hours: By appointment

***DEVELOPMENTAL EVALUATION CLINIC**
 Department of Pediatrics
 University of North Carolina School of Medicine
 Chapel Hill, North Carolina

Telephone: CHapel Hill
 966-8417

Clinic Director: Harrie R. Chamberlin, M.D.
 Area Served: State of North Carolina
 Ages Accepted: Under 3 years, primarily under 2 years
 Sponsored by: Department of Pediatrics, University of North
 Carolina School of Medicine and State Board
 of Health
 Clinic Hours: By appointment only

CHARLOTTE-MECKLENBURG CHILD EVALUATION CLINIC
 Mecklenburg County Health Department
 Charlotte, North Carolina

Telephone: FR 5-8861

Clinic Director: Laura Ross-Venning, M.D.
 Area Served: Mecklenburg County
 Ages Accepted: 6 years and under
 Sponsored by: Health Department, State Board of Health;
 Association for Retarded Children; Charlotte
 Chapter; and Mecklenburg County Department
 of Public Welfare
 Clinic Hours: 4th Monday - 8:30 A.M.

***DEVELOPMENTAL EVALUATION CLINIC**

Western Carolina College
Cullowhee, North Carolina

Telephone: 293-2741

Clinic Director: Velta F. Briuks-Cannon, M.D.
Area Served: Westernmost Counties
Ages Accepted: Children of all ages
Sponsored by: State Board of Health
Clinic Hours: By appointment

***DEVELOPMENTAL EVALUATION CLINIC**

Department of Pediatrics
Duke University Medical Center
Durham, North Carolina

Telephone: 681-0111
Ext. 3734

Clinic Director: Jerome Harris, M.D.
Area Served: North Carolina
Ages Accepted: Emphasis on preschool ages
Sponsored by: State Board of Health
Clinic Hours: By appointment

***DEVELOPMENTAL EVALUATION CLINIC OF**

EAST CAROLINA COLLEGE
513 East Eighth Street
Greenville, North Carolina

Telephone: Plaza 8-3426
Plaza 2-5030

Clinic Director: Malene Grant Irons, M.D.
Area Served: State of North Carolina
Ages Accepted: Up to 21 years but preferably from
3 to 16 years
Sponsored by: East Carolina College and State Board of
Health, Maternal and Child Health Section
Clinic Hours: By appointment

DIAGNOSTIC CLINIC

Western Carolina Center
Morganton, North Carolina

Telephone: 437-8717

Acting Director: J. Iverson Riddle, M.D.
Area Served: Western North Carolina
Ages Accepted: Children of all ages
Sponsored by: State Department of Mental Health
Clinic Hours: By appointment

***BEAUFORT COUNTY CHILD EVALUATION CLINIC**

Beaufort County Health Department
Washington, North Carolina

Telephone: WH 6-3101

Clinic Director: David Tayloe, M.D.
Area Served: Beaufort County and surrounding counties
Ages Accepted: No age limit
Sponsored by: State Board of Health and Beaufort County
Health Department
Clinic Hours: 1st Tuesday - 1:00 P.M.

***DEVELOPMENTAL EVALUATION CLINIC**

Graylyn Estates
Robinhood Road
Winston-Salem, North Carolina

Telephone: 823-8856

Clinic Director: Alanson Hinman, M.D.
Area Served: State of North Carolina
Ages Accepted: Birth to 16 years
Sponsored by: State Board of Health, Maternal and
Child Health Section
Clinic Hours: 9:00 A.M. to 5:00 P.M.

OHIO***HAMILTON COUNTY DIAGNOSTIC CLINIC**

FOR THE MENTALLY RETARDED
295 Erkenbrecher Avenue
Cincinnati, Ohio 45229

Telephone: UN 1-2004
UN 1-2005

Clinic Director: Jack H. Rubinstein, M.D.
Area Served: State of Ohio
Ages Accepted: Children and adults
Sponsored by: Department of Mental Hygiene and Correction;
Department of Health; the Community Chest
and Council of the Cincinnati Area, in
cooperation with the Children's Hospital of
Cincinnati and Hamilton County Diagnostic
Clinic for the Mentally Retarded, Inc.
Clinic Hours: 8:00 A.M. to 5:00 P.M. Monday through Friday -
by appointment. 8:00 A.M. to 12:00 Noon Saturday
by appointment only.

MENTAL DEVELOPMENT CENTER
Hitchcock Hall
Western Reserve University
Cleveland, Ohio

Telephone: CEdar 1-7700
Ext. 763

Clinic Director: Jane W. Kessler, Ph.D.
Area Served: Northeastern Ohio
Ages Accepted: Birth to 14 years (priority to children of preschool age)
Sponsored by: Western Reserve University and Division of Mental Hygiene, State of Ohio
Clinic Hours: By appointment

***CLINIC OF CHILD DEVELOPMENT**
561 South 17th Street
Columbus, Ohio

Telephone: CL 3-7441
Ext. 352 - 364

Clinic Director: Hilda Knobloch, M.D.
Area Served: State of Ohio predominantly, but not restricted
Ages Accepted: Birth to 6 years (new cases restricted to under 2 years at present)
Sponsored by: The Department of Pediatrics of the Ohio State University and the Children's Hospital of Columbus
Clinic Hours: 9:00 A.M. to 5:00 P.M. daily by appointment

CLINIC FOR THE MENTALLY RETARDED
Columbus State School
1800 Sullivant Avenue
Columbus, Ohio

Telephone: BR 9-9471
Ext. 280 - 270

Clinic Director: Paul Kurch, M.D.
Area Served: State of Ohio
Ages Accepted: Children and adults
Sponsored by: State Department of Mental Hygiene and Correction
Clinic Hours: 8:30 A.M. to 4:30 P.M. Monday through Friday

**LUCAS COUNTY DIAGNOSTIC AND EVALUATION CLINIC
FOR RETARDED CHILDREN**

1155 Larc Lane
Toledo, Ohio 43614

Telephone: 385-5771
385-5772
385-5773
385-5774

Clinic Director: Ralph L. Zucker, M.D.
Area Served: Northwestern Ohio
Ages Accepted: Children and adults
Sponsored by: Ohio Department of Mental Hygiene and Correction
in cooperation with Lucas County Aid for
Retarded Children's Program
Clinic Hours: By appointment

OKLAHOMA

CHILD STUDY CENTER

Department of Pediatrics
University of Oklahoma Medical School
601 N. E. 18th Street
Oklahoma City, Oklahoma

Telephone: JACKSON 4-4449

Clinic Director: Sylvia O. Richardson, M.D.
Area Served: Clinic and private cases on Statewide basis
Ages Accepted: Birth to 14 years
Sponsored by: National Institute of Mental Health
Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday, Wednesday,
Thursday, and Friday

THE HISSOM MEMORIAL CENTER

The Department of Public Welfare
Sand Springs, Oklahoma

Telephone: CI 5-5911

Clinic Director: J. Neill Lysaught, M.D.
Area Served: 19 Counties
Ages Accepted: Not limited, however, primarily children
Sponsored by: Department of Public Welfare
Clinic Hours: No Out-patient services. Constant In-patient
care (24 hours)

***OKLAHOMA MENTAL RETARDATION TRAINING CENTER**

Outpatient Department
Children's Medical Center
4818 South Lewis Street
Tulsa 5, Oklahoma

Telephone: RI 7-7542

Clinic Director: Paul C. Benton, M.D.
Area Served: Northeastern Oklahoma predominantly, but
not restricted
Ages Accepted: Birth to 9 years (emphasis on preschool
children)
Sponsored by: State Department of Health, Division of
Maternal and Child Health
Clinic Hours: 8:00 A.M. to 4:30 P.M. Monday through Friday -
by appointment

OREGON***LANE COUNTY DEPARTMENT OF HEALTH AND SANITATION**

Mental Health Section
County Court House
Eugene, Oregon

Telephone: DIAMOND 2-1311
Ext. 351

Medical Director: Howard Lyman, M.D.
Area Served: Lane County
Ages Accepted: No age limit
Sponsored by: Lane County Department of Health and Sanitation
Clinic Hours: 8:00 A.M. to 9:00 P.M. Monday. 8:00 A.M. to
5:00 P.M. Tuesday, Wednesday, Thursday & Friday

***YAMHILL COUNTY CHILD DEVELOPMENT CLINIC**

Yamhill County Health Department
Court House
McMinnville, Oregon

Telephone: 472-5161

Clinic Director: Elton Kessel, M.D.
Area Served: Yamhill County, Oregon
Ages Accepted: Birth to 18 years
Sponsored by: State Board of Health, Maternal and Child
Health Section; County Health Department;
and McMinnville Rotary Club
Clinic Hours: By appointment only

***CLACKAMAS COUNTY CHILD DEVELOPMENT CLINIC**

Clackamas County Health Department
Oregon City, Oregon

Telephone: 656-1991

Clinic Director: James Schneller, M.D.
Area Served: Clackamas County
Ages Accepted: Birth through adolescence
Sponsored by: State Board of Health, Bureau of Maternal and
Child Health; Clackamas County Health Department
Clinic Hours: By appointment only

OUTPATIENT DEPARTMENT

Oregon Fairview Home
2250 Strong Road, S. E.
Salem, Oregon 97310

Telephone: 581-2531

Clinic Director: Physician
Area Served: Oregon State
Ages Accepted: No age limit
Sponsored by: Oregon State, Mental Health Division
Clinic Hours: Appointment only, by referral from physicians,
courts, or appropriate agencies

PENNSYLVANIA**ELWYN EVALUATION AND RESEARCH CENTER**

Elwyn School
Elwyn, Pennsylvania

Telephone: LOwell 6-8800

Clinic Director: Gerald R. Clark, M.D.
Area Served: Southeastern Pennsylvania and Philadelphia
area
Ages Accepted: Birth to 21 years
Sponsored by: Elwyn Training School
Clinic Hours: By appointment

CHILD STUDY, TREATMENT AND RESEARCH CENTER

The Woods Schools
Langhorne, Pennsylvania

Telephone: SK 7-3731

Clinic Director: E. Donald Longnecker, Ph.D.
Area Served: Lower Bucks County
Ages Accepted: 5 to 18 years
Sponsored by: The Woods Schools
Clinic Hours: By appointment

***MENTAL RETARDATION UNIT**

St. Christopher's Hospital for Children
Lawrence and Huntingdon Streets
Philadelphia, Pennsylvania 17133

Telephone: 215 CA 6-5600

Clinic Director: John B. Bartram, M.D.
Area Served: Philadelphia and surrounding counties
Ages Accepted: Birth through adolescence (primarily children of preschool age)
Sponsored by: St. Christopher's Hospital for Children
Clinic Hours: 5 1/2 days per week by appointment

PUERTO RICO***DIAGNOSTIC AND GUIDANCE CENTER - RETARDED CHILDREN**

Tartak Building
Ponce de Leon Avenue No. 1254 - Stop 19
Santurce, Puerto Rico

Telephone: 722-1190

Clinic Director: Ana Navarro, M.D.
Area Served: Commonwealth of Puerto Rico
Ages Accepted: 12 years and under
Sponsored by: Division of Maternal and Child Health and Crippled Children, Department of Health and Welfare; Commonwealth of Puerto Rico
Clinic Hours: 9:00 A.M. to 12:00 Noon & 1:00 P.M. to 4:30 P.M.
Monday through Friday

RHODE ISLAND***MENTAL RETARDATION CLINIC**

Charles V. Chapin Hospital
153 Eaton Street
Providence, Rhode Island

Telephone: 331-0017

Clinic Director: George H. Taft, M.D.
Area Served: State of Rhode Island
Ages Accepted: Special emphasis placed on services to preschool children
Sponsored by: State Department of Health, Bureau of Maternal and Child Health
Clinic Hours: 8:30 A.M. to 4:30 P.M. Monday through Friday

RETARDED CHILDREN'S CLINIC

Mental Hygiene Service
Rhode Island Department of Social Welfare
333 Grotto Avenue, Weld House
Providence, Rhode Island

Telephone: TEmple 1-6756

Clinic Director: Charles C. Goodman, M.D.
Area Served: State of Rhode Island
Ages Accepted: All ages
Sponsored by: State of Rhode Island
Clinic Hours: 8:30 A.M. to 4:30 P.M. Monday through Friday

SOUTH CAROLINA**CHILD DEVELOPMENT CLINIC**

Department of Pediatrics
Medical College of South Carolina
55 Doughty Street
Charleston, South Carolina

Telephone: RAYmond
3-9411 Ext. 322

Clinic Director: John R. Paul, Jr., M.D.
Area Served: State of South Carolina
Ages Accepted: Children through early adolescence
Sponsored by: Medical College of South Carolina; United Cerebral Palsy of S.C.; the National Foundation (various S.C. Chapters); other contributors
Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday
 9:00 A.M. to 12:00 Noon Saturday

***CHILD EVALUATION CLINIC**

1410 Blanding Street
Columbia, South Carolina

Telephone: 254-0343

Director: Charles A. James, M.D.
Area Served: State of South Carolina
Ages Accepted: Birth to 8 years (older children may be accepted under special circumstances)
Sponsored by: State Board of Health, Division of Maternal and Child Health
Clinic Hours: By appointment

TENNESSEE

**DIAGNOSTIC AND OUT-PATIENT CLINIC FOR
MENTALLY RETARDED CHILDREN**
Clover Bottom Hospital and School
Donelson, Tennessee

Telephone: 741-4556

Director: Bettye Schurter, M.D.
Area Served: Tennessee State
Ages Accepted: No limitation
Sponsored by: State Department of Mental Health
Clinic Hours: By appointment

***CHILD DEVELOPMENT CENTER**
2nd Fl., 22 North Pauline Street
Memphis 5, Tennessee

Telephone: 272-7455

Medical Director: Robert Jordan, M.D.
Area Served: Memphis, Diagnostic services to patients
from selected areas in West Tennessee,
Northern Mississippi, Eastern Arkansas and
Southeastern Missouri
Ages Accepted: Birth to 11 years (occasionally an older
child is accepted)
Sponsored by: State Department of Public Health, Division of
Maternal and Child Health; and College of
Medicine of the University of Tennessee
Clinic Hours: Daily, except Saturday

TEXAS

***DENTON STATE SCHOOL**
Diagnostic and Evaluation Center for
Mentally Retarded Children
Box 368
Denton, Texas

Telephone: 382-5488
Ext. 271 - 272

Clinic Director: Doman K. Keele, M.D.
Area Served: 37 Counties of Northeast Texas
Ages Accepted: Birth to 21 years
Sponsored by: State Department of Health
Clinic Hours: 8:00 A.M. to 5:00 P.M. Monday through Friday

CHILD STUDY CENTER
1400 Cooper
Ft. Worth, Texas

Telephone: ED 6-9861
Ext. 71

Clinic Director: E. S. Cunningham, M.D.
Area Served: Ft. Worth and Tarrant County
Ages Accepted: Birth to 14 years
Sponsored by: Texas State Health Department
Clinic Hours: 8:30 A.M. to 5:00 P.M. Monday through Friday -
by appointment

***CHILD DEVELOPMENT UNIT**
Mental Retardation Clinic
Department of Pediatrics
University of Texas Medical Branch
Galveston, Texas

Telephone: SO 5-1598
Area Code 713

Clinic Director: Bobbye M. Rouse, M.D.
Area Served: State of Texas
Ages Accepted: Birth through 15 years
Sponsored by: Children's Bureau and the University of
Texas Medical Branch
Clinic Hours: Arranged by appointment between 8:00 A.M. and 5:00 P.M.
Monday through Friday

***MENTAL EVALUATION CENTER**
Texas Medical Center
Texas Children's Hospital
6621 Fannin Street
Houston 25, Texas

Telephone: JA 9-4451
Ext. 381

Medical Director: Theodore F. Pfundt, M.D.
Area Served: Houston area primarily
Ages Accepted: Birth to 14 years (priority to those
under 7 years)
Sponsored by: Baylor University College of Medicine in
cooperation with Texas Medical Center; and
Texas Children's Hospital
Clinic Hours: 8:30 A.M. to 5:00 P.M. Monday through Friday -
by appointment

UTAH

***UTAH STATE HEALTH DEPARTMENT CLINIC FOR
THE MENTALLY RETARDED AT OGDEN**
2570 Grant Avenue
Ogden, Utah

Telephone: 392-5962

Clinic Director: Garth Myers, M.D.
Area Served: 6 Northern counties in the State
Ages Accepted: Birth to 21 years
Sponsored by: State Department of Public Health, Children's
Services Division
Clinic Hours: 8:30 A.M. to 5:00 P.M. Monday through Friday -
by appointment

***DIVISION OF CHILDREN'S SERVICES**
Utah Department of Public Health
45 Fort Douglas Boulevard
Salt Lake City, Utah

Telephone: DAVIS 2-2431

Clinic Director: Joseph P. Kesler, M.D.
Area Served: State of Utah
Ages Accepted: Birth to 21 years
Sponsored by: State Department of Public Health, Children's
Services Division
Clinic Hours: 8:30 A.M. to 5:00 P.M. Monday through Friday -
by appointment

VERMONT

***CHILD DEVELOPMENT CLINIC**
Vermont State Department of Health
56 Colchester Avenue
Burlington, Vermont

Telephone: 863-6741
862-5701

Clinic Director: Marion C. McKee, M.D.
Area Served: State of Vermont
Ages Accepted: Birth to 21 years
Sponsored by: State Department of Health, Division of
Maternal and Child Health
Clinic Hours: Daily

VIRGINIA***CONSULTATION AND EVALUATION CLINIC**

4713 Ravensworth Road
Annandale, Virginia

Telephone: 941-3011

Clinic Director: Pierre Lechaux, M.D.
Area Served: All of Fairfax County
Ages Accepted: Birth through 8 years
Sponsored by: Fairfax County Health Department
Clinic Hours: 8:00 A.M. to 4:30 P.M. Monday through Friday

***MENTALLY RETARDED CHILDREN'S CLINIC**

Arlington County Health Department - George Mason Center
1300 N. Edison Street
Arlington 7, Virginia

Telephone: JA 7-4000
Ext. 101

Clinic Director: Francis M. Mastrotta, M.D.
Area Served: State
Ages Accepted: Children of preschool age
Sponsored by: State Department of Health, Bureau of Crippled Children; and Arlington County Health Department
Clinic Hours: 8:15 A.M. to 5:00 P.M. Monday through Friday -
by appointment

***CHILDREN'S MULTIPLE HANDICAPPED DIAGNOSTIC AND
TREATMENT EVALUATION CENTER**

Department of Pediatrics
University of Virginia School of Medicine
Charlottesville, Virginia

Telephone: 295-2121
Ext. 2218

Clinic Director: William Thurman, M.D. - (Temporary)
Area Served: State of Virginia
Ages Accepted: Under 21 years
Sponsored by: Department of Pediatrics, University of Virginia School of Medicine and Virginia State Department of Health, Bureau of Crippled Children's Services
Clinic Hours: 8:30 A.M. to 12:00 Noon Mondays and Thursdays
and by appointment

***TIDEWATER CHILD EVALUATION CLINIC**

Norfolk Public Health Center
401 Colley Avenue
Norfolk, Virginia 23507

Telephone: 625-5107

Clinic Director: Nelson S. Payne, M.D.
Area Served: Virginia State (Tidewater Area)
Ages Accepted: Children of preschool age
Sponsored by: State Department of Health, Crippled Children's
Bureau; and Norfolk City Health Department
Clinic Hours: 8:15 A.M. to 5:00 P.M. Monday through Friday -
by appointment

***CONSULTATION AND EVALUATION CLINIC**

Medical College of Virginia
Box 152
Richmond, Virginia

Telephone: MI 4-9351
Ext. 5011 - 8047

Clinic Director: Ralph Omby, Jr., M.D.
Area Served: State of Virginia
Ages Accepted: Infancy through 8 years
Sponsored by: Medical College of Virginia, Department of
Pediatrics; and State Department of Health,
Bureau of Crippled Children
Clinic Hours: Monday through Friday, by appointment

***ROANOKE CITY CONSULTATION AND EVALUATION CLINIC**

Roanoke Health Center
515 Eighth Street, S. W.
Roanoke, Virginia

Telephone: DI 3-6911

Clinic Director: Douglas Pierce, M.D.
Area Served: Approximately 30 counties in Southwest Virginia
Ages Accepted: Children of preschool age
Sponsored by: State Department of Health, Bureau of Crippled
Children; and City Health Department
Clinic Hours: 8:00 A.M. to 4:30 P.M. Monday through Friday -
by appointment

WASHINGTON

***KITSAP CLINIC FOR CHILD STUDY**
 Kitsap-Bremerton Health District
 Bremerton, Washington

Telephone: ESsex 7-3911

Clinic Director: Shirley Benham, Jr., M.D., M.P.H.
 Area Served: Kitsap County
 Ages Accepted: Birth to 21 years
 Sponsored by: State Department of Health and Kitsap-
 Bremerton Health District
 Clinic Hours: By appointment

***CLINIC FOR CHILD STUDY**
 University Hospital
 University of Washington
 4115 - 15th Avenue, N. E.
 Seattle, Washington 98105

Telephone: 543-3375

Acting Director: S. L. Hammar, M.D.
 Area Served: State of Washington
 Ages Accepted: Birth to 8 years
 Sponsored by: State Department of Health, Division of
 Child Health Services; and University of
 Washington
 Clinic Hours: 8:00 A.M. to 5:00 P.M. Monday, Tuesday, and
 Wednesday

DIAGNOSTIC AND COUNSELING CLINIC
 Out-Patient Department
 Children's Orthopedic Hospital and Medical Center
 Seattle, Washington

Telephone: LA 4-4300

Clinic Director: John T. Chapman, M.D.
 Area Served: Seattle, King County - patients from the
 entire State
 Ages Accepted: Birth through 18 years
 Sponsored by: Washington Association for Retarded Children;
 State Division of Child Health Services;
 Seattle Area Guilds for Retarded Children;
 and Children's Orthopedic Hospital and
 Medical Center
 Clinic Hours: By appointment at Orthopedic Hospital and
 Medical Center

***TACOMA-PIERCE COUNTY MENTAL RETARDATION CLINIC**

Tacoma-Pierce County Health Department
Tacoma, Washington

Telephone: FU 3-3311
Ext. 331

Clinic Director: Antone S. Walloch, M.D.
Area Served: Pierce County
Ages Accepted: Birth to 21 years
Sponsored by: Tacoma-Pierce County Health Department
Clinic Hours: By appointment

***YAKIMA COUNTY MENTAL RETARDATION CLINIC**

Yakima County Health District
Yakima, Washington

Telephone: Glencourt
3-0367

Clinic Director: Leland S. Harris, M.D.
Area Served: Yakima County
Ages Accepted: Birth to 21 years
Sponsored by: State Department of Health and Yakima
County Health District
Clinic Hours: By appointment

WEST VIRGINIA***MENTAL RETARDATION CLINIC**

West Virginia University Hospital
Morgantown, West Virginia

Telephone: 542-5311

Clinic Director: William G. Klingberg, M.D.
Area Served: State - primarily Northern Geographic Area
Ages Accepted: Birth to 15 years
Sponsored by: State Department of Health, Division of Maternal
and Child Health; West Virginia University
School of Medicine, Department of Pediatrics;
and Monogalia County Health Department,
Morgantown, West Virginia
Clinic Hours: 9:00 A.M. to 5:00 P.M. Monday through Friday -
by appointment

CONSULTATION AND EVALUATION CLINIC FOR*MENTALLY RETARDED CHILDREN**

Telephone: RI 4-1841

Child Health Center**151 Eleventh Avenue****South Charleston, West Virginia****Clinic Co-Directors: Marcel G. Lambrechts, M.D. and****Mary S. Skinner, M.D.****Area Served: State - primarily Southern Geographic Area****Ages Accepted: Birth to 16 years****Sponsored by: State Department of Health, Division of
Maternal and Child Health****Clinic Hours: 9:00 A.M. to 4:30 P.M. Monday through Friday -
by appointment**

Mr. LONG. Yes. Since we are dealing with this area, if I may proceed, generally I would think you would classify these children as exceptional children. I think most of the associations, public and also private, that deal with this particular area of mental retardation and handicapped, have a tendency at times and some do, classify these particular children as exceptional children. This takes in the range all the way from the lowest retardation and the worst possible physical cases up to and including those children that are geniuses who present problems in schools now. In your definition of those, emotionally disturbed and major learning difficulties ability, you give the numerical number of how many of those would be affected. In those particular two, are you including the genius category in which the school system, the public school system or whatever school system is available, cannot cope with a certain child because of his extremely high IQ? Therefore he becomes a problem child and should be placed in a private institution that is perhaps geared up to a higher degree of learning.

Mr. MORRIS. No, sir; the act is not aimed at that type of problem.

Mr. LONG. Do you have any provision for including those in the act?

Mr. MORRIS. Sir, I'm a layman in this field, but it would seem inconsistent with the particular purpose of this bill to deal with that end of the spectrum of the problem.

Mr. HÉBERT. Mr. Long, in that connection we are going to have witnesses here from HEW who I think are more competent than the Secretary in this field. As he indicates, he doesn't possess the competence, and at that time we should resolve that problem.

Mr. LONG. There is one other point I just want to point out more for the record and maybe to refer this back to the attention of the medical officers in charge of the medical facilities and training, and so forth, of your interns and your doctors.

These speech handicaps, I'm sure you are referring to what I call spastics. Am I right in that?

Dr. FISK. Some would come under that category. Others come under difficulties in the use of language other than spastics.

Mr. LONG. This figure of 11,607 are children of active-duty military personnel?

Dr. FISK. Yes, sir.

Mr. LONG. Do you have any idea what percentage of those children were delivered in military or private hospitals?

Dr. FISK. No, sir.

Mr. LONG. The reason I'm just mentioning this at this particular time, one-time figures were submitted to us on our State legislative committee relative to spastic children in one parish or county, if you please. In our State they had birth certificates that reflected that 90 percent of these spastic children in that particular county had been delivered by the same doctor. I just might call your attention to that, and see if there has possibly been any research from the military standpoint and see if there might be some connection between the actual delivery and spastic children. But, all in all, Mr. Chairman, I want to point out this: Based on my experience this is good. I think the approach is good. I'm in complete sympathy and accord with it, but I can't see how this particular legislation is going to give the military people what they are looking for and really what they need. I'm afraid it may be a little misleading. I think the proper approach

to this problem would also be to include this and then also have a greater participation by the Federal Government either from the Defense Department or HEW to the States.

Mr. HÉBERT. Mr. Long, I suggest this. The idea behind every legislation which I sponsor in this area is the nomad existence of the military man where he goes from one community to another and finds it most difficult to move his family when he has no provisions in the area. I pointed out in particular the case of the Navy man in my own area where I was successful in obtaining a position for his child who was a retarded child.

At the post from where he came he had no problem. He had the child there, but he moved into a community where there are no facilities nor anything at all provided for him.

This was my thinking. I think the general thinking behind the whole proposition is to take care of this officer or enlisted man, anybody in a military hospital under compulsion to travel, and to be a nomad and go to different areas.

When he gets to that area he finds a complicated situation not of his own making. He is following the uniform and goes where he is ordered to go and this facilitates the handling. I think we share that opinion, don't we, Mr. Secretary?

Mr. MORRIS. Right.

Mr. LONG. I am quite in accord and in complete sympathy. I come from an area that has two military installations. It has a spastic institution and a retarded children institution that has 1,400 children in it. The area also has a retarded children's school that goes up to a certain grade level, whatever they can acquire or reach. I could understand the plight and really, you might say, even the sinful attitude or approach to it that could result if some military person stationed at someplace in that area could not enroll the child in that institution if there happened to be a space available just because he was not a resident.

Mr. HÉBERT. Given the population of 3 million, and 90,000 retarded children, in the general figure your military population is around 3 million today, you have a hundred thousand, or physically handicapped. What intrigues me is the comparability of the two totals.

Mr. LONG. My figure is based on information that we received several years ago. Approximately 3 percent of your population would fit into one of these categories which we classify and I classify as exceptional children.

Mr. LENNON. Mr. Chairman, I would like to ask a question or two about the bill H.R. 9271.

You are suggesting that the bill be amended to require such States to waive the residency requirements for children of active-duty members and for a period following 1 year following the member's retirement. You suggested that in the form of an amendment. I believe you said earlier in your colloquy with the chairman that it could not be done by regulation but would have to be done in the basic law.

Mr. MORRIS. Yes, sir.

Mr. LENNON. I'm wondering if it could be done through a contract with HEW with the mental care commission, which is a State agency in every State that I can think of, where you have a military installation?

I hate to put my approval to legislation that says funds shall be withheld unless and until that State waives the residency requirements of a person in the military personnel.

Your objective here that you are seeking is excellent but it occurs to me that in these States where we have these military installations that people are so grateful to have them there—Members of Congress sometimes are not because they create a problem—but the States are grateful to have them there, that the State would enter into a contract with HEW that would waive the residency requirement with respect to the admission of any of our institutions involving military personnel or their dependents.

Of course, you make the provisions for the payment at the normal fee, whatever that is. I wonder if that could be explored?

Mr. MORRIS. If HEW is to appear, you may wish to address the question to them.

Mr. LENNON. Rather than spelling it out in the law.

Now, that leads me to this question: Fort Bragg is in my district. Polk Air Force Base is within my district. Suppose a member of the Armed Forces is sent to Fort Bragg and he is a resident of California and while he is there his child develops a mental condition that is essential to institutionalize that child. Now then, he is transferred and the child is put in that institution and he is transferred to some other State. He doesn't want to take that child out because the child is there and the institution is doing a good job, we believe, and the child has been satisfied and we see a good future for the child.

Then 2 years later he moves to another State and another State. Now, you only say that that child can be then moved by the State 1 year after his retirement, so that child could be there 20 years or 15 years or 18 years, God forbid, but they do, you know, for a lifetime. Is that what you mean by this language?

Mr. MORRIS. The retirement language, sir, was specifically to provide for the case of the individual who retires, giving him this privilege for 1 additional year so he could establish residency.

Mr. LENNON. At time of retirement?

Mr. MORRIS. Yes.

Mr. LENNON. Let's illustrate this. Here is a man sent to Seymour Johnson Air Force Base or Fort Bragg or Fort Polk and they finally decided that the child has to be institutionalized and he participates in this program.

How long can that child stay there in the custody of that State institution under this act?

Mr. MORRIS. I believe, sir, indefinitely under these provisions of this act.

Colonel McKenzie has done a great deal of research on this and worked with HEW.

Mr. LENNON. I think that is what this language means.

Colonel McKENZIE. The child would be able to remain there so long as the institution considered the child eligible to remain there. The one thing that the institution could not force the child out for would be failure to meet residency requirements. If there were other

reasons why, under the institution's policy, the child was no longer eligible, then the child couldn't remain.

Mr. LENNON. It wouldn't make any difference whether the parents have a legal residence or were actually physically in the State, would it?

Colonel MCKENZIE. That is right.

Mr. LENNON. That's what I want all of us to thoroughly understand. That's the reason it comes back to my thinking of a contract, of course, the difficulty there is where the mother takes the children and goes back to the old folks, as one of you gentlemen used that phrase, there may not be a military installation and she might have trouble there. I can see that we are in the twilight or gray zone of this matter, but I am concerned about spelling out categorically in the basic law the Federal Government's right to withhold Federal funds. We are in trouble in enough areas of other areas that I am thinking about in certain section of the country without the arbitrary withholding of funds.

Mr. HÉBERT. Mr. Slatinshek?

Mr. SLATINSHEK. If I may, Mr. Chairman, clear up for the record some questions I think will inevitably arise.

Mr. Secretary, and I would like you to interrupt me if I am incorrect.

The changes here incorporated in the three bills and essentially in the expansion of medical care by and large represent an expansion of the dependent medical care program. Therefore, the dependents who are eligible for care have not been changed under the terms of your recommended changes.

In other words, and I want the committee to clearly understand this, all of the dependents who are eligible for care in uniformed services facilities will, of course, continue to be eligible for such care.

Now, in the case of civilian facilities, the law originally enacted limited or deleted one of the type of dependents from eligibility, and that was parents and parents-in-law. This is also carried forward into your new program; is that correct?

Mr. MORRIS. That is correct; they remain status quo in that they still have entitlement to space available in military facilities.

Mr. SLATINSHEK. The same thing would apply to retired personnel?

Mr. MORRIS. Yes.

Mr. SLATINSHEK. Their parents and parents-in-law?

Mr. MORRIS. That is correct.

Mr. SLATINSHEK. Now, therefore, I will not attempt to develop who is precisely eligible, this is a matter of general knowledge. However, what is provided in the way of benefits? You allude to it in the language change under existing law, the law specifies in general terms what is provided and also specifies in general terms what shall not be provided and under the new language you would delete all of these exclusions and provisions and substitute the high option of the Government-wide plan covering the larger number of civilian employees.

In very general terms could you tell the committee what this envisions and perhaps to assist in this regard the Department has provided the committee with a comparative table which sets in tabular form the benefits that are provided to people today under the dependents medicare act and the provisions providing for Federal employees and also the provisions which will apply in the case of retired personnel who reach age 65. You have been provided with a copy of that, Mr. Secretary. Is that table accurate?

Mr. MORRIS. Yes, sir; it is.

Mr. SLATINSHEK. Now, can you make some general observation concerning the table to begin with. Is it the Department's intention to grant all of these benefits at approximately the same level as that provided Federal employees?

Mr. MORRIS. That is correct, this being a benchmark which we think is established as a very liberal one and one that will be kept modern because of the desire of the total executive branch to provide well for its employees.

Mr. SLATINSHEK. Being the Devil's advocate here, the language as it is written, however, could conceivably result in an arbitrary decision on the part of the executive or even for that matter on the part of the Congress in a future year by virtue of cutting back appropriations so that no care would be made available in these programs; isn't that correct?

Mr. MORRIS. I suspect that could be the interpretation but I would be amazed if this were ever the result.

Mr. SLATINSHEK. I don't think it will occur either, but I am concerned with the legal possibility that there might be a future substantial diminishment of these benefits despite the executive branch's present desire to provide all these to our military dependents.

In the event costs might rise, I think there would be an inevitable tendency to reduce these costs by cutting back benefits.

Despite the fact that this might not occur in the Federal employees area, how would you propose that we preclude this possibility? Do you feel that perhaps some sort of floor might be placed in this language in respect to the general level of benefits?

Mr. MORRIS. In terms of dollar floor?

Mr. SLATINSHEK. No, sir; I am speaking in terms of something of this sort and I haven't worked on it myself, but you indicate that you intend to provide the highest level of benefits provided under the Blue Cross-Blue Shield program or the high option program.

Mr. MORRIS. Right, sir.

Mr. SLATINSHEK. And, this, of course, is subject to change from year to year. This might very conceivably be increased in the future years for Federal employees. Presumably you would do the same thing.

Mr. MORRIS. Right, sir.

Mr. SLATINSHEK. So, it is not contemplated that there be a reduction but on the other hand, we would like to make sure it doesn't fall below a certain level. Could we do this by indicating that the level of benefits now effective in the Federal employees benefit program would be the floor?

Mr. MORRIS. We certainly would have no objection to this and would be happy to work with you in considering language.

Mr. SLATINSHEK. I don't know that it is necessary, Mr. Secretary, but I wanted to explore that.

Mr. MORRIS. Our own image of what we are suggesting here is just so opposite to that which you suggested it never occurred to us that this could be the construction. We are proposing as you know, removal of certain prohibitions in the Dependents' Medical Care Act—chronic diseases and emotional disturbances and disorders—so our whole concept is a modern and liberal one and I hope that is what the legislative history of this act will reflect.

Mr. SLATINSHEK. In other words, you intend at this reading to use this as the benchmark as you put it for the level of benefits and this will certainly not account for the limitation as Federal employees benefits are expanded and changes in programs, this too will accompany the dependents' program?

Mr. MORRIS. I think we are dedicated to maintaining full comparability between our military employees force and our civilian-employed force in the Government, and this is one way of stating that principle.

Mr. SLATINSHEK. Just a brief question. Has the Department considered the possibility of utilizing a deductible other than the 20-percent deductible on out-patient care for dependents care from civilian sources?

Mr. MORRIS. This seemed to us to be the most logical figure inasmuch as it is well established in the Federal Health Care programs and in others. Hence, we have not considered any other percentage.

Mr. SLATINSHEK. This latter question is intended to point out that in the Federal Health program, there is a substantial annual deductible of \$200 which must be reached before the 20-percent contribution is applied. Whereas in the case of military personnel and their dependents no preliminary deductible is required and it will apply from the first instance of outpatient care and therefore it is very generous in that regard.

Mr. MORRIS. That is correct.

Mr. SLATINSHEK. In other words, the benefits provided, even though they might in the way of medical services be comparable to those provided Federal employees are, actually, on the basis of a fiscal comparison, much more generous than those provided Federal employees?

Mr. MORRIS. That is correct, sir; and we would like to keep them that way.

Mr. SLATINSHEK. I would like to turn briefly to 13583, the bill providing for retired changes, and I would like to inquire as to the significance of the language changes in section 1074(b) which would permit retired members to receive care in VA facilities. Could you elaborate on that?

Mr. MORRIS. Yes, just briefly I believe this is covered on page 5 of your text. This opens up the availability on a space-available basis of VA facilities to our retired members. The amendment has the effect of removing the disability and inability to pay requirements which as I understand it now exist in respect to the VA facilities. It makes them fully available without such restrictions if space is available.

Mr. SLATINSHEK. We are talking about the retired member alone, now, and not his dependents in any way?

Mr. MORRIS. That is right.

Mr. SLATINSHEK. Now, vis-a-vis this would eliminate the present requirement that he signs a pauper's oath to obtain treatment?

Mr. MORRIS. Yes.

Mr. SLATINSHEK. Would there be any priority provided him in the way of availability of service in a VA hospital?

Mr. MORRIS. I do not believe so.

Mr. SLATINSHEK. Well, I have reference to a circumstance where where we have a retired member with a physical disability of some

kind. He would nonetheless be simply accorded treatment as a veteran with a disability, as opposed to a retired member with a disability?

Mr. MORRIS. I believe that is correct.

Colonel McKENZIE again has studied this feature in depth. If he has other comments, I would appreciate his making them.

Colonel McKENZIE. This would, in effect, create a new priority for admission to VA hospitals and this new group would have the bottom priority.

Mr. SLATINSHEK. The bottom priority, but above a veteran.

Colonel McKENZIE. Who had no priority at all.

Mr. SLATINSHEK. Who had no priority at all?

Colonel McKENZIE. That is right, sir.

Mr. SLATINSHEK. Who signed a pauper's oath?

Colonel McKENZIE. Of the priorities that now exist; namely, the person who has a service-connected disability and requires care for it, or who has such a disability but requires care for something else, and the veterans of a war who is unable to pay, if you count those as three priorities, this would be the fourth priority.

Mr. SLATINSHEK. It would be after the veteran who was a pauper?

Colonel McKENZIE. That is correct.

Mr. SLATINSHEK. That will not give him very much?

Colonel McKENZIE. In certain locations it would. In other crowded areas it would not.

Mr. SLATINSHEK. Does the Veterans' Administration contemplate programing beds to meet this requirement? Has the Department discussed that?

Colonel McKENZIE. We have not discussed that with them.

Mr. MORRIS. The intent here is simply to open up additional available capacity on a proper basis.

Mr. SLATINSHEK. In the event a retired member required medical care and there was available a VA facility, not a uniformed service facility, in the implementing regulations which you issued, would you require that the first exhaust the possibility at a VA hospital before attempting to get care at a civilian facility, or would he have freedom of choice?

Mr. MORRIS. That is a good question and in our general program the freedom of choice is reserved to the Department's regulations in connection with military facilities where they are available.

Mr. SLATINSHEK. In other words, freedom of choice would only be restricted in the event uniformed services facilities were available and not Government medical facilities in the term inclusive of VA hospitals?

Mr. MORRIS. I believe that is correct. Let me ask Colonel McKENZIE again.

Colonel McKENZIE. No, sir; as the bill is now written, the Secretary of Defense and the Secretary of Health, Education, and Welfare would have authority that could be invoked if they wished to, at some future date, to require the retired member to first seek available care not only in uniformed services facilities but also in VA facilities, and this would follow from the fact that the language is "Government" in the bill rather than "uniform services."

Mr. SLATINSHEK. The committee has explored the rationale of the 20- and 25-percent contribution difference and I will not get into that.

The committee has also discussed the American Medical Association language.

Mr. Hardy discussed the programing, and you have responded, I believe, adequately to the question of your interpretation of a mildly retarded child.

For purposes of the record, pursuing the retarded or handicapped children bill, I understand that the contribution of the Federal Government to the States for crippled and handicapped children amounts to approximately \$35 million of the total of approximately \$88 million spent in this area for facilities of this kind. It is a very substantial contribution.

Mr. MORRIS. Yes.

Mr. SLATINSHEK. On the change in the availability of medicare of the coverage provided under your program to the Social Security Act at age 65, is it your opinion and belief that the level of benefits provided under the social security program at age 65 will be equal to the benefits provided under your program? Or, will there be a loss of some benefits as a consequence of the change from one coverage to the other?

Mr. MORRIS. For the most part from my analysis they appear to offer the same coverage. The principal exception seems to be in the area of prescription drugs.

However, there is an additional feature available under the social security program in the form of nursing home care and home visits, which is an additional benefit.

Mr. SLATINSHEK. Well, may I ask this question, then: For instance, the loss is in the area of prescriptions. Am I to understand that nonetheless if I were a retired member and I had reached age 65 and I am now covered under the social security program, despite the fact that I am covered by the program, I would still, if physically or geographically located near a uniform services facility still have access to that facility?

Mr. MORRIS. That is correct.

Mr. SLATINSHEK. Therefore, would I not also have the right to obtain prescription drugs?

Mr. MORRIS. That is right.

Mr. SLATINSHEK. Would that also apply in case of dependents?

Mr. MORRIS. Yes.

Mr. SLATINSHEK. So that disadvantage, at least in instances where they are geographically well located, is diminished.

Mr. MORRIS. Is greatly modified.

Mr. SLATINSHEK. With the permission of the Chair, I would like to include in the record at this point the table which the Department has graciously provided the committee, outlining these benefits, the manner which they are presently applied and the level of benefits for Federal employees under the Blue Cross-Shield Plan, this being indicative of the reference point the Department intends to use in the establishment of its new program if this is enacted into law.

Mr. HÉBERT. Without objection, at this point it will be included in the record.

(The information referred to follows:)

Comparison of health benefits

	Existing dependents medical care program (civilian segment)	Federal employees health benefits program		Social security health insurance for persons 65 years of age	
		Service benefit plan (Blues) high option	Indemnity benefit plan (Aetna) high option	Basic hospital	Supplementary medical
1. Premium cost.....	No premiums. Patient pays portion of charge when care is received.	Beneficiary portion of premium cost: \$17.07 a month (\$204.84 a year) per family.	Beneficiary portion of premium cost: \$19.15 a month (\$229.80 a year) per family.	No premiums. Patient pays portion of charge when care is received.	Beneficiary portion of premium cost: \$3 a month (\$36 a year) for each person.
2. Hospital charges.....	Patient pays 1st \$25 of hospital charges or \$1.75 a day, whichever is greater, for each admission. Medicare pays remainder of hospital charges for 365 days in semiprivate room except hospitalization for acute emotional disorders which is normally limited to 21 days.	In Blue Cross member hospitals, plan pays all hospital charges for 365 days in semiprivate room for each confinement as part of basic benefits. In nonmember hospitals in United States payment under basic benefits is limited to \$12 a day for room and board charges, plus 90 percent of other charges, for 365 days per confinement. Outside United States plan pays in full hospital usual charges. After annual deductible of \$100 has been met, plan pays 80 percent of hospital charges not covered by basic benefits.	Room and board charges: Plan pays charges for semiprivate room up to \$1,000 a year, plus 80 percent of any hospital charges over \$1,000. Other hospital charges: These charges are lumped with physician fees and other authorized services. The lumped charges are subject to an annual deductible of \$50 per person (\$150 per family). After deductible has been met, plan pays 80 percent of "Other hospital charges."	Basic hospital plan pays up to 90 days of hospitalization in semiprivate room for each spell of illness, less the patient payments of \$40 for the first 60 days and \$10 a day for days in excess of 60. (There is a limitation of 190 days on treatment in mental hospitals.)	Not covered by supplementary medical insurance.
3. Private room charges.....	When physician certifies that private room is needed, Medicare pays average cost of semiprivate room, plus 75 percent of difference between cost of private room and average cost of semiprivate room. In the absence of such certification, Medicare pays average cost of semiprivate room only.	Plan pays average cost of semiprivate room only as basic benefit. Difference allowable as supplementary benefit. After annual deductible of \$100 per person (\$200 per family) has been met, plan pays 80 percent of excess over semiprivate room charges.	Plan pays average cost of semiprivate room only.	Payment of private room charges authorized when required for medical reasons.	Do.

<p>4. Posthospitalization, convalescent hospital, and nursing home charges.</p>	<p>Excluded.....</p> <p>Medicare pays surgeons and physicians for in-hospital treatment in accordance with fee schedules which surgeon or physician accepts as full payment for his services. For home delivery or for treatment of injuries on an outpatient basis, Medicare pays all but the 1st \$15 of the allowance for the procedure established in the fee schedules. When hospitalization is for surgery or treatment of an injury, Medicare pays up to \$75 for diagnostic tests and procedures before hospitalization, and up to \$60 for necessary tests and procedure after hospitalization. Excludes payment for other care furnished on outpatient basis.</p>	<p>Excluded.....</p> <p>Plan pays in accordance with fee schedules for inpatient medical and surgical treatment, outpatient surgery, emergency first aid and treatment of injuries. Surgeons and physicians in service areas accept these amounts as full payment if family income is below \$6,000. In nonservice areas or if family income exceeds \$6,000 and fee exceeds that shown, plan pays 80 percent of the amount in excess of the fee schedule as a supplementary benefit after annual deductible has been met. The plan also pays as supplementary benefits 80 percent of physicians charges for treatment in a home, office, or hospital to the extent that such charges are not covered by basic benefits.</p>	<p>Excluded.....</p> <p>After annual deductible has been met, plan pays 80 percent of charges for professional services of physicians, including surgery, consultations, and home, office, and hospital calls.</p>	<p>Excluded.....</p> <p>Basic hospital plan pays for 20 days of nursing home care following a hospital stay of at least 3 days. The plan also provides for an additional 80 days of nursing home care with the patient paying \$5 a day and the plan paying the remainder.</p>	<p>Excluded.</p> <p>After annual deductible of \$50 has been met, supplementary plan pays 80 percent of surgeon and physician charges for treatment provided in a home, office, or hospital.</p>
<p>6. Services of private-duty nurses.</p>	<p>When physician certifies that private-duty nursing care is required during hospitalization, Medicare pays 75 percent of charges in excess of \$100. (Patient pays 1st \$100, plus 25 percent of charges in excess of \$100). Private-duty nursing care is not authorized outside a hospital.</p>	<p>When ordered by attending physician, services of special nurses in or out of a hospital are payable as supplementary benefits. After annual deductible has been met, plan pays 80 percent of special nurse charges.</p>	<p>When ordered by attending physician, services of special nurses in or out of a hospital are payable as other hospital and surgical and medical expenses. After annual deductible has been met, plan pays 80 percent of special nurse charges.</p>	<p>Excluded. (Services of visiting nurses are included in posthospital home health care services.)</p>	<p>Excluded. (Services of visiting nurses are included in home health visits under the supplementary plan.)</p>

Comparison of health benefits—Continued

	Existing dependents medical care program (civilian segment)	Federal employees health benefits program		Social security health insurance for persons 65 years of age	
		Service benefit plan (Blues) high option	Indemnity benefit plan (Aetna) high option	Basic hospital	Supplementary medical
7. Services of self-employed anesthesiologists.	When doctor certifies that the services of a self-employed anesthesiologist are required, medicare pays full charge.	Plan pays in accordance with fee schedule. Excess allowable as supplementary benefits; that is after deductible has been met, plan pays 80 percent.	After deductible has been met, plan pays 80 percent of charges.	Excluded.	After deductible has been met, supplementary plan pays 80 percent of charges.
8. Maternity and infant care.	Medicare pays for complete obstetrical and maternity services (less patient contribution) in or out of a hospital, including prenatal care, delivery, and postpartum care, and necessary infant care during period of hospitalization following delivery. Infant care on an outpatient basis is authorized for 10 days following delivery outside a hospital.	Plan provides for payment of hospital charges on the same basis as for illness or injury and for payment of physician fee for delivery and/or complications of pregnancy in accordance with fee schedule.	Plan pays for maternity care on the same basis as for illness or injury. Benefits include expenses for the care of pregnancy, including any conditions related thereto, and resulting childbirth or miscarriage.	do.	Excluded.
Routine care or examination of a newborn child.		Excluded.	Excluded.	do.	Do.
9. Treatment of nervous or mental disorders: (a) Inhospital treatment.	Medicare limits hospitalization to acute emotional disorders constituting an emergency, complicating pregnancy, or required while patient is hospitalized for medical or surgical treatment; and to 21 days except that extension for a 2d 21-day period may be granted under unusual circumstances. Excluded.	Regular hospital benefits apply.	Regular hospital benefits apply.	Regular hospital benefits apply except there is a lifetime limitation of 190 days on payment for treatment in mental hospital.	Regular benefits apply.
(b) Outpatient treatment of nervous or mental disorders.		After deductible has been met, plan pays 80 percent of charges for outpatient treatment of nervous and mental disorders.	After deductible has been met, plan pays 80 percent of charges, or \$200 per person per year, whichever is less, for physician services and psychologist services.	Excluded.	Supplementary plan will pay \$250 or 60 percent of expenses, whichever is smaller, during any calendar year.

10. Outpatient treatment for accidental injury.	After patient has paid the 1st \$15 of the physician's charges, medicare pays the remainder of costs including charge for use of hospital outpatient facilities. Payment for laboratory tests, pathology, and radiology examinations is limited to \$75.	Plan pays in full for use of hospital outpatient facilities. When treated as hospital outpatient or in physician's office, plan pays physician in accordance with fee schedule. For procedures not covered in fee schedule, plan pays \$5.	After deductible has been met, plan pays 80 percent of charges.	After deductible has been met, supplementary plan pays 80 percent of charges and 80 percent of such services as X-ray, splints, casts, etc.	do
11. Outpatient surgery	Excluded.	Plan pays surgeon in accordance with fee schedule as part of basic medical-surgical benefits.	After deductible has been met, plan pays 80 percent of charges.	After deductible has been met, supplementary plan pays 80 percent of physician charges and related costs.	do
12. Routine outpatient treatment in home or doctor's office.	do	After deductible has been met, plan pays 80 percent of physician charges except that the following services are excluded: Routine physical examinations, immunizations, removal of corns or callouses, and routine well-baby care, immunizations, and removal of corns or callouses.	After deductible has been met, plan pays 80 percent of physician charges except that the following services are excluded: Routine or periodic physical examinations, immunizations, removal of corns or callouses, and routine care or examination of a newborn child.	After deductible has been met, supplementary plan pays 80 percent of physician charges.	do
13. Hospitalization for diagnostic procedures.	Medicare pays only when patient is acutely ill or when diagnostic surveys are followed by surgery. When hospitalization is for surgery or for bodily injury, medicare pays up to \$75 for diagnostic tests and procedures before hospitalization, and up to \$50 for necessary tests and procedures after hospitalization. Otherwise excluded, except for maternity and bodily injury cases.	After deductible has been met, plan pays 80 percent of hospital charges.	Plan pays regular hospital benefits.	Do.	Regular hospital benefits apply.
14. Outpatient diagnostic and therapeutic tests and procedures.	When hospitalization is for surgery or for bodily injury, medicare pays up to \$75 for diagnostic tests and procedures before hospitalization, and up to \$50 for necessary tests and procedures after hospitalization. Otherwise excluded, except for maternity and bodily injury cases.	In bodily injury cases, plan pays as part of basic benefits. In other cases, plan pays 80 percent of charges in excess of \$20. Regular deductible does not apply.	After deductible has been met, plan pays 80 percent of charges.	After deductible has been met, supplementary plan pays 80 percent of physician charges and related costs.	Basic hospital plan pays 80 percent of cost of diagnostic services received as a hospital outpatient during a 20-day period, except for the 1st \$20 for each 20-day period.
15. Outpatient X-ray, radium, and radionuclide therapy.	Medicare pays for such treatment if it is begun or prescribed during a period of hospitalization.	Plan pays hospital outpatient facility charges as part of basic benefits not subject to deductible. Physician fees are paid in accordance with fee schedule.	After deductible has been met, plan pays 80 percent of cost of treatment.	After deductible has been met, supplementary plan pays 80 percent of charges.	Excluded

Comparison of health benefits—Continued

	Existing dependents medical care program (civilian segment)	Federal employees health benefits program		Social security health insurance for persons 65 years of age	
		Service benefit plan (Blues) high option	Indemnity benefit plan (Aetna) high option	Basic hospital	Supplementary medical
16. Home health care services.	Not authorized except treatment of bodily injuries and maternity care. In home delivery, payment for the following services is not authorized: Rental or purchase of beds, bassinets, or similar equipment, nor for services of private-duty nurses.	After deductible has been met, plan will pay 80 percent of physician treatment and 80 percent of special nurse charges when ordered by attending physician.	After deductible has been met, plan pays 80 percent of charges of physicians, nurses, and therapists.	Basic plan pays cost of up to 100 visits by health personnel in the 365 days following discharge from a hospital after a stay of 3 days or more or from a nursing home. Services include visiting nurses, physical therapists, and other health workers (except physicians).	After deductible has been met, supplementary plan pays 80 percent of charges for up to 100 home health visits by health personnel (in addition to physician visits) with no requirement for prior hospitalization.
17. Dental care:	Medicare pays for hospitalization and dentists fees for surgery normally performed by a dentist except that surgery for harelip and/or cleft palate is limited to repairs known and established as a requirement at time of original surgery; and subsequent revisions are not included. Also excluded are removal of teeth, gingivectomies and alveolotomies unless they qualify as adjunctive surgery.	Basic benefits (no deductible) cover hospitalization and fees of surgeon (including dental surgeon) for oral surgery, limited to surgical procedures related to the jaws and structures contiguous to the jaws but excluding procedures involving the teeth or the structures directly supporting the teeth. Basic hospital benefits are provided if hospitalization is for dental surgery for the removal of impacted teeth. Payment to the dental surgeon is also included.	Plan pays regular hospital room and board charges when hospitalized for oral surgery. In addition, after deductible has been met, plan pays 80 percent of other hospital and surgical and medical expenses, plus charges for dental materials (fillings, crowns, false teeth, etc.) for:	Basic plan pays regular hospital benefits for oral surgery related to the jaw or a contiguous structure. May be performed in home, office, or hospital.	Supplementary plan pays regular surgical benefits for oral surgery performed by a dental surgeon which is related to the jaw or a contiguous structure. May be performed in home, office, or hospital.
(a) Oral surgery	Medicare will also pay for hospitalization of dependents with chronic diseases for the purpose of performing oral surgery which is a necessary adjunct to and required for the proper treatment of recurrently progressive debilitating diseases.		(a) Surgical correction of harelip, cleft palate, or protruding mandible. (b) Removal of stones from salivary ducts. (c) Excision of impacted teeth that are not completely erupted, bony cysts of the jaw, torus palatinus, leukoplakia, or malignant tissue. (d) Freeing of muscle attachment. (e) Other cutting surgery on tissues of the mouth, other than the gums, when not performed in connection with the extraction or repair of teeth.		

(b) Accidental injury --	In accidental injury cases, medicare will pay a dentist for treatment in or out of a hospital for fractures, dislocations, lacerations, and compound wounds customarily treated for by a dentist. The patient must pay the 1st \$15 of the dentist charges when treated on an outpatient basis.	Plan pays hospital in full for services which are provided within 72 hours after an accident as a part of basic benefits. Charges for dental work (other than oral surgery) in connection with accidental injury, regardless of where provided, are allowable only as supplementary benefits; that is after deductible has been met. Plan pays 80 percent of charges. Basic hospital benefits are provided for dental treatment if a physician certifies that the patient has a nonidental organic impairment which makes hospitalization necessary to safeguard the health of the patient from the effect of dentistry. Payment for the dental work is excluded except for the oral surgery listed above.	After deductible has been met, plan pays 80 percent of charges: (a) Payment for repair of dental injury to natural teeth. (b) Reduction of fractures of the jaw or facial bones. Includes charges for dental materials (fillings, crowns, false teeth, etc.). Except for the oral surgery and treatment of accidental injury cases as listed above, the only allowable expenses under the plan for dental work and oral surgery are hospital charges.	Basic plan pays regular hospital benefits for treatment of accidental dental injury.	Supplementary plan pays regular benefits for treatment of accidental dental injury (fractures of the jaw or facial bones) by a dentist or dental surgeon.
(c) Other authorized dental treatment.	Medicare pays for dental care which is a necessary adjunct to medical or surgical treatment provided in a hospital to a dependent who is a hospital patient. Such dental care excludes removable or fixed prosthodontic restorations, orthodontics, restorative dentistry, and prolonged periodontal treatment.	After deductible has been met, plan pays 80 percent of cost of ambulance service to or from a hospital for inpatient, or for outpatient accident care.	After deductible has been met, plan pays 80 percent of cost to the 1st hospital where treated, from that hospital to another in the area if necessary treatment is not available at the 1st hospital, and from the hospital to the home if required by the patient's condition.	None.....	None.
19. Professional ambulance service.	Excluded in United States. Authorized outside United States when Government ambulance is not available.	After deductible has been met, plan pays 80 percent of cost of ambulance service to or from a hospital for inpatient, or for outpatient accident care.	After deductible has been met, plan pays 80 percent of cost to the 1st hospital where treated, from that hospital to another in the area if necessary treatment is not available at the 1st hospital, and from the hospital to the home if required by the patient's condition.	Excluded.....	After deductible has been met, supplementary plan pays 80 percent of ambulance charges where the use of other methods of transportation is contraindicated by the individual's condition.
19. Prescription drugs procured from civilian pharmacy.	Excluded.....	After deductible has been met, plan pays 80 percent of cost of prescription drugs.	After deductible has been met, plan pays 80 percent of cost of prescription drugs.	do.....	Excluded.
20. Artificial limbs and artificial eyes.	do.....	After deductible has been met, plan pays 80 percent of cost of these items, including their replacement, repair, or adjustment.	After deductible has been met, plans pays 80 percent of cost of these items, including replacements if required because of a change in the patient's physical condition.	do.....	After deductible has been met, supplementary plan pays 80 percent of cost of following items: Prosthetic devices (other than dental) which replace all or part of an internal body organ; braces and artificial legs, arms, and eyes.

Comparison of health benefits—Continued

	Existing dependents medical care program (civilian segment)	Federal employees health benefits program		Social security health insurance for persons 65 years of age	
		Service benefit plan (Blues) high option	Indemnity benefit plan (Aetna) high option	Basic hospital	Supplementary medical
21. Eyeglasses and hearing aids.	Excluded	Excluded.	Excluded except as follows: (a) Eyeglasses and examinations therefor if required to correct an impairment directly caused by accidental ocular injury or intra-ocular surgery and obtained within 1 year thereof. (b) Hearing aids, and examinations therefor if required to correct an impairment directly caused by an accident and obtained within 120 days thereof.	Excluded	Excluded.
22. Routine physical examinations, routine eye examinations, and immunizations.	do.	do.	Excluded.	do.	Do.
23. Rental of durable equipment such as wheelchair, iron lung, hospital bed.	do.	After deductible has been met, plan pays 80 percent of rental charges.	After deductible has been met, plan pays 80 percent of rental charges.	do.	After deductible has been met, supplementary plan pays 80 percent of rental charge for durable medical equipment.
24. Domiciliary or custodial care.	do.	Excluded.	Excluded.	do.	Excluded.
25. Limitations and exclusions based on type of care: (a) Nonacute surgery: 1. Cosmetic surgery.	Medicare excludes cosmetic surgery for improvement or change of appearance or for psychological reasons.	Plan excludes cosmetic surgery unless related to an accidental injury or when required for improvement of function of a malformed body member. However, basic hospital benefits are provided even if the hospital is not a participating hospital for cosmetic purposes not related to accidental injury.	Excludes cosmetic surgery and all expenses in connection therewith, except as required for prompt repair of accidental injury or for improvement of the functioning of a malformed body member.	Excluded except when necessary for the prompt repair of injuries or for improvement of a malformed body member.	Excluded except when necessary for the prompt repair of injuries or for improvement of a malformed body member.

No limitations.

No limitations.

No limitations.

No limitations.

The following surgery is covered only when it is necessary for improvement or restoration of function:

- (a) Eye, ear, and nose surgery.
- (b) Surgery for skeletal defects, such as clubfoot or congenital dislocated hip.
- (c) Removal of superfluous digits and correction of 2 or more digits wholly or partly united.

Surgery for hairlip and/or cleft palate is limited to the procedures listed in item 17 above.

Surgery for repair of scars is allowable only when the scar is ulcerated, shows clinical evidence of malignancy, or when a contracture impairs functioning.

Removal of tumors, cysts, warts and wartlike growths, birthmarks, and moles is allowable only if they are bleeding, ulcerated, painful, show clinical evidence of malignancy, or impair function.

Plastic surgery of the breast is covered only when severe pain or marked disability is present.

Sterilization procedures are allowable only when, in the opinion of the attending and consulting physicians, such a procedure is necessary to the proper management of a medical or surgical condition for which treatment is authorized.

Sterilization procedures to limit the size of families or for socioeconomic reasons are excluded.

Procedures designed to correct infertility or sterility are excluded.

Removal of tattoos is excluded.

2. Other non-acute surgery.

Comparison of health benefits—Continued

	Existing dependents medical care program (civilian segment)	Federal employees health benefits program		Social security health insurance for persons 65 years of age	
		Service benefit plan (Blues) high option	Indemnity benefit plan (Aetna) high option	Basic hospital	Supplementary medical
25. Limitations and exclusions based on type of care—Continued (b) Nonacute medical conditions.	<p>The following treatment is not covered except as indicated:</p> <p>(a) Tests to determine pregnancy, except when the patient is in fact pregnant and when tests are required for the proper maternity or post-natal care.</p> <p>(b) Rehabilitation procedures for persons with congenital defects, cerebral palsy, or poliomyelitis, except when related to in-hospital care of surgery performed for improvement or restoration of function.</p> <p>(c) Treatment of inactive (nonacute) tuberculosis when determined by clinical tests.</p> <p>Treatment is authorized only for the active (acute) phases as determined by acceptable medical standards.</p> <p>The following treatment is excluded:</p> <p>(a) Procedures to determine a state of infertility or sterility.</p>	No limitations.....	No limitations.....	No limitations.....	No limitations.

(c) Chronic diseases	(b) Treatment for false pregnancy or pregnancy suspected but not proven. (c) Tests and procedures such as psychological, psychometric, or intelligence measuring tests; speech and/or hearing therapy, remedial reading, or vision correction; child guidance therapy.				
	Treatment of chronic diseases is not covered except for acute flareups or acute complications requiring treatment in a hospital or for inpatient surgery to improve function when the attending physician certifies that this is required.				

Mr. Nedzi?

Mr. NEDZI. If I may ask a question or two at this point. I'm concerned just a little bit about what this bill is going to do to the rights of other veterans if we use VA facilities? Isn't there a provision now with respect to VA hospitals that certain facilities are available to veterans on a space-available basis?

If you inject an additional priority here, obviously that is going to lessen the spaces available.

Mr. MORRIS. I think Colonel McKenzie has answered that in the sense that this becomes the lowest order of priority so we would not be infringing upon the benefits already available to the veteran population, but only in those cases where space is otherwise available would we then plan to make use of it.

Mr. NEDZI. But, isn't there a priority over other veterans?

Mr. MORRIS. No; it would be the lowest order.

Mr. NEDZI. So really there is no priority?

Mr. MORRIS. Just the ability to make greater use where available.

Mr. NEDZI. I was under the impression that there was lower. If not, all right.

Mr. SLATINSHEK. If I may interrupt, the present law does provide them with a statutory right, but only as a veteran. This provides it to them as a retired member, but apparently this is a change of really no substance. It is more apparent than real.

Mr. NEDZI. I agree with that concept. I think retired personnel certainly should be accorded equal treatment with veterans but under the circumstances not preference, is all, and this does not accord them any preference treatment.

Mr. MORRIS. Right.

Mr. NEDZI. No further questions.

Mr. HÉBERT. I want to thank you gentlemen very much for your cooperation, we do appreciate it.

And, you doctors here, surgeons general, if there is any concern on your part, we didn't use any of your needles from your inventory this morning. Before we conclude this morning we shall hear from our good friend and colleague on the committee, Congressman Gubser.

Mr. GUBSER. Mr. Chairman, I deeply appreciate the courtesy you have extended to me as a member of the full Armed Services Committee in allowing me to sit with the members of this subcommittee during your consideration of this important subject. I also appreciate the opportunity to present this testimony.

The pending legislation, in my opinion, is the most important matter affecting military and retired personnel which has come before the House in my 14 years of service. I am delighted that it is to be considered by such a competent and knowledgeable chairman in charge of a committee which possesses an outstanding weight of knowledge on this subject.

You are familiar with the repeated statements I have made over the years expressing concern over the gradual erosion of traditional fringe benefits which have served to attract dedicated Americans to a career of military service. I have often called attention to the injustice of the abolition of the principle of recomputation of retired pay. This had been impliedly promised to retirees by accrual practice for more than 100 years. It is a principle which should be restored and one which I shall always favor.

But the fringe benefit which may be of even greater concern to the military retiree than recomputation is the assurance that, following his retirement, he will receive medical care and hospitalization. In my opinion, there is a legal obligation on the part of the Government to provide such care. Certainly, there is no question that there is a moral obligation to provide it. And yet in recent years it appeared that, because of the failure to program retired beds in new hospital construction, medical care for retirees would diminish to nothing because space was not "available."

Along with the other members of the Armed Services Committee, I have consistently called for action in this field which would fulfill the Government's admitted moral obligation. Some of these efforts were climaxed in the hearings held 2 years ago by a special subcommittee chaired by the present chairman of the full committee, Mr. Rivers. It urged that the Department of Defense submit recommendations for consideration by Congress which would provide the means of fulfilling this obligation.

In the meantime, the Fleet Reserve Association worked long and hard to make constructive suggestions, which I was proud to introduce in bill form.

To the credit of the Department of Defense, an honest study of the problem was made. All of these efforts are climaxed by this hearing today. In one sense, this hearing and the legislation which I am confident it will produce are in the finest tradition of democracy and our legislative process.

With only minor exceptions, I am delighted with the recommendations of the Department of Defense. They clearly establish a legal right of military retirees and their dependents to medical care. Furthermore, they make such care possible for the millions of retirees who are not fortunate enough to live in close proximity to a military hospital. These rights are given in addition to those currently available to retirees and as such are distinct improvements over the status quo.

The further provisions for outpatient care for active duty dependents and for physically handicapped and mentally retarded children of active duty members of the uniformed services are outstanding.

As a frequent critic of the Department of Defense, I want to say that those responsible for these recommendations have squarely faced up to a responsibility in a constructive and realistic manner.

As Chairman Hébert and Congressman Hardy have so ably pointed up in their questioning of departmental witnesses, there is a need for occasional usage of the mandatory word "shall" in place of the permissive word "may." As they have indicated, some of the definitions and criteria need to be tightened.

I would hope that the committee would not discriminate against the retiree and require his dependent to pay a larger percentage fee than the active duty dependent. I would also hope that it could be made absolutely certain that the bill will not diminish any entitlement to medical care which a retiree presently enjoys.

I am sure the subcommittee will desire to make certain that, in future construction of medical facilities, provision will be programed for retired military personnel and their dependents.

With these suggestions, which the subcommittee has already indicated it will approve, I would like to wholeheartedly endorse the

three pending bills and express my appreciation to those who have spent many months in preparing the way for this just and fair solution to a serious problem.

Thank you, Mr. Chairman and members of the committee, that concludes my statement.

Mr. HÉBERT. Thank you, Mr. Gubser, for an excellent statement—the chair will recess until 10 tomorrow morning.

(Whereupon, at 12:50 p.m. the subcommittee adjourned until 10 a.m. Friday, March 25, 1966.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE No. 2,
Washington, D.C., Friday, March 25, 1966.

The subcommittee met, pursuant to adjournment, at 10:10 a.m. in room 2212, Rayburn House Office Building, Washington D.C. Hon. F. Edward Hébert (chairman of the subcommittee) presiding.

Mr. HÉBERT. The committee will be in order.

Members of the committee, this morning we have the second phase of the hearings on the three bills which we began hearings on yesterday morning, at which time we heard members of the Department of Defense and several services.

Today we are going to have some other Government witnesses beginning with the Public Health Service, then we will go to the Fleet Reserve Association, Retired Officers Association, Reserve Officers Association, and the Coast Guard; in that order, as many as we can hear, and if we are unable to complete their testimony today we will go over until Monday at 10 o'clock, but we will continue the hearings right on through until such time as the committee is in a position to take under consideration the acceptance, the amending, and the reporting out of the legislation.

So will the representatives of the Public Health Service please step forward.

Mr. Slatinshek.

Mr. SLATINSHEK. Dr. Sackett, Mr. Friedman, and Mr. Ray are here representing both the Public Health Service and the Social Security Administration.

Mr. HÉBERT. Gentlemen, do you have a prepared statement?

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. You may proceed.

Do you have copies of the statement, by the way?

Mr. SACKETT. I do not have them personally with me, I believe they are here. Someone should have brought some.

Mr. HÉBERT. Did anybody from the Public Health Service bring any copies? We will have to proceed, and you run the hazard of being misquoted.

Mr. SACKETT. I will supply some later in the day, sir.

Mr. SLATINSHEK. Excuse me, Mr. Johnson is here with Public Health Service. If I may, Mr. Chairman, I would like to have Mr. Johnson up in the table here.

Mr. HÉBERT. Will Mr. Johnson come around?

STATEMENT OF ANDREW P. SACKETT, PUBLIC HEALTH SERVICE

Mr. SACKETT. Mr. Chairman and members of the committee, all three of the bills now under consideration by this committee (H.R. 9271, H.R. 13582, and H.R. 13583) have the common purpose of improving the present program of medical care for dependents of members of the uniformed services and also of retired members and their dependents. We strongly support this purpose. We believe, however, that H.R. 9271 is defective in certain respects, and support the substitute bill proposed by the Department of Defense. We also support H.R. 13582 and H.R. 13583. The Public Health Service and the Department of Health, Education, and Welfare are in accord with the Department of Defense in this position. I will comment on each of the three numbered bills in sequence.

H.R. 9271

H.R. 9271, which was introduced June 21, 1965, would provide resident care for mentally retarded children of members of the Armed Forces on active duty but only in facilities of the Armed Forces established solely for the purpose of providing such resident care.

We believe that this bill is too restrictive in being limited to mentally retarded children and that physically handicapped children of members of the uniformed services on active duty should also be covered by the proposed legislation.

We also believe that the types of care to be provided should not be limited to resident care. In the care of mentally retarded children, one of the great advances in current treatment methods is the greater use of community services which makes it possible to give the children all the benefits possible of normal family and other relationships. It is estimated that only about 5 percent of the children will require resident or institutional care, the remainder can receive care in community facilities.

H.R. 9271 is also too restrictive in limiting the care provided for children to care in facilities of the Armed Forces. Suitable facilities of the Armed Forces for the care of mentally retarded and other mentally or physically handicapped children are frequently unavailable. It should be possible to obtain the necessary services in civilian facilities.

The substitute draft bill proposed by the Department of Defense would correct these deficiencies in H.R. 9271. It would also follow the present Dependents Medical Care Act in providing the proposed benefits for active duty members of all of the "uniformed services," and not just the "Armed Forces." The Public Health Service and the Coast and Geodetic Survey (now merged in the Environmental Science Services) would be included as "uniformed services."

Members of the uniformed services on active duty are frequently unable to provide proper care for their mentally or physically handicapped children. The proposal would make such care available by authorizing diagnostic, inpatient, outpatient, and home treatment, and training, rehabilitation, and special education as necessary for the child's mental or physical handicap. Institutional care in private nonprofit and in public facilities would also be authorized, with necessary transportation.

Members of the uniformed services would be required to pay a fair share of the costs of the benefits provided for their children. Payment would range from a minimum of the first \$25 incurred each month to a maximum of \$250 per month according to the grade of the uniformed service member.

Members would also be required to use public facilities to the extent that they are determined to be available and adequate under joint regulations of the Secretary of Defense and the Secretary of Health, Education, and Welfare.

An amendment of the Social Security Act would require States to waive residence requirements for their maternal and child health and crippled children programs so as not to deny services under those programs to children of uniformed services personnel on active duty.

H.R. 13582

H.R. 13582 would amend chapter 55 of title 10 of the United States Code to increase health benefits for dependents of active duty members of the uniformed services. The dependents include spouses and children of active duty personnel. The Public Health Service has responsibility for providing health services to the uniformed members and dependents of the Coast Guard, the Coast and Geodetic Survey (ESSA) and the Public Health Service.

The Public Health Service concurs essentially with the position of the Department of Defense in respect to this bill. The bill would permit medical services, inpatient and outpatient, at Government expense, for dependents to the extent now authorized under the high-option of the Government-wide plan for Federal civilian employees. In addition, physical examinations, immunizations, care of the newborn, and routine dental care under certain circumstances would be authorized.

This additional coverage, in effect, remedies some of the defects of the basic Dependents' Medical Care Act. Our experience with the program since its inception in December 1956 has repeatedly and forcibly reflected the inequity of the unavailability of certain medical benefits to dependents residing in areas having no proximate uniformed services medical facilities. The present limitations on outpatient services in such areas, as authorized under the Dependents' Medical Care Act, have been particularly distressing to dependents since only emergency outpatient care, including dental, may be provided at Government expense. H.R. 13582 would rectify this disparity among uniformed services dependents in large measure by authorizing hospitalization in contract facilities for which a minimum charge of \$25 will be imposed for each admission. In addition, more extensive outpatient services from contract sources would be authorized on the basis of a 20-percent charge to the dependent and, importantly, without regard to the emergent or nonemergent nature of such care. The provisions of the bill are considered desirable from the standpoint of serving to promote the recruitment and retention program of the Public Health Service, the Coast Guard, and the Coast and Geodetic Survey (ESSA).

Thank you for your attention and this opportunity of appearing before this committee.

I will be glad to attempt to answer any questions you may have, sir.

Mr. HÉBERT. Thank you very much, sir.

There are just one or two questions I would like to ask and then the members of the committee will continue the interrogation.

The function of the Public Health Service hospitals is, of course, inherent in its own name. But now as I understand it, in various areas of the country, where there are no military facilities, the function of the Public Health Service hospital there is to serve in that capacity.

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. That is correct?

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. How many areas of the country do you find the Public Health Service hospital the lone source of relief for these eligible people?

Mr. SACKETT. In the majority of the areas where we have a facility, there is also a Department of Defense or Veterans' Administration facility. However, there are in many of these areas, even the total of these is not adequate to meet the problem.

Mr. HÉBERT. I am not addressing myself to the Veterans' Administration hospitals. I am addressing my question as authorized under the present law.

Mr. SACKETT. Sir, in all of the areas where our facilities exist, we feel that the need is manifest for Public Health Service to provide—make provision for care for dependents, because of the inadequacies, even of the combined Public Health Service, military facilities.

Mr. HÉBERT. We recognize that. I am trying to find out, in what areas do you have hospitals of this nature where there are no military hospitals to take care of them? Do you have a breakdown on that?

Mr. SACKETT. I don't have that with me. I think Galveston is one example, New Orleans is another, where the military facility consists possibly of a very small clinic, and ours consists of the only facility capable of providing comprehensive inpatient, outpatient service.

Mr. HÉBERT. I can say that categorically about New Orleans, but I don't want to point out an area I am not vitally interested in. But we can certainly use it as a model. I think that would be permissive.

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. Now, in the retarded children's bill, you mention that you desire the expansion of the benefits now.

Let's take New Orleans, and I hope I am not being provincial in that area, but as an example with which I am familiar and you undoubtedly are too, there you have no facilities at all in the military except a small clinic, and you have a magnificent veterans' hospital there. You would have no facilities there in that area at all?

Mr. SACKETT. Not specifically for retarded children; no, sir.

Mr. HÉBERT. Let's move to the other parts of the other two bills introduced by Mr. Rivers. This is an expansion of the dependency care. Do you have any facilities there at all to take care of the provisions of this bill, if enacted into law?

Mr. SACKETT. Sir, we do have a hospital there which has an outpatient clinic which is totally inadequate to meet the problem.

Mr. HÉBERT. That is what I am trying to find out. In other words, as Mr. Long pointed out yesterday, what is the good if we pass this

bill or have limitation and we have nothing to do about it, we have no facilities, we simply can't do anything about it; we want to do more than that. That is what I am trying to develop, and you mentioned New Orleans, so I naturally picked it up. What I am trying to develop now is, is this an exceptional case, or is it the rule in the country where you do have the Public Health hospitals?

Mr. SACKETT. Sir, all of our hospitals are in need of renovation.

Mr. HÉBERT. All of them?

Mr. SACKETT. All of them. You may know the Public Health Service hospitals have suffered from attrition for a number of years. I would say this, that the hospital at New Orleans, with the workload that exists there, is probably worse off than most of them.

Mr. HÉBERT. I would say woefully.

Mr. SACKETT. Woefully; yes, sir.

Mr. HÉBERT. Let's explore that. Do you have any particular plans in the overall picture, and now we are talking about the New Orleans area, for the construction or rehabilitation of your present facilities which would bring it into consonance with the provisions of this bill for example?

Mr. SACKETT. Yes, sir, we do have plans for bringing the New Orleans hospital up to becoming a center of excellence. The charge the President has placed on us this past year is to make our hospital centers of excellence, after the decision was made to continue to operate them under the Public Health Service. We are going to operate them——

Mr. HÉBERT. Of course, the plans that would apply at New Orleans would also apply at Galveston, and in other areas, where this condition exists and where it should be remedied?

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. What priority do you have, or do you have any priorities on the rehabilitation of your hospitals?

Mr. SACKETT. Well, in terms of time, is that what you are getting at?

Mr. HÉBERT. In other words, I'm trying to bend over backwards, Doctor, to not appear provincial on the thing. I really am.

Mr. WILSON. Go ahead and be provincial.

Mr. SACKETT. Sir, we do have a schedule.

Mr. HÉBERT. No, I know the situation down there.

Mr. WILSON. It is a good example then.

Mr. HÉBERT. I'm trying to set it as an example of a situation I know about to develop the point in other sections in the country that isn't right. You have a hospital there in New Orleans, I'm familiar with it, of course. It is a dilapidated, inadequate building and a disgrace to the Public Health Service as a physical institution, not as to the contents of its personnel. The personnel is absolutely wonderful and marvelous down there. They don't have the weapons, they are driving the horse and buggy in the jet age down there. This is not to the benefit of the people we are trying to help, the military and the other people. Now, it becomes very obvious, this particular building, I don't know how large it is, I couldn't describe it, on a certain acreage of ground is woefully inadequate, can't serve its purpose. Obviously you must reconstruct that building on that particular ground or move elsewhere.

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. Now, with that foundation—or do you have any plans, or are you in any conversation stage now that would indicate you can come up with a plan to either rebuild that building, keeping in mind what this legislation provides, exercising a privilege or right of acquiring land elsewhere, and building a real adequate community?

Mr. SACKETT. Yes, sir, we have developed a program.

Mr. HÉBERT. That is what I am talking about now. And again I say, this is a model program you are talking about?

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. That is what I want to get.

Mr. SACKETT. The site at which this program will be carried out has not yet formally been decided upon. I would like to give you my personal professional judgment, and that is, this facility needs to be entirely rebuilt from the ground up and on a different site.

Mr. HÉBERT. You would move it and build it from the ground up. Dollarwise, would that be cheaper?

Mr. SACKETT. I think it would, sir.

Mr. HÉBERT. You have land where you are. So you would have to acquire new land, wouldn't you?

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. Wouldn't that be costly?

Mr. SACKETT. Well, we have some hopes of acquiring land that is currently in the possession of other Federal agencies.

Mr. HÉBERT. Well, would you be more specific? That is 100 acres on the Coast Guard ground.

Mr. SACKETT. Thank you, sir.

Mr. HÉBERT. Really, this is something that I want to develop very well, and for the benefit of the committee, so we can show how we can develop this. In the area where the Public Health Hospital is they are examining a site which is removed from the present site, in which the Coast Guard has some 2,000 acres of land on which is located a radio station. The Coast Guard witnesses are here, we will be around to see them later. It becomes perfectly obvious the Coast Guard doesn't need 2,000 acres to operate a radio station. They are giving up and conveying under the law to the Public Health Service, what would be approximately 100 acres of ground which would be acquired, just a transfer. Then you would be able to build the Public Health Hospital more economically on that area.

Also, to indicate in the record what the advantages are and how this can be applied to other sections of the country: Immediately adjacent is a retarded children's hospital, by the State of Louisiana, on property acquired under the Surplus Property Act. Immediately next to that is the Tulane University area where there would be a great research center which would again lend itself to what we are talking about in this bill. The reason I'm saying these things is to illustrate a planning that can be profound, understandable, and logical, which would contribute to carrying out the purposes of this legislation, because as you indicate, you don't have the facilities. This is prevalent all over the country as far as Public Health Service is concerned.

Can you say that the Public Health Service—and I assume you can say quite categorically and authoritatively you do agree with this type of procedure in order to build up your institutions which are so badly needed to be built up?

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. With the specific of the New Orleans area, you would recommend this type of operation?

Mr. SACKETT. Yes, sir.

Mr. HÉBERT. And the building of a new building?

Mr. SACKETT. Yes, sir; no question about it.

Mr. WILSON. Mr. Chairman.

Mr. HÉBERT. Yes, Mr. Wilson.

Mr. WILSON. I would like to ask some questions specifically about the bill.

I think for the record we might clarify the present medicare act, and I have a few questions, Frank, it might be up to you to answer. But under the present law, are dependents of military active-duty personnel entitled to go to Public Health Hospitals?

Mr. SLATINSHEK. Yes, they are.

Mr. WILSON. Veterans' Administration hospital?

Mr. SLATINSHEK. No.

Mr. WILSON. I am trying to clarify it. Under the proposed legislation, dependents will be entitled to go to all three hospitals?

Mr. SLATINSHEK. No, sir, it will only apply to retired members. At the present time, retired members have access to VA facilities in a veterans' status. These bills here would change this concept and permit them access as a retired member, but would give them no higher priority than they have right now. It would simply preclude the necessity of their signing a statement equivalent to a pauper's oath to get in. It would give them no priority.

Mr. WILSON. Retired personnel under the new provisions would be entitled, and their dependents, to care at Public Health Service Hospitals?

Mr. SLATINSHEK. As they are today. They are today. They are all part of uniformed services medical facilities.

Mr. WILSON. Except on a space available basis?

Mr. SLATINSHEK. On a space available basis.

Mr. WILSON. Let's go a little further then.

Will they be entitled to outpatient treatment at such hospitals?

Mr. SLATINSHEK. On a space-available basis.

Mr. WILSON. But if such outpatient facilities are inadequate they will then be entitled to outpatient care at the doctor's offices throughout the country.

Mr. SLATINSHEK. Precisely. That is the purpose of this legislation.

Mr. WILSON. I thought it was well to clarify this point, particularly that about the Veterans' Administration. I think there might have been some misconception as to what treatment they were entitled to at the present time.

Mr. HÉBERT. That was gone into yesterday.

Mr. Nedzi?

Mr. NEDZI. I have no questions, Mr. Chairman.

Mr. HÉBERT. Mr. Pirnie.

Mr. PIRNIE. Thank you, Mr. Chairman.

I'm concerned as to whether the Public Health Service has made a recent study which might indicate the requirements for this expansion of facilities in other sections than you now operate in?

Mr. SACKETT. No, sir; we haven't projected any plans to construct facilities solely to take care of dependents. This legislation would permit us, where there is a need, and under certain conditions, to

expand facilities, however, or to include provision for this in our facilities planning.

Mr. PIRNIE. I understand you wouldn't have planned specifically until you perhaps had some guidelines. But haven't you made some study of the potential requirements which would give us an idea as to what must be undertaken in order to meet this need?

Mr. SACKETT. No, sir. Our planning to date under the requirement; under which we have done our planning, has included only provision for beneficiaries who were statutory prime beneficiaries. We weren't allowed to plan for facilities to meet the needs of dependents alone. They were accommodated on a space-available basis.

Mr. PIRNIE. Then all during this period you have been required to mark time with your study, so that we wouldn't have any benefit of your guidance as we approached the solution of the problem?

Mr. SACKETT. Sir, we do not have definitive figures on the needs for dependents.

Mr. PIRNIE. Not even in regard to the areas which might have special requirements or some category of our deficiencies so that we can in some way envision what must be undertaken in order to make this legislation actually operative?

Mr. SACKETT. Sir, the legislation can become operative.

Mr. PIRNIE. Like space available, but unless space is available, it isn't very effective, is it?

Mr. SACKETT. No, sir. We do have program plans, but we have not made additions to them for dependents alone. We can do this now. In the places where we do have facilities, we have a pretty good ideas as to what the need is. I don't have figures with me today, but we are quite familiar with the needs in our areas.

Mr. PIRNIE. You are quite familiar with the needs in your areas?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. Does that necessarily carry with it the limitation which it expresses, that the areas just in which you now operate, but it may not take into consideration the withdrawal of facilities which have occurred through the closing of bases and base hospitals, and places of service of that type, is that correct?

Mr. SACKETT. That is correct, sir. I'm sure between the Department of Defense and Public Health Service we have a pretty good picture of the whole.

Mr. HÉBERT. Will you yield, Mr. Pirnie?

Mr. PIRNIE. Yes, Mr. Chairman.

Mr. HÉBERT. You put your finger on something there which I know about. In the New Orleans area, two hospitals were closed down in base closures, and no provisions made to take care of the retired people in that area except through the Public Health Service—exactly what you are saying. So we were pouring in more people and getting less facilities, adequate facilities, to take care of these people.

Mr. PIRNIE. Thank you, Mr. Chairman. That is exactly what I was driving at.

Mr. HÉBERT. This is a specific case I know of.

Mr. PIRNIE. This is what I was trying to explore. I have been sensitive to this situation, and I just felt we were not forward-looking enough, especially in view of the steps that we were taking legislatively to create additional obligations, isn't that true? Particularly

in view of the expansion of our armed services. We know we are going to have a pretty broad spectrum of obligation, isn't that true?

Mr. SACKETT. Yes, sir; and as far as Public Health Service is concerned I would agree we have not taken this into account. And we should.

Mr. PIRNIE. Thank you, Doctor.

I don't need to press this further if I understand your last answer. You view this as an area of urgency, and you do anticipate that you will be taking the steps?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. That will provide the guidance we feel is required?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. And it will embrace other areas than those in which you are presently operating?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. To review the needs of the country as a whole?

Mr. SACKETT. Yes, sir. We feel this proposed legislation for the first time gives us a charter to plan in this area.

Mr. PIRNIE. Then if I were to sum it up, you have been in a status of marking time. Even though you did feel there was a need you hadn't been given the green light to go ahead and undertake the programing or the solution, is that correct?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. But you now feel that roadblock is removed?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. Especially if we go ahead, as this legislation contemplates?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. I assume, also, the action that we took with respect to medicare has cast this in a new perspective, isn't that true?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. As far as your planning?

Mr. SACKETT. Yes.

Mr. PIRNIE. Could you tell me whether you consider the facilities that do exist to be adequate for inpatient, outpatient care? I think it is probably obvious they are not, isn't that true?

Mr. SACKETT. Yes, sir; they are grossly inadequate.

Mr. PIRNIE. Grossly?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. So you are underscoring the urgency?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. I think that is all.

Mr. HÉBERT. Thank you.

Mr. LENNON. Dr. Sackett, do you anticipate the passage of this legislation will accelerate the admission of either retirees or dependents or the persons in uniform and their dependents into public service hospitals, or will it have the effect of lessening the need for the public service hospitals?

Mr. SACKETT. Sir, I think the unmet need, as it exists today, is so substantial, that I don't feel that the provisions of this bill will cut down necessarily on the utilization of Public Health Service hospitals. I have no concern on that score.

It is difficult to predict, actually, what the impact will be. There will be an element of control, of course, in that the Secretary of Defense, and the Secretary of Health, Education, and Welfare, by

regulation, may restrict the use of civilian facilities where there are uniformed service facilities available. So we would visualize any facilities that are constructed for this purpose, and they would only be constructed where they are needed, would be fully utilized.

Mr. LENNON. I'm sure that you recall early last year, when we were confronted with the proposal of the Public Health Service to close the hospitals, and through an agreement with the Veterans' Administration, and open the Veterans' Administration's hospitals to seamen, and those individuals who historically have been authorized to go or be admitted to the Public Health Service hospitals?

Mr. SACKETT. Yes, sir.

Mr. LENNON. Of course, the Public Health Service, at that time, took the very strong position that that was the feasible thing to do. Do you recall that?

Mr. SACKETT. You didn't talk to everyone in the Public Health Service.

Mr. LENNON. Well, we talked to those who appeared before the committees of the Merchant Marine and Fisheries, who had the responsibility for the seamen, and that was a flat categorical position that the hierarchy, that the Public Health Service officials took, the agreement had been made with the Veterans' Administration, and we were faced with the situation where seamen would have, in a sense, priority over veterans in Veterans' hospitals.

Of course, that was finally resolved by the administration very tactfully recognizing it was headed in the wrong direction. I'm just wondering now, when we may be again faced with the administrative determination that the Public Health Service hospitals should be closed, and their load transferred to the Veterans' Administration hospitals?

We were faced with it flatly last year, but fortunately there were some people—I'm thinking of Congressman Clark Thompson from Texas, and others, who were very articulate and eloquent on the subject and very persuasive for 1600 Pennsylvania Avenue to cause our President to reverse his approval of that. But I wonder if we might not be faced with it again?

Mr. SACKETT. Sir, this issue is one we faced for over a decade, and the problem was studied by the Office of Science and Technology last year at the request of the President, and recommendations were made that these hospitals, for a number of reasons, be continued to operate—that the Public Health Service continue to operate these facilities.

Mr. LENNON. But the decision first was made to get rid of them, close them, and phase them out and transfer the inpatient load over to the Veterans' Administration hospitals?

Mr. SACKETT. This was in relation to three hospitals. That decision with respect to those three was reversed.

At present the administration is taking a very firm, definite position, all down the line, from the President on down, that the Public Health Service will continue to operate these hospitals that will be put in the condition of models of excellence and will be operated as such.

There are many good reasons for the Public Health Service to do this that relate to its responsibilities right across the board.

You can't run a first rate health program unless you have intermural confidence.

Mr. LENNON. So from what you say at this point, it is likely the passage of this legislation will to a degree accelerate the use of these

modernized and brought-up-to-date public health services, in the location where the serviceman is.

Mr. SACKETT. Yes, sir.

Mr. LENNON. I would think from what you just said, you can reasonably foresee there will be accelerated use of them?

Mr. SACKETT. Yes, sir.

Mr. LENNON. That is the interpretation put on it. Thank you.

Mr. HÉBERT. Mr. Long.

Mr. LONG. Doctor, I came down a little late. This question may have been asked already. In the area of retarded children, who is to determine whether a child is moderately or severely retarded? Who is going to make that determination?

Mr. SACKETT. Sir, the bill makes provision for care of these children. There will be regulations which will be developed by the Secretary of the Department of Defense and the Secretary of HEW which will spell this out. I have with me Mr. Ray, who is a special assistant to the Secretary in the field of mental retardation who possibly could also add to that.

Mr. RAY. I think the bill says profoundly, severely, and moderately, and this type of terminology is acceptable to the American Association of Malnutrition and the Association of Retardation of Children. The people that work in the field, this is a definition that would mean the same I believe in all 50 States. So regulations could come out jointly, as Dr. Sackett has said, and then on a State level, or a local level, in New Orleans, or California, wherever it might be, this evaluation could be made and could be determined.

Mr. LONG. You mean through State and/or local evaluation centers?

Mr. RAY. Right.

Mr. LONG. You have no indications under the provision of this bill, establishing evaluation centers, from the Federal standpoint?

Mr. RAY. I would say no.

Mr. SACKETT. I heard no mention of such proposal. I see no need for it. The competence exists in the large centers that exist throughout the country to make the standard evaluation.

Mr. LONG. In other words, you are supposing there will be regulations handed down through Department of Defense and HEW, and certain standards will have to be met, either at the State's board evaluation center or—you won't let the State doctor, or some particular individual say a child is retarded?

Mr. SACKETT. No, sir. I would guess the regulations will prescribe procedures that will make it certain that a very careful and accurate professional diagnosis is made in every case.

Mr. RAY. Congressman, I will say if I could add one other point to that. Let's take the fine institution, the Hammond State School in Louisiana. Any facility that a child or a person that is being evaluated for, there would be an evaluation unit connected with that. In California, or any such facility, would have its own evaluation and diagnostic team. And so when a person came into this unit for an evaluation, it could be determined right there if they need the requirements as set out by the Secretary of HEW, and the Secretary of Defense.

Mr. LONG. Under this bill the State or institution could not refuse to evaluate that particular child?

Mr. RAY. I think in all States you can evaluate a child. You will

run into problems. We feel this will be overcome. The problem is residents.

Mr. LONG. That is all.

Mr. HÉBERT. Mr. Wilson, any questions?

Mr. PIRNIE. Excuse me, just a minute, before you leave that. I would like to understand the answer.

Is it evaluation upon admission for the care that is going to control, or the reverse?

Mr. RAY. Well, it would be—in other words, it would be reverse. I think in any State, in any facility, a parent can make a contact to a facility and have their child evaluated. Now, whether the child is acceptable or not, will be based on that evaluation, and whether they meet the requirements as set up by facilities.

Mr. PIRNIE. Where we are under the law going to accept the obligation, we would also reserve the right to make the evaluation, to be sure that it conforms, is that correct?

Mr. RAY. That would be correct.

Mr. SACKETT. This would be a part of the regulations; as far as I know no regulations—

Mr. PIRNIE. You don't anticipate that is going to be a very serious problem, because there is a referral, according to your language, which is going to be predicated upon relatively well understood criteria throughout the profession; is that right?

Mr. RAY. I would say generally so.

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. Thank you.

Mr. HÉBERT. Mr. Wilson.

Mr. WILSON. Mr. Chairman, I would like to get Dr. Sackett's opinion on the question raised by our colleague, Mr. Hardy of Virginia, yesterday, relative to the section of the proposed bill which provides that certain space will be available at hospitals based on teaching and training requirements of the medical interns and residents assigned to the facility using standards prescribed by medical specialty boards and the American Medical Association as guidelines. Do you take any exception to using such guidelines?

Mr. SACKETT. No, sir. The standards for training and the accreditation thereof in the medical profession have been developed and are administered by the American Medical Association and various accrediting bodies related to it.

Mr. WILSON. This is normal procedure for getting the space as it should be outlined?

Mr. SACKETT. Yes, sir. The standards are high.

Mr. WILSON. Are these the standards you use in the Public Health Service hospitals?

Mr. SACKETT. Yes, sir. This is a very satisfactory arrangement.

Mr. WILSON. No further questions.

Mr. HÉBERT. Mr. Nedzi.

Mr. NEDZI. Thank you, Mr. Chairman.

Dr. Sackett, following your colloquy with Congressman Lennon, I had the impression that the conclusion was that because of this legislation, the impact on the Public Health Service facilities would be greater. Is this correct?

Mr. SACKETT. Sir, this bill does give authority to include provision for dependents in program planning, which authority we haven't had in the past.

Mr. NEDZI. I see.

Mr. SACKETT. So we will need then to look at the communities in which these facilities exist and make an assessment of the plans of the communities in relation to the need. And if there is indication under the criteria spelled out in the bill, then we will include provision for such facility construction and operation in our program planning.

Mr. NEDZI. I see. So this is where it changes the relationship between retired personnel and their dependents and the Public Health Service under the present law, and under this law?

Mr. SACKETT. Yes, sir.

Mr. NEDZI. I have no further questions.

Mr. SLATINSHEK. For the record I would like to develop certain facts alluded to, Doctor.

What medical facilities are provided by the U.S. Public Health Service to facilitate uniform medical facilities? In other words, how many facilities do you have, and where are they located? Perhaps to save time, you could insert this information in the record.

Mr. SACKETT. Yes, sir; I would be glad to do that.

(The following information was received for the record:)

Average daily patient load, operating bed capacity, and outpatient visits in PHS hospitals,¹ fiscal year 1965

	Operating beds ²	Average daily patient load	Outpatient visits
All hospitals, total.....	5,145	4,321	738,822
General hospitals, total.....	2,927	2,254	750,116
Baltimore, Md.....	300	230	77,521
Boston, Mass.....	211	136	37,367
Detroit, Mich.....	147	98	30,163
Galveston, Tex.....	160	124	38,573
New Orleans, La.....	403	309	125,394
Norfolk, Va.....	210	169	72,998
San Francisco, Calif.....	388	269	108,042
Savannah, Ga.....	110	86	13,138
Seattle, Wash.....	290	226	87,427
Staten Island, N.Y.....	708	607	134,675
Psychiatric hospitals, total ³	1,861	1,738	4,360
Fort Worth, Tex.....	775	710	1,266
Lexington, Ky.....	1,086	1,028	2,998
Carville, La. (Leprosarium) ⁴	357	329	1,413

¹ Excludes Chicago, Ill., and Memphis, Tenn., which closed on June 30, 1965.

² Number of beds set up and staffed for patient care.

³ These hospitals are primarily for narcotic addicts. In addition these hospitals provide psychiatric care to Public Health Service beneficiaries, active and retired uniformed service personnel and their dependents.

⁴ All persons residing in the United States with leprosy, including active and retired uniformed service personnel and their dependents, are eligible for free medical care.

NOTE.—The table below shows the ratio of dependents medical care beneficiaries to patient loads in Public Health Service hospitals. Separate data on retired personnel and their dependents are not available for fiscal year 1965. The percentages are based on fiscal year 1964 data, the latest available.

Beneficiary group	Percent of average daily patient load	Percent of outpatient visits
Total.....	16	38
Retired personnel.....	5	6
Dependents of retired personnel.....	4	12
Dependents of active duty personnel.....	7	20

Source: Statistics and Reports Branch, Division of Hospitals, Mar. 25, 1966.

Total outpatient visits to outpatient clinics, fiscal year 1965

	<i>Total visits</i>
Outpatient clinics, total	622, 021
Annette Island, Alaska ¹	1, 046
Atlanta, Ga.	14, 170
Balboa Heights, C.Z.	4, 600
Buffalo, N.Y.	11, 507
Charleston, S.C.	4, 940
Charlotte Amalie, V.I.	390
Chicago, Ill. ²	31, 188
Cincinnati, Ohio	17, 684
Cleveland, Ohio	22, 562
Honolulu, Hawaii	16, 173
Houston, Tex.	15, 681
Jacksonville, Fla.	8, 062
Memphis, Tenn. ²	24, 490
Miami, Fla.	35, 804
Mobile, Ala.	21, 876
New York, N.Y.	119, 067
Philadelphia, Pa.	30, 944
Pittsburgh, Pa.	8, 132
Port Arthur, Tex.	7, 436
Portland, Maine	14, 751
Portland, Oreg.	11, 528
St. Louis, Mo.	10, 582
San Diego, Calif.	10, 195
San Juan, P.R.	16, 819
San Pedro, Calif.	61, 184
Tampa, Fla.	19, 295
Washington, D.C. ³	81, 915

¹ Began operating January 1964.² Outpatient clinic established July 1, 1965.³ Includes National Institutes of Health Dental Clinic.

NOTE.—The table below shows the ratio of dependents medical care beneficiaries to patient loads in Public Health Service outpatient clinics. Separate data on retired personnel and their dependents are not available for fiscal year 1965. The percentages are based on fiscal year 1964 data, the latest available.

<i>Beneficiary group</i>	<i>Percent of outpatient visits</i>
Retired personnel	5
Dependents of retired personnel	6
Dependents of active duty personnel	9
Total	19

SUMMARY

For the latest year in which complete data are available, 16 percent of the average daily patient load of PHS hospitals was made up of dependents' medical care beneficiaries and 29 percent of all outpatient visits were made by them. The proportion in hospital outpatient departments was 38 percent and in the independent outpatient clinics it was 19 percent.

Estimated strength of selected PHS beneficiary groups, fiscal year 1966

Beneficiary group:

	<i>Estimated population</i>
Total.....	113, 252
1. Active duty personnel.....	41, 520
(a) Coast Guard.....	35, 307
(b) Environmental Sciences.....	960
(c) PHS commissioned officers.....	5, 253
2. Dependents of active duty personnel.....	54, 411
(a) Coast Guard.....	43, 280
(b) Environmental Sciences.....	1, 150
(c) PHS commissioned officers.....	9, 981
3. Retired personnel.....	8, 101
(a) Coast Guard.....	7, 288
(b) Environmental Sciences.....	225
(c) PHS commissioned officers.....	588
4. Dependents of retired personnel.....	9, 220
(a) Coast Guard.....	8, 381
(b) Environmental Sciences.....	251
(c) PHS commissioned officers.....	588

*Utilization of PHS facilities by military personnel and their dependents,¹
fiscal year 1965*

Type of patient load and duty status	Total	Department of Defense	Coast Guard
Average daily patient load:			
Active duty personnel.....	232	55	177
Retired personnel.....	137	80	57
Dependents of active duty personnel.....	165	131	34
Dependents of retired personnel.....	102	75	27
Total.....	636	341	295
Outpatients visits:			
Active duty personnel.....	119, 316	31, 550	87, 766
Retired personnel.....	104, 646	45, 401	59, 245
Dependents of active duty personnel.....	193, 057	142, 756	50, 301
Dependents of retired personnel.....	122, 010	81, 351	40, 659
Total.....	539, 029	301, 058	237, 971

¹ Separate data on active and retired personnel and their dependents are not available for fiscal year 1965. The distribution between active and retired is based on fiscal year 1964 data, the latest available.

Mr. SLATINSHEK. Could you tell me also, at the same time, and for inclusion in the record, the number of personnel in the Public Health Service who will be affected by this legislation, including their dependents, and this includes of course, retired personnel.

Mr. SACKETT. And I presume Coast Guard, and Coast and Geodetic Survey.

Mr. SLATINSHEK. Right, if you have that information.

Mr. SACKETT. Yes, sir.

Mr. SLATINSHEK. Now, on an extension of this concern, to what degree have military personnel and their dependents utilized your facilities? Do you have any measure or any way of reflecting this utilization in the past?

Mr. SACKETT. Yes, sir. Last year we had approximately 47,000 admissions to our general hospitals, and of these, 16 percent approximately were dependents of the uniformed services.

As you know, the Public Health Service and Coast and Geodetic Survey together comprise less than 2½ percent of the total personnel of the country.

Our outpatient workload similarly reflects an even greater utilization; proportionate utilization. Here, of all outpatient visits, 29 percent were made by dependents of members of the uniformed services.

Mr. SLATINSHEK. Does this distinguish between active-duty and retired personnel?

Mr. SACKETT. No, sir. I don't have that breakdown with me.

Mr. SLATINSHEK. Do you have it available?

Mr. SACKETT. I'm not positive. If we have it, I would be very glad to submit it.

Mr. SLATINSHEK. Would you say the quality of care provided through Public Health Service facilities is generally speaking both on an outpatient and inpatient basis, equal to the care that is provided through civilian facilities in the areas in which you are located?

Mr. SACKETT. Yes, sir, I don't think there is any question about it. The problem has been not one of quality of professional care, but rather adequacy of facilities—crowded waiting rooms, and all of the awkwardness, and inconvenience to patients that comes with this, and also inconvenience to staff.

Mr. SLATINSHEK. Well, assuming a patient obtains admission, either on an outpatient or inpatient basis, the quality of medical care provided will nonetheless be then equal to or better than that available in the civilian community?

Mr. SACKETT. Yes, sir. We have had assessments of this made by the outside experts, who have commented very favorably on the quality of medical care provided.

Mr. SLATINSHEK. Speaking of the inpatient costs, do you have a per day cost for inpatient care, provided through the Public Health Service? Before you reply, let me point out that in 1965 or 1964, a subcommittee of this committee made a general inquiry into the availability of medicare to military personnel and to retired personnel and their dependents, and found that the average per day cost in military hospitals was \$46.99 a day per patient-day, whereas the cost per patient-day in civilian hospitals under the Medicare Act was \$54.07.

So there is reflected a distinct savings in those instances in which our dependents and our military personnel were able to utilize uniformed services medical facilities.

Does this general cost picture apply also to the Public Health Service facilities?

Mr. SACKETT. Yes, sir.

Mr. SLATINSHEK. In other words, this per patient-day cost is approximately the same—was the same in 1963 as it was in—military medical facilities, and it is probably pretty much the same today?

Mr. SACKETT. Yes, sir; there may be shadings of differences, but our cost would be in the same ball park with those of the other services and the Veterans' Administration.

Mr. SLATINSHEK. In other words, this subcommittee could be led to believe that to the extent that we can provide care through our Public Health Service facilities, we are doing it more economically than if we provide it in civilian facilities?

Mr. SACKETT. Yes, sir. All the information we have obtained would point in that direction.

Mr. SLATINSHEK. And you pointed out for the record previously that up until now you have not programed in developing your facilities for this type of care, but under the language contained in these bills, you would prospectively program for this type of care?

Mr. SACKETT. Yes, sir.

Mr. SLATINSHEK. I would like to get into the question of medicare for personnel of 65 and over. However, perhaps some of the members would like to develop that. I know Mr. Pirnie is particularly interested in that subject.

Mr. PIRNIE. If you think this is the appropriate time.

Mr. HÉBERT. Any time is appropriate for you, Mr. Pirnie.

Mr. PIRNIE. Thank you, Mr. Chairman.

May I ask whether the benefits that are provided under medicare for persons 65 or over will be equal or better than those presently offered under the high-option Federal employees' health benefits program?

Mr. SACKETT. Sir, they will not be exactly the same. It is a matter of judgment as to whether they are better or not.

My own assessment is that this bill would be somewhat more favorable, all in all, than Social Security Administration. For example, in Social Security Administration, hospital care is limited to 90 days per spell of illness. Here we have 365 days.

Mr. PIRNIE. Right.

Mr. SACKETT. On the other hand, Social Security Administration would provide for some extended care benefits which this bill might not.

I have with me Mr. Alvin Friedman of the Social Security Administration, who is certainly in a position to give you a definitive answer to that question.

Mr. PIRNIE. I wonder if you would care to just characterize the areas in which these benefits would be substantially different?

Mr. FRIEDMAN. One other example, other than the 365 days of hospital care, versus 90 days under the social security program, there are other things.

For example, under the Federal service life plan there would be provisions for payment of prescription drugs. This is not covered under the medicare, the Social Security Administration program. prescriptions are not covered. There are other things that are not comparable. Private duty nursing is not covered under the social security program, it can be covered under the Government service-wide plan.

Mr. PIRNIE. In general, would it be fair to say that you feel the coverage is more adequate than it was proposed by this measure?

Mr. FRIEDMAN. I think it would depend on the individual's case, as to whether the coverage he might have under the one or the other—

Mr. PIRNIE. Those which you singled out the benefits of, it wouldn't

require professional judgment even to say it is perferable, isn't that true?

Mr. FRIEDMAN. Yes, sir.

Mr. PIRNIE. What are the areas in which this proposal might be deemed deficient in your comparison?

Mr. FRIEDMAN. I would not say it would be deemed deficient. I might say, as Dr. Sackett indicated in his testimony, that the administration will certainly consider all types of health protection that the retiree might have in determining what provision should be provided under the various programs to assure a good protection.

Mr. PIRNIE. Maybe I'm just taking too seriously your failure to respond, as I rather anticipated, that this was a preferable and more adequate provision. You said it was a matter of judgment, or it might say yes on this side and no on the other. But I'm just asking for an overall evaluation which might help us determine what we are accomplishing by this in the minds of people like yourself who are experienced in the field.

Mr. SACKETT. Sir, if I might give an answer to that, a general answer. In my opinion, the provisions of this bill would be for most beneficiaries more favorable.

Mr. PIRNIE. Generally speaking, it would be preferable?

Mr. SACKETT. Yes, sir.

Mr. PIRNIE. I think, unless we were going to explore it in detail, we have received the response which would indicate that we moved in a more considerate direction in providing the scope of care for dependents under this measure than under the other program, is that correct?

Mr. SACKETT. Yes, sir.

Mr. WILSON. I would like to ask a question about this.

Mr. HÉBERT. Mr. Nedzi.

Mr. NEDZI. I have no questions.

Mr. HÉBERT. All right.

Mr. WILSON. After a military retiree becomes 65, will he be automatically excluded from service hospitals under this act?

Mr. SLATINSHEK. I can answer that, sir. Actually he will not be. He will continue to retain his entitlement and access to the facilities in uniformed services medical facilities, including military as well as public health service hospitals. He will continue to have entitlement as I understand it to certain prescription drugs, for instance. However, he will not be a beneficiary, legally, under the medicare program that will be established for civilian facilities under this legislation. He will at that point be covered under the broad blanket, or umbrella, of the Social Security Act.

Mr. HÉBERT. Mr. Lennon.

Mr. LENNON. Mr. Chairman, just for the legislative history, I would like the counsel to answer the question as to whether or not each of these three bills, H.R. 9271, H.R. 13582, and H.R. 13583 are applicable to the Coast Guard, both active service and their dependents, and retirees?

Mr. SLATINSHEK. Yes, they are. All three bills cover all uniformed services personnel and their dependents in a same manner.

Mr. LENNON. I am concerned about the title of H.R. 9271, which refers to armed forces, and designates the Secretary of Defense; might make the determinations, and the Coast Guard is not under the Secretary of Defense.

Mr. SLATINSHEK. Mr. Lennon, you are quite correct in that observation. But the language we included in the committee print embodies the changes recommended in H.R. 9271 by Defense. The incorporation of these changes and the language they have submitted does include the uniformed services, as distinguished from the armed services.

Mr. LENNON. Thank you very much. Now, Mr. Chairman, I would like to ask one question of the witness with respect to H.R. 9271.

It was suggested yesterday by the witnesses that this legislation would have to be amended to provide a State participation regarding the mentally retarded children's acceptance into the State institutions and local institutions, based on a residency factor.

Do you have the amendment with you that the committee should consider to implement what you have in mind with respect to this?

Mr. SACKETT. No, sir, I don't have any specific language. I would like to say we are heartily in accord with the purpose for which there would be an amendment.

Mr. LENNON. Well, without such amendment, is it your thinking that the purposes of the legislation, H.R. 9271, could not be fully implemented and carried out as a program?

Mr. SACKETT. Either without the amendment or some alternative mechanism that might achieve the same result.

Mr. LENNON. Could you suggest an alternative mechanism that might be a little more desirable than the mandatory provision in the bill? I was thinking in terms of HEW contracting with the various States that had military installations within their State boundaries, and there is not a medical care commission in any one of the States where there is a military installation that wouldn't be happy to contract, that it would recognize the residency of any armed services person who was living there. I thought about that. And then I raised the question and attempted to illustrate it yesterday by saying, "Suppose a young man were moved into North Carolina at Fort Bragg, or Seymoure Johnson Air Base, or Pope Air Force Base, or Camp Lejeune, and his child developed a condition that necessitated hospitalization, being institutionalized in a mental hospital, and that child was kept there for a period of 5 or 6 years, or maybe longer, because the child was responding to the treatment."

Is that what you had in mind, even though the person would move to some other base in some other State? In other words, you would have to draw this amendment in such a way that residency would be waived regardless of where the parents or stepparents of that child might be living, because he might be in a hospital in North Carolina and he might be resided in California, or some other State.

Mr. SACKETT. I would think so. The members of the uniformed services are mobile, in their condition of employment, and this puts them at a substantial disadvantage with respect to benefits that accrue only by becoming a resident of a community, or a State. And the purpose of this amendment would be to correct this and put them on a par with the rest of the citizens of the country in this respect.

Mr. LENNON. I am thinking about where the parents, or stepparents are not either legal residents or physical residents, which certainly would be so if a child would be in an institution in one State and the parents would be physically resided in some other State

or legally resided in some other State. Just how would we meet that situation?

Mr. SACKETT. The members of the uniformed services are moved so frequently.

Mr. LENNON. I know that.

Mr. SACKETT. That I should think if this amendment were worded in such a way they had to take the child with them, and make arrangements in the new State to which they were assigned, that this would be creating a hardship, and I should think it would be preferable.

Mr. LENNON. You have to assume every State, and I think it would be true to varying degrees, has a mental retardation center, or hospitals and institutions of that kind, because the mother of the children might be living with her people somewhere, in some State that was a thousand miles away from where the serviceman happened to be stationed.

Mr. SACKETT. Yes, sir.

Mr. LENNON. I think we have to be very careful about that amendment. I recognize the necessity for an amendment that would be broad enough to cover wherever that child may be, or wherever its parents or stepparents may be, but I think we are going to have to give some serious thought to that amendment.

Mr. SACKETT. Yes, sir.

Mr. LENNON. I was hoping it would be done through a contract with the mental care commission of the several States, and most of them have them, through HEW.

But I recognize that would not be altogether practical, because of what I just said, that the child might be in this State, and the parents in this other State a year from now, and 2 years from now the parents might be still in another State, but still it was necessary to keep that child in the first institution it was placed in because of the care it was receiving.

Mr. SACKETT. Sir, I think the feasibility of that mechanism would relate to how the contract was drawn up. I might say this: that you mentioned the Secretary of HEW as being the contractor. I wouldn't know any reason offhand why the Secretary of Defense would not also have the capability of entering into such a relationship.

Mr. LENNON. I wish it could be done that way. But I recognize it is possible that it can't be done that way, because the question of residency may not come up at all. Just a question of whether or not they will accept that child. It is something if we are going to make H.R. 9271 to do the job that the witnesses said yesterday was necessary to give help to some 11,000 who were severely or moderately severely retarded that needed institutionalized care. We are going to have to get the language that will fit the need. I hope you gentlemen will provide it for the committee.

Mr. SACKETT. Sir, Mr. Ray indicated he might have something.

Mr. RAY. Speaking as the former superintendent of an institution, in fact, we had a case that came from North Carolina that had this same problem. In North Carolina you have 1 year's residence. In Arkansas where I was a superintendent we had a 3 year's residence.

Mr. LENNON. We beat you about 2 years, go ahead.

Mr. RAY. My feeling is, Congressman, knowing the superintendents in the States around the country, if this bill passes I am sure you are going to need a hammer in the bill for about 5 percent of the States,

but I would say 95 percent of the institutions would cooperate fully on this. That is my personal opinion.

Mr. LENNON. In spite of all we can do, we still have a waiting list in some of our institutions?

Mr. RAY. Yes, in some of the institutions. Up to 1,500 in some of them. This is correct.

Mr. LENNON. It would be unfortunate to have it understood that the child of a serviceman would have preference over someone else who has been living in that State for years, and you gentlemen would say, well, now, unless that child is accepted, even though there are 300 or 400 on the waiting list who are equally in need, that we are going to withhold all the funds from this institution. We want to avoid such a situation as that, if we can, in the language of this amendment.

Mr. RAY. Right. I would think by working with the Governors of each State, plus the HEW contracts with the mental retardation authorities, that most of these problems could be taken care of.

Mr. LENNON. What I want to avoid is an amendment to this bill that would avoid putting some arbitrary and nearsighted person downtown in the position to say, "Well, now, you take this child. We are concerned, but we are not too concerned about how many lifelong residencies there are waiting for admission. You take this child from serviceman John Doe or else we are going to cut off the funds of that institution." Do you see what I mean? We don't want that to happen. That may happen in the years to come. You gentlemen might not be there to help us out with it. Let's be careful about this amendment.

Thank you.

Mr. HEBERT. Mr. Slatinshek.

Mr. SLATINSHEK. Mr. Chairman, there apparently is a conflict in some of the testimony the committee has received to date in respect to the coverage provided by medicare for persons 65 and above, and that in the Federal employees' health benefit program high option. And in order to resolve that conflict, which I think is an innocent conflict, I would suggest that representatives from the Department of Defense and representatives from HEW get together to review these various benefits and pinpoint those particular areas in which the medicare program for personnel over 65 will be deficient in respect to that which is provided in this bill, and which is reflected in the present level of benefits offered Federal employees in the high-option area.

The subcommittee, I am sure, would like to identify these areas, and perhaps add some language to the legislation which will compensate for this apparent loss of benefits.

Since the subcommittee is interested in completing its efforts very, very soon, I would urge you to have something in perhaps Monday.

(The following information was received for the record:)

BENEFIT VALUES OF HEALTH INSURANCE UNDER SOCIAL SECURITY AND FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

The Chief Actuary of the Social Security Administration has made the following estimates of the value for people aged 65 and over of benefits under the new social security health insurance program and of high-option benefits under the Government-wide service benefit plan (which has the largest enrollment of all the health plans for Federal civilian employees):

Estimated monthly benefit costs (administrative costs excluded)

Social security:	
Hospital insurance.....	\$10. 00
Medical insurance.....	5. 00
Total.....	15. 00
High-option Government-wide service benefit plan:	
Hospital service.....	11. 50
Medical service.....	8. 50
Total.....	20. 00

While the estimates given above would indicate that for all persons who are age 65 or older generally, the Government-wide plan would offer benefits of significantly greater value, there are some people who would find the social security health insurance protection of more value because of the nature of their individual health problems and the kind of health services they most need. This would be the case when the kind of health expenses such person has happens to be mainly of a kind against which social security offers better protection, such as, for example, expenses for posthospital convalescent care in an extended care facility. As an example of the opposite situation, a person whose major health expense is for special duty nursing or for drugs would find the Government-wide plan more beneficial. In addition, evaluation of the net value of a plan to a person, or to a group of persons, depends on the amounts which must be paid for the protection. For example, a person must pay a monthly premium of \$3 for medical insurance benefits under social security.

The estimates and the attached comparison do not, of course, reflect any modifications that might be made in the overall protection (including protection under the Government-wide service benefit plan) that may be afforded Federal employees if legislation is enacted to effectuate recommendations to take account of social security health insurance which were recently made by the President's Cabinet Committee on Federal Staff Retirement Systems.

Comparison of major benefits under the Government-wide service benefits plan (high option) of the Federal employees health benefits program and the health insurance for the aged program

	Federal employees health benefits program—Government-wide service benefit plan (high option).	Health insurance for the aged program—title XVIII of the Social Security Act.
Inpatient hospital benefits.	Up to 365 days of care for each hospital confinement. Hospital services include virtually all those ordinarily furnished by a hospital to its inpatients. Services of special nurses are covered. (Subject to deductible and coinsurance provisions. See below.) Inpatient psychiatric hospital service covered, but subject to special limitations, and in part subject to a deductible and coinsurance, as described below.	Up to 90 days in each spell of illness with patient paying a deductible of \$40 for the first 60 days plus a coinsurance amount of \$10 a day for each day in excess of 60 during a spell of illness; hospital services include virtually all those ordinarily furnished by a hospital to its inpatients; payment will not be made for private-duty nursing. Inpatient psychiatric hospital service will be included, but a lifetime limitation of 190 days will be imposed.
Outpatient hospital benefits.	Full coverage for emergency care rendered within 72 hours after an accident; radiation therapy; services rendered within 72 hours of the use of operating room for outpatient surgical care, outpatient X-ray and laboratory examinations even though the surgery is performed in a physician's office. Diagnostic examinations, subject to deductible and coinsurance provisions. (See below.)	Outpatient hospital diagnostic services, with the patient paying a \$20 deductible amount (which may be counted toward the deductible applicable to covered medical expenses) and 20 percent coinsurance for diagnostic services furnished during a 20-day period. Other outpatient services are also covered as physicians' services or other medical services subject to deductible and coinsurance of medical insurance plan.
Posthospital extended care.	Convalescent care excluded.....	Up to 100 days in a spell of illness for continued treatment in an extended care facility after transfer from a hospital where the patient stayed 3 or more days. The first 20 days of care are covered in full. In each of remaining 80 days patient pays \$5 coinsurance.
Home health services....	No specific provision. However, services furnished outside a hospital by a professional registered nurse, and, under special circumstances, by a licensed practical nurse, and physical therapy rendered by a qualified professional physical therapist are covered. (Subject to deductible and coinsurance provisions. See below.)	Hospital insurance plan: posthospital home health services for up to 100 visits in a year after discharge from a hospital or extended care facility. If services are furnished under an approved plan. Services of visiting nurses, physical therapists, and other health workers are covered.
Physicians' and surgeons' services.	Covered.....	Medical insurance plan: up to 100 visits during a calendar year with no requirement of prior hospitalization. (Subject to deductible and coinsurance provisions. See below.)
Private duty nursing....	Services of a professional registered nurse furnished in or outside a hospital are covered. Services of a licensed practical nurse furnished in a hospital, and, under special circumstances, outside a hospital are covered. (Subject to deductible and coinsurance provisions. See below.)	Covered. (Subject to deductible and coinsurance provisions. See below.) Excluded.
Prescription drugs.....	Covered in or outside a hospital. Prescription drugs outside a hospital are subject to deductible and coinsurance provisions. See below.	Covered only when furnished in a hospital, extended care facility or by a physician in his office. When provided in the physician's office, coverage is limited to those drugs which cannot be self-administered and are incidental to the physician's service. Generally excluded with minor exception related to emergency occurring in the United States.
Payment for services outside the United States.	Inpatient and outpatient hospital benefits are covered in full. Payments for physicians' services are made according to a fee schedule.	
Deductible and coinsurance payments.	Individual pays \$100 deductible and 20 percent coinsurance in each benefit period for covered services and supplies not covered under the basic hospital and medical-surgical part of the program.	Hospital insurance plan: in each spell of illness, individual pays \$40 for first 60 days of care in a hospital plus \$10 a day for the remaining 30 days of care; patient pays \$20 plus 20 percent of the cost of diagnostic services furnished an outpatient of a hospital during a 20-day period; in each spell of illness, patient pays \$5 a day for 21st through 100th day of care in an extended care facility. Medical insurance plan: patient pays \$50 annual deductible, plus 20 percent coinsurance.

Pursuing Mr. Lennon's area of questioning on handicapped children. Mr. Long had developed the fact that regardless of what this legislation will do in the way of financial assistance to the member and the waiving of the residency requirement, we still have the problem of apparently a lack of facilities.

Can you tell the subcommittee what programs are in effect now, and what are contemplated, both on a Federal and a State level, which will perhaps in the future overcome this deficiency? Perhaps Mr. Ray, or yourself, Dr. Sackett, may speak to that question.

Mr. SACKETT. Sir, I can give a general answer.

I agree with what I think is the thesis of your question, the answer to this problem is to make the facilities adequate. There has been a great deal done in this direction. The Congress has passed the Maternal and Child Health and Mental Retardation Planning Amendments of 1963; the Mental Retardation Facilities and Community Health Centers Construction Act of 1963; and the maternal and child health and crippled children's program; and all of these, when fully implemented, will go a long way toward making facilities more adequate to the need.

The Health Education Assistance Act, and its various provisions, will increase the numbers of skilled health manpower to work in these areas. There are a number of features in the administration program for this current year that relate to this. For example, the proposal that programs be developed to modernize urban hospitals would have some relevance to this program.

We do feel that a great deal has been done, although a great deal more needs to be done.

Mr. SLATINSHEK. Well, can you provide something perhaps a little more definitive than that? This reflects the general desire on the part of the executive branch to assist the States in coping with this problem, but it doesn't identify any specifics, that is, when will this program perhaps meet this requirement? What is the deficiency in general? Can you speak to that?

Mr. RAY. I will try to speak to part of this.

Under 88164, which had a number of provisions for mental retardation and mental illness—

Mr. SLATINSHEK. When you speak of Public Law 88-164?

Mr. RAY. Public Law 88-164. Part of this each State would come up with a State construction plan based on their needs; 88-156, Public Law, each State would come up with a total plan in meeting the needs of the mentally retarded.

Now, States are beginning to implement these plans. As Dr. Sackett said, we have a long way to go. The State of California is a good example. They are beginning to develop a series of community centers to meet the needs of the retarded. In New York they have got several institutions on the drawing boards. They are also beginning to develop community services. The State of Missouri has divided its State into 11 regions, and each region will have a community center for the mentally retarded that will have both inpatient and outpatient beds. The State of Alabama has divided its State up into regions. I could go on and give you a picture of almost every State. This is not here today, but it is moving. We are on the threshold of really moving on behalf of the mentally retarded. This doesn't mean to say to the committee that tomorrow some one would not be on a waiting list. But we are on the threshold.

Mr. SLATINSHEK. In other words, there is aggressive action to eliminate this problem, hopefully within the very near future, 5 or 10 years, something of that kind.

Mr. RAY. That is correct; \$313 million is being spent by HEW this year in grants to the States in mental retardation. Next year's budget reflects about \$334 million.

Mr. SLATINSHEK. Can you also supply for the record the funds expended by the various States in this regard or whatever figures you have available in this area, to reflect the total effort being made nationwide to combat the problem?

Mr. RAY. I will tell you what, we will do the best we can on it. HEW, in relationship to a new section on program analysis, is in the process now of developing those figures. I don't know how quick they will be ready, but we will submit to you what we may have.

Mr. SLATINSHEK. Have the States, by inaction, or failure to complete their planning on time, permitted some of these Federal funds to lapse?

Mr. RAY. Out of the \$313 million we might possibly lose \$1 million this year. That is because the State plan—a few States because of some problems, civil rights and so forth, had not complied with the plans. People are visiting those States now, and we feel that these problems will be overcome.

Mr. HÉBERT. Any other questions by any members of the committee?

Thank you, gentlemen, very much for your appearance and cooperation.

Mr. SACKETT. Thank you, sir.

The next witness to appear before the committee is Robert W. Nolan, national executive secretary of the Fleet Reserve Association.

Mr. Nolan's statement has been presented to the members of the committee.

Mr. HÉBERT. Come around, Mr. Nolan.

Mr. Nolan, will you identify yourself for the benefit of the reporter and the committee?

STATEMENT OF ROBERT W. NOLAN, NATIONAL EXECUTIVE SECRETARY OF THE FLEET RESERVE ASSOCIATION

Mr. NOLAN. Mr. Chairman and members of the committee, I am Robert W. Nolan, the national executive secretary of the Fleet Reserve Association, an organization composed of 64,000 career enlisted men, active duty and retired, of the U.S. Navy and Marine Corps. On behalf of my 64,000 shipmates, I thank you for the opportunity to present their views on this vital legislation, H.R. 13582, H.R. 13583, and H.R. 9271. As you are aware, the Fleet Reserve Association has a wealth of experience and knowledge on this subject. We were privileged to appear before your special subcommittee during your comprehensive hearings on this topic in 1964. Our testimony at that time was based on the exhaustive study we conducted during the preceding 2 years. The findings of our study were published in our 64-page booklet, "Military Retirement Hospital Rights." A condensed version of this study appeared in the 1964 hearings of your special subcommittee. We conducted a survey of our then 54,000

members and received 24,581 complete replies. Legislative measures—H.R. 10707, H.R. 10737, and H.R. 10763—introduced by Congressman Charles S. Gubser, former Congressman Richard E. Lankford, and Congressman Charles E. Bennett, respectively, outlining our solution to the problem were introduced during the 88th Congress and reintroduced as H.R. 1525 by Congressman Gubser and H.R. 1697 by Congressman Bennett in the 1st session of this Congress. Therefore, we feel that we speak with some authority on this subject and we know that we speak for the career enlisted men, not only of the U.S. Navy and Marine Corps, but of all services.

MORAL AND LEGAL ENTITLEMENT TO CARE

The Fleet Reserve Association is pleased to see that your previous hearings have established the Government's moral obligation to provide medical care to military retirees and their dependents. We still maintain that the Government has a clear legal obligation to provide that care. We cite, as evidence, the Department of Defense's study, "Medical Care for Retired Military Personnel and Their Dependents" dated June 1, 1964. On page 21 of that study are the following quotations from official service recruiting publications:

He retires—while still a young man—equipped to start a second career. He has retirement pay, benefits, and full medical care. (From "Your Son's Future?" Department of Army, 1962, ME 62-125B, 250M.)

And let's not forget those many other benefits of this act which go a long way toward providing the security that both you and your family want, and lifetime security and protection for you and yours, even after retirement, through guaranteed medical care at military facilities. (From "Army Benefits," Department of Army, 1956, 611-180-RPC.)

The Navy told its men—

As a Navyman, you * * * receive free medical and dental care now and after retirement. (From "Figuring Your Future," Department of Navy NRAF-26502.)

Just think when you do retire or go into Fleet Reserve, you retain almost all of the benefits you enjoyed while on active duty, including hospitalization for you and your dependents for life. (From "Navy Career Appraisal Team Representation Guide," Department of Navy, NAVPERS 15897-A.)

Notice these publications said nothing about paying a percentage of the cost of care in retirement. If these statements do not imply a legal obligation on the Government's part, then why were the services instructed to delete these statements from future recruiting literature? The same Department of Defense study concedes that there is a legal obligation on the Government's part to provide care to those retirees who paid into the old naval hospital fund. (See bottom of p. 19 of the study.) We contend that all military personnel have earned the same right to medical care through career employment at sub-standard salaries for the most productive years of their lives. Surely, this benefit was taken into account in establishing military pay scales.

The Department of Defense conducted a survey of retired and active duty military personnel on the subject of medical care in retirement. In their survey of retirees, question No. 30 asked, "Was medical care for yourself and dependents at a uniformed services medical facility after retirement one of the considerations that attracted you to a military career?" 48.7 percent answered "yes" and 15.5 percent said "it was something they took for granted and did not give further consideration."

--In the survey of the active duty personnel, question No. 10 asked, "To the best of your knowledge, what medical care is the Government required to furnish retired military personnel?" 84 percent answered, "care in uniformed services hospitals," and 15 percent said that they did not know.

In answer to question 9, "To the best of your knowledge, what medical care is the Government required to furnish the dependents of retired military personnel?" 78 percent said "care in uniformed services hospitals" and 17 percent stated that they did not know. The results of our survey shows that 93.52 percent of our retired, and 92.05 percent of our active duty shipmates stated that assurance of full medical care in retirement influenced their becoming career military personnel.

Further, in the Department of Defense's survey, five questions were asked about participating in a contributory type program providing medical care in retirement. One-third of the career oriented active duty personnel queried and 53.5 percent of the retirees questioned stated they would not participate in such a program. Our survey revealed that 27 percent of our retired members and 35 percent of our active duty members who answered are against our minimal contributory program. This clearly shows that the men feel they are entitled to this care at no cost to themselves. Fifty-eight percent of our members who replied stated that such a contribution would constitute a pay cut for them.

ANALYSIS OF THE PROVISIONS OF H.R. 13583

After careful study of the Secretary of Defense's proposal to provide medical care for retired military personnel and their dependents, we find that the proposal does not address itself to the correction of the inequities of the space-available language of chapter 55, title 10, United States Code, specifically, sections 1074(b), 1076(b), and 1083. The problem of medical care for retirees came about because of a legislative misinterpretation of the language in those sections. The special subcommittee in its report No. 67 dated September 30, 1964, stating the subcommittee's findings of its comprehensive hearings recommended, "That amendatory language be added to the Dependents' Medicare Act, making it unmistakably clear that the so-called space-available concept may not be used as a vehicle to limit or eliminate space available for retired military personnel and their dependents in military facilities."

Therefore, the language should be changed from its present permissive nature by substituting the word "shall" for the word "may" in those sections. This change would clarify and establish the right to such care for military retirees and their dependents.

The language of the proposed new section 1087, as proposed by the Department of Defense, will not alleviate the shortage of retiree beds in military medical facilities to any great degree. Once again, the word "may," in line 18 on page 4 of the bill, will lead to misinterpretation in the future. It further relinquishes what we believe to be congressional authority to the executive branch of the Government. The wording, "reasonable number of hospital beds" on line 8 of page 5 of the bill also relinquishes congressional prerogative to the executive branch. In its Report No. 67, the special subcommittee recommended that "the Department of Defense program beds for retired military

personnel and their dependents in new military hospital construction on the basis of projected workloads, but not to exceed 10 percent of the beds programed for each hospital. Even in the case of teaching hospitals, or under special circumstances, the subcommittee believes that not more than 20 percent additional should be programed."

The Fleet Reserve Association, after consulting with the Department of Defense and the Surgeon General of the U.S. Navy, can appreciate the need to program retiree beds where they are most needed. Especially so, since the Navy has found that its retiree bed requirements vary from 3 to 24 percent of total beds available in different geographical areas. However, past experience has taught us that without clearly worded provisions of the law, the intent of Congress and the earned rights of military personnel are often circumvented. Therefore, we suggest that the proposed section 1087 be changed to provide for a minimum of 10 percent of all beds programed for new constructed military hospitals be programed for military retirees and their dependents; giving the service Secretaries concerned the authority to allot the beds where needed on a case by case basis.

We welcome the action of providing military retirees and their dependents medical care in civilian hospitals by including them under the provisions of the Dependents' Medicare Act. However, we question the wisdom of the provisions for accomplishing this. I speak specifically of two points: (a) that the retiree will pay approximately 25 percent of the costs of such care; and (b) that the Secretary of Defense will prescribe the amounts payable by the retiree to assure that the Government's portion of the costs does not exceed 75 percent of the total costs.

We feel that requirement (a) will negate the considerable advantage of being able to receive this care instead of having to retire near a military medical facility to assure oneself of his earned right to medical care in retirement.

Inasmuch as the proposal does not call for a specific fixed fee, we wonder if this will not encourage a sudden increase in medical costs for retirees and their dependents because of a philosophy that, Uncle Sam is paying the bills. I do not need to remind the committee members of our past experience in this area during the implementation of the Dependents' Medicare Act. Government-set maximums immediately became minimums.

Now, to discuss the validity of the retiree assuming 25 percent of the cost of medical care received in civilian hospitals, our study shows that a person under the age of 65 has a 1-in-9 chance of being hospitalized in a year. The average length of that stay in the hospital is 8 days. The average cost of 1 day in a civilian hospital in 1967 is projected at \$62.51 per day. Thus, an 8-day stay would cost \$500.08. Twenty-five percent of that is \$125.02. The retired enlisted man's median income is \$379.00 a month, of which \$125.02 is a large share. This includes his retired pay and his salary if he is employed. Obviously, these costs to a widow existing on Dependents' Indemnity Compensation would be even more prohibitive.

We feel that the provisions of (b) which allows the Secretary of Defense the discretionary authority to fix the Government's share of the cost of this program is fraught with future dangers. Needless to say, we are in a time of spiraling costs and this is not likely to change in the foreseeable future. It is obvious that when the execu-

tive branch of the Government strives to maintain reasonable budget limitations and with the costs of this program very possibly increasing beyond present expectations, the executive branch would feel justified in changing the ratio of sharing the cost from the proposed 25-75 ratio to possibly a 30-70 or 40-60. But more important, the cost would be steadily rising for the retiree and the cost of hospitalization would soon get prohibitive.

Also, we feel the setting of the share of costs is a congressional prerogative. The law should state the authority for the control of the costs of any program to provide medical care to retirees and their dependents be vested in the Congress.

CARE FOR RETIREES OVER 65 YEARS OF AGE

The Secretary of Defense's proposal to place all retirees and their spouses, age 65 and over, under the Federal program for medicare for the aged, will, we realize, provide some very desirable benefits not previously available. Nevertheless, in its present form, it is in some ways most inequitable. At present, these are the men who paid for their care in retirement under the old naval hospital fund. The care provided under the Federal program does not provide full medical coverage and places an added financial burden on the aged retiree's already meager income. Certain contributory factors of the Federal program can result in extremely heavy financial burdens to the retiree. Presently, the various firms engaged in health insurance coverage have recognized the limitations of the so-called social security medicare program and are arranging for coverage that will protect against the contributory charges made by the Federal program.

Few of the military retirees have health insurance coverage, as they have depended on the total medical care of the Services in the past. At the age of 65, it will be impossible for this group to obtain health insurance that would protect them from the contributory charges of the Federal program because the premiums of such insurance would be prohibitive.

I ask that you bear in mind that the Department of Defense's proposal does not give the retiree over 65 years of age anything that he has not already earned. The entitlement to military medical care notwithstanding, the vast majority of the military retirees have already earned the right to participate in the social security medicare program. For the retiree of the future, he commenced paying for his right as of January 1, 1966. The active duty military man has been paying into the social security fund since January 31, 1957. Clearly, this feature of the proposal does not give the retiree any benefit he has not already paid for and will continue to pay for as his future illnesses occur.

If the retiree and his spouse must be transferred to the social security medicare program, he should be assured that he will receive at least the same care that he is entitled to in a military facility. He would receive equal care if he enrolls in the supplemental program at the personal cost of \$3 a month each for he and his spouse. We recommend to you that he and his spouse be included in the supplemental program at the Government's expense. We are confident that this alternative would prove more equitable when all factors are weighed.

The Fleet Reserve Association wonders why the language of the proposal does not spell out the availability of medicines, drugs, and prosthetics under the provisions for care. We are happy to see the committee's counsel, Mr. Slatinshek, brought this out clearly in yesterday's testimony.

Are the costs of these items to be included in the coverage assured by the law? We have been told that it is possible to spell this out clearly. We certainly hope that this is done.

The Fleet Reserve Association applauds the provisions of H.R. 13582 which will provide the dependents of active duty personnel, out-patient care in civilian hospitals under the Dependents' Medicare Act. While this is a most needed benefit and we recognize that it is one which has not been enjoyed before, we still wonder if the charge of 20 percent of the total costs for such care is not too high. We grant that a cost must be included to prevent the abuse of this provision. Nevertheless, we feel the figure is too high and possibly a flat cost rather than a percentage cost should be used. This would aid in controlling the costs in the future.

Analysis of the provisions of H.R. 9271: The Fleet Reserve Association applauds the provisions of H.R. 9271 and commends you, Chairman Hébert, for its introduction. The need for this legislation to care for the handicapped dependent children of active duty military personnel is one of long standing. The need is a special one indeed, and calls for special provisions to assure this care. We feel that H.R. 9271 provides these provisions.

(The full statement of Mr. Nolan as inserted into the record reads as follows:)

STATEMENT CONCERNING MEDICAL CARE FOR DEPENDENTS OF ACTIVE DUTY PERSONNEL, RETIRED PERSONNEL AND THEIR DEPENDENTS AND MENTALLY RETARDED CHILDREN OF ACTIVE DUTY PERSONNEL (H.R. 13582, H.R. 13583, H.R. 9271) BY ROBERT W. NOLAN, NATIONAL EXECUTIVE SECRETARY, FLEET RESERVE ASSOCIATION

Mr. Chairman and members of the committee, I am Robert W. Nolan, the national executive secretary of the Fleet Reserve Association, an organization composed of 64,000 career enlisted men, active duty and retired, of the U.S. Navy and Marine Corps. On behalf of my 64,000 shipmates, I thank you for the opportunity to present their views on this vital legislation, H.R. 13582, H.R. 13583, and H.R. 9271. As you are aware, the Fleet Reserve Association has a wealth of experience and knowledge on this subject. We were privileged to appear before your special subcommittee during your comprehensive hearings on this topic in 1964. Our testimony at that time was based on the exhaustive study we conducted during the preceding 2 years. The findings of our study were published in our 64-page booklet, "Military Retirement Hospital Rights." A condensed version of this study appeared in the 1964 hearings of your special subcommittee. We conducted a survey of our then 54,000 members and received 24,581 complete replies. Legislative measures (H.R. 10707, H.R. 10737, and H.R. 10763) introduced by Congressman Charles S. Gubser, former Congressman Richard E. Lankford, and Congressman Charles E. Bennett, respectively, outlining our solution to the problem were introduced during the 88th Congress and reintroduced as H.R. 1525 by Congressman Gubser and H.R. 1697 by Congressman Bennett in the 1st session of this Congress. Therefore, we feel that we speak with some authority on this subject and we know that we speak for the career enlisted man, not only of the U.S. Navy and Marine Corps, but of all services.

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The Fleet Reserve Association is pleased to see that your previous hearings have established the Government's moral obligation to provide medical care to military retirees and their dependents. We still maintain that the Government has a clear legal obligation to provide that care. We cite, as evidence, the De-

partment of Defense's study, "Medical Care for Retired Military Personnel and Their Dependents," dated June 1, 1964. On page 21 of that study are the following quotations from official service recruiting publications:

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"And let's not forget those many other benefits of this act which go a long way toward providing the security that both you and your family want, and lifetime security and protection for you and yours—even after retirement—through guaranteed medical care at military facilities. (From "Army Benefits," Department of Army, 1956, 611-180-RPC.)

The Navy told its men—

"As a Navymen, you * * * receive free medical and dental care now and after retirement." (From "Figuring Your Future," Department of Navy NRAF-26502.)

"Just think when you do retire or go into Fleet Reserve, you retain almost all of the benefits you enjoyed while on active duty, including hospitalization for you and your dependents for life." (From "Navy Career Appraisal Team Representation Guide," Department of Navy, NAVPERS 15897-A.)

Notice these publications said nothing about paying a percentage of the cost of care in retirement. If these statements do not imply a legal obligation on the Government's part, then why were the Services instructed to delete these statements from future recruiting literature? The same Department of Defense study concedes that there is a legal obligation on the Government's part to provide care to those retirees who paid into the old Naval Hospital Fund (see bottom of p. 19 of the study). We contend that all military personnel have earned the same right to medical care through career employment at substandard salaries for the most productive years of their lives. Surely, this benefit was taken into account in establishing military pay scales.

The Department of Defense conducted a survey of retired and active duty military personnel on the subject of medical care in retirement. In their survey of retirees, question No. 30 asked, "Was medical care for yourself and dependents at a uniformed services medical facility after retirement one of the considerations that attracted you to a military career?" 48.7 percent answered "yes" and 15.5 percent said "it was something they took for granted and did not give further consideration."

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In answer to question 9, "To the best of your knowledge, what medical care is the Government required to furnish the dependents of retired military personnel?" 78 percent said "care in uniformed services hospitals" and 17 percent stated that they did not know. The results of our survey shows that 93.52 percent of our retired, and 92.05 percent of our active duty shipmates stated that assurance of full medical care in retirement influenced their becoming career military personnel.

Further, in the Department of Defense's survey, 5 questions were asked about participating in a contributory-type program providing medical care in retirement. One-third of the career-oriented active-duty personnel queried and 53.5 percent of the retirees questioned stated they would not participate in such a program. Our survey revealed that 27 percent of our retired members and 35 percent of our active-duty members who answered are against our minimal contributory program. This clearly shows that the men feel they are entitled to this care at no cost to themselves. Fifty-eight percent of our members who replied stated that such a contribution would constitute a pay cut for them.

ANALYSIS OF THE PROVISIONS OF H.R. 13583

After careful study of the Secretary of Defense's proposal to provide medical care for retired military personnel and their dependents, we find that the proposal does not address itself to the correction of the inequities of the space-available language of chapter 55, title 10, United States Code, specifically, sections 1074(b), 1076(b) and 1083. The problem of medical care for retirees came about because of a legislative misinterpretation of the language in those sections. The special subcommittee in its report (No. 67), dated 30 September 1964, stating the subcommittee's findings of its comprehensive hearings recommended, "That amendatory language be added to the Dependents' Medicare Act, making it unmistakably

clear that the so-called space-available concept may not be used as a vehicle to limit or eliminate space available for retired military personnel and their dependents in military facilities."

Therefore, the language should be changed from its present permissive nature by substituting the word "shall" for the word "may" in those sections. This change would clarify and establish the right to such care for military retirees and their dependents.

The language of the proposed new section 1087, as proposed by the Department of Defense, will not alleviate the shortage of retiree beds in military medical facilities to any great degree. Once again, the word "may," in line 18 on page 4 of the bill will lead to misinterpretation in the future. It further relinquishes what we believe to be congressional authority to the executive branch of the Government. The wording, "reasonable number of hospital beds" on line 8 of page 5 of the bill also relinquishes congressional prerogative to the executive branch. In its Report No. 67, the special subcommittee recommended that "the Department of Defense program beds for retired military personnel and their dependents in new military hospital construction on the basis of projected workloads, but not to exceed 10 percent of the beds programmed for each hospital. Even in the case of teaching hospitals, or under special circumstances, the subcommittee believes that not more than 20 percent additional should be programmed."

The Fleet Reserve Association, after consulting with the Department of Defense and the Surgeon General of the U.S. Navy, can appreciate the need to program retiree beds where they are most needed. Especially so, since the Navy has found that its retiree bed requirements vary from 3 to 24 percent of total beds available in different geographical areas. However, past experience has taught us that without clearly worded provisions of the law, the intent of Congress and the earned rights of military personnel are often circumvented. Therefore, we suggest that the proposed section 1087 be changed to provide for a minimum of 10 percent of all beds programmed for new constructed military hospitals be programmed for military retirees and their dependents; giving the service Secretaries concerned the authority to allot the beds where needed on a case-by-case basis.

We welcome the action of providing military retirees and their dependents medical care in civilian hospitals by including them under the provisions of the Dependents' Medicare Act. However, we question the wisdom of the provisions for accomplishing this. I speak specifically of two points; (a) that the retiree will pay approximately 25 percent of the costs of such care; and (b) that the Secretary of Defense will prescribe the amounts payable by the retiree to assure that the Government's portion of the costs does not exceed 75 percent of the total costs.

We feel that requirement (a) will negate the considerable advantage of being able to receive this care instead of having to retire near a military medical facility to assure oneself of his earned right to medical care in retirement.

Inasmuch as the proposal does not call for a specific fixed fee, we wonder if this will not encourage a sudden increase in medical costs for retirees and their dependents because of a philosophy that, "Uncle Sam is paying the bills." I do not need to remind the committee members of our past experience in this area during the implementation of the Dependents' Medicare Act. Government-set maximums immediately became minimums.

Now, to discuss the validity of the retiree assuming 25 percent of the cost of medical care received in civilian hospitals, our study shows that a person under the age of 65 has a one in nine chance of being hospitalized in a year. The average length of that stay in the hospital is 8 days. The average cost of 1 day in a civilian hospital in 1967 is projected at \$62.51 per day. Thus, an 8-day stay would cost \$500.08. Twenty-five percent of that is \$125.02. The retired enlisted man's median income is \$379 a month, of which \$125.02 is a large share. Obviously, these costs to a widow existing on dependents' indemnity compensation would be even more prohibitive.

We feel that the provisions of (b) which allows the Secretary of Defense the discretionary authority to fix the Government's share of the cost of this program is fraught with future dangers. Needless to say, we are in a time of spiraling costs and this is not likely to change in the foreseeable future. It is obvious that when the executive branch of the Government strives to maintain reasonable budget limitations and with the costs of this program very possibly increasing beyond present expectations, the executive branch would feel justified in changing the ratio of sharing the cost from the proposed 25-75 ratio to possibly a 30-70 or 40-60. But more important, the cost would be steadily rising for the retiree and the cost of hospitalization would soon get prohibitive.

Also, we feel the setting of the share of costs is a congressional prerogative. The law should state the authority for the control of the costs of any program to provide medical care to retirees and their dependents be vested in the Congress.

CARE FOR RETIREES OVER 65 YEARS OF AGE

The Secretary of Defense's proposal to place all retirees and their spouses, age 65 and over, under the Federal program for medicare for the aged, will, we realize, provide some very desirable benefits not previously available. Nevertheless, in its present form, it is in some ways most inequitable. At present, these are the men who paid for their care in retirement under the old naval hospital fund. The care provided under the Federal program does not provide full medical coverage and places an added financial burden on the aged retiree's already meager income. Certain contributory factors of the Federal program can result in extremely heavy financial burdens to be retiree. Presently, the various firms engaged in health insurance coverage have recognized the limitations of the so-called social security medicare program and are arranging for coverage that will protect against the contributory charges made by the Federal program.

Few of the military retirees have health insurance coverage, as they have depended on the total medical care of the services in the past. At the age of 65, it will be impossible for this group to obtain health insurance that would protect them from the contributory charges of the Federal program because the premiums of such insurance would be prohibitive.

I ask that you bear in mind that the Department of Defense's proposal does not give the retiree over 65 years of age anything that he has not already earned. The entitlement to military medical care notwithstanding, the vast majority of the military retirees have already earned the right to participate in the social security medicare program. For the retiree of the future, he commenced paying for his right as of January 1, 1966. The active duty military man has been paying into the social security fund since January 31, 1957. Clearly, this feature of the proposal does not give the retiree any benefit he has not already paid for and will continue to pay for as his future illnesses occur.

If the retiree and his spouse must be transferred to the social security medicare program, he should be assured that he will receive at least the same care that he is entitled to in a military facility. He would receive equal care if he enrolls in the supplemental program at the personal cost of \$3 a month each for he and his spouse. We recommend to you that he and his spouse be included in the supplemental program at the Government's expense. We are confident that this alternative would prove more equitable when all factors are weighed.

The Fleet Reserve Association wonders why the language of the proposal does not spell out the availability of medicines, drugs and prosthetics under the provisions for care. Are the costs of these items to be included in the coverage assured by the law? We have been told that it is possible to spell this out clearly. We certainly hope that this is done.

The Fleet Reserve Association approves of the language providing that care must be sought in military hospitals if it is available. The vast majority of the career military regard the Service physician as their "family" doctor. We further agree to the provision placing the Government's share of the cost on a last pay plan if the military retiree is covered by another health insurance plan.

The Fleet Reserve Association heartily applauds the proposed amendments of Section 1074(b) to allow the military retiree to receive care in the medical facilities of the Veterans Administration, based on the fact that he is a "veteran" by the nature of his long and faithful service to his country. This removes the stigma of the indigent retiree from signing a pauper's oath to receive the care that he is entitled to.

ANALYSIS OF THE PROVISIONS OF H.R. 13582

The Fleet Reserve Association applauds the provisions of H.R. 13582 which will provide the dependents of active duty personnel, outpatient care in civilian hospitals under the Dependents' Medicare Act. While this is a most needed benefit and we recognize that it is one which has not been enjoyed before, we still wonder if the charge of 20 percent of the total costs for such care is not too high. We grant that a cost must be included to prevent the abuse of this provision. Nevertheless, we feel the figure is too high and a flat cost rather than a percentage cost should be used. This would aid in controlling the costs in the future.

ANALYSIS OF THE PROVISIONS OF H.R. 9271

The Fleet Reserve Association applauds the provisions of H.R. 9271 and commends you, Chairman Hébert, for its introduction. The need for this legislation to care for the handicapped dependent children of active duty military personnel is one of long standing. The need is a special one indeed, and calls for special provisions to assure this care. We feel that H.R. 9271 provides these provisions.

ADVANTAGES OF THE FRA'S PROPOSAL

In reference to the proposals of H.R. 13583, we feel that our contributory proposal outlined in H.R. 1525 and H.R. 1697, would provide a less expensive and more equitable solution to the problem of providing medical care to military retirees and their dependents. Our proposal, coupled with the suggested amendments to the space available language of the law, calls for a turn to the old naval hospital fund contributory concept. We suggest that all military personnel, active duty and retired, contribute to a fund on the following formula: All personnel who have over 2 years of service or who are above the grade E-3 in the enlisted corps or O-1 in the officer corps, pay a monthly contribution of \$2 and a monthly contribution of \$1 for all personnel in pay grades E-1, E-2, E-3, or O-1 with less than 2 years of service.

These contributions can be deducted from the personnel's pay with a minimum of effort with today's automated procedures. Our study was based on Department of Defense estimates and reveals that in the first 12 years of operation, the retirees' contributions would save the Government approximately \$1 billion.

Aside from the advantages of low cost to both the Government and the military man, our proposal has other distinct advantages: (1) It is based on time proven, sound principles; (2) By providing maximum care in military medical facilities, it provides—

- (a) Care at the lowest cost the Government can provide and control.
- (b) The retiree beds give the military hospitals the flexibility they require for emergencies.
- (c) Gives the doctors comprehensive experience in all age groups of patients.
- (d) The retiree and his dependents receive care from their family doctor.

One of the greatest benefits of an equitable solution to this problem will be the morale factor. Without a doubt, next to retired pay, medical care in retirement is the single most important benefit a military retiree receives. The protection of that benefit; yes, even the improvement of it would produce a most beneficial reaction to our Nation's armed services, hence, to our Nation's future security.

We concur most heartily with the following recommendation quoted from the Department of Defense's October 1964 study, "That appropriate actions be initiated to arrest the trend of recent years which has seen the reduction in certain military benefits and complete elimination of others. Specifically, the study group recommends, for immediate attention, the restoration of dental care for dependents, improved medical services for dependents of active duty members, assured medical care for retirees and dependents, a life insurance program for all active duty members, vestment rights and survivor benefits for military retirement pay and college tuition aid programs for children of active duty members."

SUMMARY

In summary the Fleet Reserve Association recommends:

- (a) The permissive language of the Dependents Medicare Act be changed to mandatory language to clarify the military and retiree and his dependents right to medical care.
- (b) Ten percent of the total of all beds programed in new constructed military hospitals be programed as retiree beds.
- (c) Military retirees and their dependents receive full medical services to the maximum in military medical facilities where possible and in civilian hospitals when such services are not available in military hospitals.
- (d) The cost of this care be borne by the Government and subsidized by a monthly contribution of \$2 by all personnel who have 2 years of service, or who are above the grade E-3 in the enlisted corps or O-1 in the officer corps and a monthly contribution of \$1 for all personnel in the grades E-1, E-2, E-3, or O-1 with less than 2 years of service.
- (e) The authority for the establishing the share of cost for the above stated services be vested in the Congress not the executive branch.

(f) If military retirees and their spouses over 65 years of age are placed under the Federal medicare for the aged program that the Government assumes the monthly cost of their participation in the supplementary program.

(g) Assurance that the cost of drugs, medicines, and prosthetics are included in the services available under this legislation and that the assurance be clearly spelled out.

(h) The cost of active-duty dependents' outpatient care under the Dependents, Medicare Act be set at a fixed fee rather than a percentage of the total cost.

(i) Care for retarded and handicapped children of active duty personnel be provided as outlined in H.R. 9271.

The Fleet Reserve Association wishes to thank the House Armed Services Committee for its fruitful endeavors in this field. We commend the Department of Defense for their efforts. We recognize and applaud their innovations that will provide military personnel with medical benefits that did not exist before.

We sincerely hope that this problem's solution, once it is arrived at, will be of a continuing unchanging nature. For as we stated in our study—

"There is a lesson in the personnel actions of the last decade that should not be lost on the Congress and the Defense Department: the changing of benefits, even at times when done as part of attempts at improvement, can often have as adverse an effect on morale as the cutting of them. What the serviceman, active and retired, wants is not just to get a benefit, but to be assured that he will continue to get it."

Gentlemen, I thank you.

Mr. HÉBERT. Thank you very much, Mr. Nolan. We appreciate your presentation this morning, and your definitive statement which you have made and summarized.

May I say to you in the inclusion of your shipmates, I have the distinction of being one of them?

Mr. NOLAN. We are proud to have you as a member.

Mr. HÉBERT. I want you to take cognizance of the fact that this committee, will consider the previous proposals of our former colleague Lankford of Maryland, and our present colleague, Congressman Gubser, of California, and Congressman Wilson of California, and Mr. Bennett of Florida.

I also want to observe at this particular time, at your last national convention, our distinguished chairman, the gentleman from South Carolina, Mr. Rivers, made a pledge to your group that legislation of this nature would be considered at this session and some form of legislation enacted certainly as reported out by this committee, to the extent of our responsibility.

The keeping of that word is evidenced here by this committee hearing, and I individually and the committee collectively are under direction by Chairman Rivers to have a go at it and get this business over with. We intend to do it.

A last comment: I assure you that so far as this committee is concerned, every effort is made to retain in the Congress its authority and its prerogatives. As far as possible, any legislation that will be reported out of this committee shall have mandatory language, and not permissive language.

Mr. NOLAN. Thank you, Mr. Chairman.

Mr. HÉBERT. This is the definite trend of this committee, and I think if any permissive language slips through it will be in spite of the alertness of the committee.

Mr. Nedzi.

Mr. NEDZI. Thank you, Mr. Chairman.

Mr. Nolan, do you have any actuarial studies on this proposal that the Fleet Reserve Association has for a naval hospital fund?

Mr. NOLAN. Yes, sir. It would be based on the concept of the old naval hospital fund, wherein it was in existence for a period from 1799 to 1943, where in every man in the active duty in the Navy or Marine Corps paid 20 cents a month into the fund for his retired military medical care.

We have our study here, and I have the estimated amounts based on our proposal of \$2 a month for persons with more than 2 years of service, and \$1 a month for persons under 2 years, just what the revenue would be derived, based on DOD's projected figures for the type of people—the amount of people that would be on active duty.

If you would like, I would be only too happy to leave you a copy of this.

Mr. HÉBERT. Mr. Nedzi, I think you know the members of the committee would be very interested in the book the witness has in front of him. A present member of our staff, John Ford, I think had a great deal to do with the writing of that book.

Mr. NOLAN. Yes, sir.

Mr. HÉBERT. Again, I think it indicates the desire of the committee to get the most intelligent people we can on any subject.

Mr. NOLAN. Our loss is your gain, sir.

Mr. HÉBERT. We appreciate it, and are very grateful. Mr. Nedzi, continue, please.

Mr. NEDZI. Mr. Slatinshek indicated this is an area with which he is familiar. I will be glad to yield to him for this purpose.

Mr. SLATINSHEK. Can you tell the subcommittee, since this subject has been raised, what this naval hospital fund is—when it existed and what the contributions were of enlisted members of the naval service?

Mr. NOLAN. As I said, it existed from 1799 to 1943. Each member of the Navy and Marine Corps on active duty paid 20 cents a month into the fund. And these funds were supplemented, of course, by the Government, to provide the medical care, to build various military medical hospitals, and things of this nature.

It was abolished in 1943 at the request of the Secretary of the Navy, with the onslaught of World War II, they felt it was just too complex a program to continue, and they used as a basis for the argument, that the Army did not pay for its care.

As we stated in this study, at this time the great chairman, Chairman Vinson, predecessor of the chairman of this committee, questioned the wisdom of doing it at this time, because he felt the 20 cents a month contribution was a vested right, and gave the men of the Navy and Marine Corps a vested right to military care. Needless to say, his words proved very prophetic.

Mr. SLATINSHEK. May I interrupt you at that point to accelerate this. What we are talking about is a total contribution of something less than \$50 over the average career of an average enlisted man up to 1943.

Now, the subcommittee that had previously considered this question, made the observation that there was no legal entitlement to care, there was a moral obligation, however, to care.

I wanted that in the record.

Now, you point out that this takes care of retired care. However, has this any application to dependent care?

Mr. NOLAN. No, sir. It did not have application.

Mr. SLATINSHEK. This bill, of course, will extend significant benefits to dependents?

Mr. NOLAN. We recognize that as being true.

Mr. SLATINSHEK. With regard to the premium charges. You suggest perhaps the percentage contribution on the part of the member might be somewhat high.

Can you tell the committee what premium charges, either active duty dependents, or retired members, or their dependents, will have to pay for this program?

Mr. NOLAN. You mean if they were to get supplemented from a group health insurance plan?

Mr. SLATINSHEK. In other words, let's assume we have a retired dependent—a dependent of a retired member, and they received medicare under this program. What sort of premiums will they have to pay to participate in the program?

Mr. NOLAN. They would have to pay 25 percent of the total cost of care as provided for in the bill.

Mr. SLATINSHEK. Provided they get care?

Mr. NOLAN. Yes.

Mr. SLATINSHEK. In other words, they pay no premiums unless they get care; isn't that correct?

Mr. NOLAN. That is true.

Mr. SLATINSHEK. Yes. In the case of people who participated in the Federal employee's program, they make a monthly contribution of anywhere between \$17 and \$18 a month; isn't that correct?

Mr. NOLAN. That is true.

Mr. SLATINSHEK. That amounts to roughly \$200 a year.

In the case of outpatient care, what payment will be made by a dependent of a retired member when he gets outpatient care?

Mr. NOLAN. Twenty-five percent of the total cost.

Mr. SLATINSHEK. In other words, if the fee is \$8 he will be paying \$2.

Mr. NOLAN. That is true.

Mr. SLATINSHEK. What will apply in the case of Federal employees and their dependents in the event they take advantage of outpatient care?

Mr. NOLAN. It depends on which option program they choose, but they would be paying a deductible and then a percentage of care.

Mr. SLATINSHEK. In other words, they would pay all of the outpatient care, until it achieved the deductible generally of \$200?

Mr. NOLAN. Yes, sir.

Mr. SLATINSHEK. Therefore, what we are talking about is, to put it in perhaps simple perspective, but fairly accurate perspective, the benefits provided dependents of active-duty personnel as well as retired members will require no premium payment, whereas in the case of employees, Federal employees, and their dependents, the actual charges to them on an annual basis will approximate \$400 a year.

I wanted that in the record to indicate the nature of the program that the committee is discussing.

Mr. HÉBERT. Mr. Nedzi.

Mr. NEDZI. Have you considered a naval fund-type program for all the services or are you advocating one just for the Navy?

Mr. NOLAN. Our proposal was originally for all services, not just the Navy or Marine Corps, but all services to participate in the program.

Mr. NEDZI. This is what you are advocating?

Mr. NOLAN. This is what we advocated for 3 years, until we got to this state. As I stated in my testimony, now in view of the light of the events of the last few weeks here, we would be pleased at any equitable solution.

Mr. NEDZI. I see. I have no further questions, Mr. Chairman.

Mr. HÉBERT. Mr. Wilson?

Mr. WILSON. Mr. Chairman, I want to join you in commending the witness. I am myself a member, a shipmate of the Fleet Reserve Association. I think through the years——

Mr. HÉBERT. That's not going to disqualify us from considering the legislation.

Mr. WILSON. I don't think so. I would say through the years Fleet Reserve Association on personnel problems has been most constructive. I would say your statement today is in the same category.

I'm interested very much in the proposal Mr. Nedzi was discussing, this contributory idea, the deduction for the life of the service, for the length of service, which could build up into a substantial contribution.

I think we are taking care of the vested interest that the servicemen would have in this by making him entitled to care as a retiree, and his dependents, for the rest of his life.

It would seem to me, Mr. Chairman, we ought to seriously consider—I would like to study a little bit further the proposal they made—but we ought to seriously consider this as a basic part of the legislation, if we can, and make this or put this contributory system in effect. It would help to a great extent to fund the whole program and perhaps provide more benefits.

If service personnel would willingly give \$2 a month out of their pay for the length of their total service, with the understanding they are getting all the time they are on active duty the entitlement they have always gotten, but assuring that they would get after retirement a substantial amount of pay, I think it is a very good proposal.

Mr. HÉBERT. Mr. Wilson.

Mr. WILSON. Yes.

Mr. SLATINSHEK. Although I have not attempted to run out the cost on this, actually on the basis of the information I have now, and what I attempted to get into the record, they will be getting a level of benefits as high as any that could conceivably be available today, and it won't cost them anything unless they actually use it, and then if they use it, it will be a minimal cost.

So I frankly question whether a contributory system would not be to the disadvantage of the participating members, because we would be establishing this by statutory right in this legislation.

Mr. WILSON. Well, we are establishing it by statutory right anyway, that is my understanding of it. It would sweeten it up somewhat by having military contributions, which I think would help to provide even more.

I want us to get into a very close analysis of what benefits and comparative benefits we have at the time we finally mark up the bill. But certainly it would be obvious that if such a contribution were made that the benefits to accrue could be made better and therefore the service would benefit from it, the service personnel would all benefit from it. That is all.

Mr. HÉBERT. Mr. Lennon.

Mr. LENNON. No questions.

Mr. HÉBERT. No questions?

Mr. LENNON. I would like to ask you this question, however, Mr. Nolan.

Do you have the figures which indicate the number of retirees, both in the Navy and the Marine Corps, in addition to those who are members of the Fleet Reserve Association?

Mr. NOLAN. Approximately we have about 20 to 25 percent of the men in the Navy and Marine Corps on active duty today who would meet our eligibility requirements, which is to have at least 4 years of service.

Our 64,000 members, just may be about 20 percent of the total possibility.

Mr. NEDZI. Those of 4 years of service or over.

Mr. LENNON. Yes, four years of service in the corps. What percentage of the retirees are commissioned officers, and what percentage are they not commissioned officers?

Mr. NOLAN. I can't speak for the total number of retired officers of the retired personnel, because ours is mainly an enlisted man's organization. Members who were enlisted, and then made commissions, can still belong, but by that rule we don't have very many, really. It makes up a small percentage of ours. I have no idea of how many other retired population are officers.

Mr. LENNON. The Assistant Secretary, Mr. Morris, addressing himself to this subject matter yesterday, stated the average age for retirement was in the early forties. And that the average retiree income on a monthly basis was \$250 per month.

Mr. NOLAN. I think I recall that, I was watching that statement yesterday.

Mr. LENNON. He also stated that his best judgment was that approximately 90 percent or better of those retirees established new careers, subsequent to their retirement.

Now, actually, when you come to this question of a contribution, there was a poll, was that by your association or the DOD?

Mr. NOLAN. Our association, sir.

Mr. LENNON. You found opposition to that idea, I think you said, about 37 percent?

Mr. NOLAN. Yes, sir.

Mr. LENNON. Of the active felt it would be a penalty imposed on them by reason of making any contribution.

Of course you proposed the retirees too, not on active duty, and you found them similarly opposed, about 27 percent?

Mr. NOLAN. Yes, sir; 27 percent.

Mr. LENNON. As I recall the figure used in your testimony, that was about it.

You could not have an equitable program where you picked out one branch of the service, the Navy, and the Marine Corps, for voluntary contribution, without running into a problem, if you didn't include the Army and the Air Force, and the other services, even the Coast Guard, could you?

Mr. NOLAN. No, sir. Our program called for total.

Mr. LENNON. Total?

Mr. NOLAN. Yes, sir.

Mr. LENNON. What do you think the attitude would be, if it were possible—and of course it isn't probable it will ever be done—

if all the people in military service today were polled on this question?

Mr. NOLAN. I would suspect it would probably come out just about the same as it did on ours, sir.

Mr. LENNON. On your individual polls?

Mr. NOLAN. Our members who objected to this objected on the fact that they had a statutory right to care. That was their main objection. It wasn't the matter of \$2. But it was the fact they felt they were entitled to this care.

Mr. LENNON. I believe counsel commented on that by saying in 1964 one of the conclusions reached by the then subcommittee was that it was clearly a moral right, but the statutory right was questionable?

Mr. NOLAN. Yes, sir.

Mr. LENNON. I certainly agree from the literature that has been used from the past that it is clearly a moral obligation. But basically the three bills that you have addressed yourself to are a vast improvement over existing conditions with respect to retirees and active duty.

Mr. NOLAN. I would say with the change of the language to be mandatory, I would definitely agree.

Mr. LENNON. You say mandatory language is changing the word "may" to "shall"?

Mr. NOLAN. Yes, sir.

Mr. LENNON. With respect to the construction of the programing, I believe at least you said 10 percent, in the newly constructed hospitals?

Mr. NOLAN. Yes, sir.

Mr. LENNON. For retirees and their dependents. But that is basically the amendment you feel ought to be included.

Were you here yesterday when Mr. Hardy of Virginia raised that question?

Mr. NOLAN. Yes, sir.

Mr. LENNON. I wondered if you had prepared this since his colloquy?

Mr. NOLAN. No, sir; this was prepared before Mr. Hardy's presentation.

Mr. LENNON. I think you hit it right on the head. Thank you, sir, that is all.

Mr. HÉBERT. Mr. Pirnie?

Mr. PIRNIE. No questions.

Mr. HÉBERT. Mr. Hagan?

Mr. HAGAN. No questions right now, Mr. Chairman.

Mr. HÉBERT. Thank you, gentlemen, very much for your appearance this morning.

Mr. NOLAN. Thank you, sir.

Mr. HÉBERT. You have been most helpful. The next witness, Mr. Slatinshek.

Mr. SLATINSHEK. The next witness is Col. James W. Chapman, and Lt. Col. Thomas A. Kelly.

A copy of the statement is before each member.

Mr. HÉBERT. Will you identify yourself for the benefit of the reporter and the committee—both gentlemen.

Colonel CHAPMAN. Mr. Chairman, my name is James W. Chapman, colonel of the U.S. Air Force, retired. I am the legislative counsel for Retired Officers Association, and I am accompanied by Lt. Col. Thomas A. Kelly, Army, retired, who is also with the association as assistant legislative counsel.

We have each of us joined the association staff comparatively recently, replacing Admiral Houser and Colonel Saunders. I know they were very well known to the staff.

Mr. BOB WILSON. Mr. Chairman, before the witness begins, may we stipulate many of us are members of the Retired Officers Association at this point?

Mr. HÉBERT. Unless I am in the deal, I will not stipulate.

Mr. BOB WILSON. I will admit you are.

Mr. HÉBERT. I don't want to get disqualified right along. Continue, please.

Colonel CHAPMAN. I would like to say I am personally glad to be back here. It has been quite a few years since I have been before the committee, having quite a few years ago been with the Air Force Legislative Office. I did some work with the committee at that time.

Mr. HÉBERT. Then you know our problems?

Colonel CHAPMAN. Yes, sir.

STATEMENT OF COL. JAMES W. CHAPMAN, U.S. AIR FORCE, RETIRED, RETIRED OFFICERS ASSOCIATION

Colonel CHAPMAN. The Retired Officers Association greatly appreciates the opportunity of appearing before this committee in support of legislation designed to provide a civilian health benefits program for retired members of the uniformed services, their dependents, and their survivors.

I would like to add here, Mr. Chairman, our statement is confined to this one particular bill. However, the association strongly supports the enactment of H.R. 9271 and H.R. 13582, or bills of that general type.

Our more than 70,000 members join with me in gratefully recalling that 10 years ago this committee recommended that provisions, similar in most respects to the present proposal, be made for military retirees and their dependents. In the legislative process at the time, however, this provision was removed and applicability of the civilian health care aspects of the Dependents' Medical Care Act was limited to the active duty element. Retirees and their families were authorized care in military facilities on a space-available basis, providing legal authority for continuation of a practice that had been followed in the past.

We are also mindful and appreciative of the fact that this committee has continued to advocate some practical solution to the problem of providing medical attention for retirees and their families and has insisted upon consideration of their needs in military hospital construction.

Since the early days of the Republic, Army retirees and their dependents have been granted medical care at no expense, other than hospital subsistence charges. Navy and Marine Corps personnel, for many years until 1943, contributed monthly payments to a hospital fund for the establishment and support of naval medical facilities for their own treatment and that of their dependents, both before and after retirement.

In my statement I assumed that also applied to dependents; I stand corrected, having heard the colloquy here.

Recruitment brochures and briefings have been rife with promises for medical care extending into retirement. This right was recog-

nized and firmly established on a space-available basis by the Dependents' Medical Care Act of 1956.

Experience over the past 10 years has shown that entitlement of retired personnel and their dependents to medical care only upon a space-available basis presented many problems, the solution to which requires remedial legislation.

Indeed, the need for legislation of this type has been growing as the retired lists have lengthened, as military installations, with their supporting medical facilities, have been closed, and as the input of wounded servicemen from Vietnam, and space requirements for the currently increasing active duty force have filled hospital space and taxed medical staffs, which previously could have been utilized for the treatment of retirees.

Two members at least of the committee yesterday brought out two specific examples. Mr. Hardy spoke of the situation in Norfolk and Mr. Wilson spoke of the situation in California.

Typical of this increasing problem has been the situation in the area contiguous to Los Angeles where there is a large concentration of retired military families. Many of these people had been commuting to Norton Air Force Base for medical treatment at their 60-bed general hospital, because of the earlier closing of other military medical facilities in that area.

Recently that facility was reduced to a 15-bed dispensary, with a consequent reduction in the medical staff. This situation has forced the Norton Air Force Base dispensary commander to advise retired personnel recently that, because of the shortage of professional staff, he would be unable to provide medical care to retired personnel during the summer months, that he would be unable to provide any inpatient care for female patients, and very probably no inpatient care for retired personnel. I have here a copy of the notice which I would like to file with the committee for its records. It is appended at the bottom of your statement.

(The document above referred to is as follows:)

DEPARTMENT OF THE AIR FORCE,
2796TH USAF DISPENSARY (AFIC),
Norton Air Force Base, Calif., January 22, 1966.

Subject: Curtailment of medical services.

To: All retired military personnel and their dependents.

1. Just about 6 months ago I sent a letter to each of you about the change in our status from a 60-bed general hospital to a 15-bed military dispensary with limited capabilities and no specialty services. At that time I explained that the time might come when it would be necessary to impose limitations upon the numbers of patients we could provide care for. I also pointed out that under title 10, United States Code (the laws governing the provision of medical care in U.S. military medical facilities) medical care may be provided to retired military personnel and their dependents only when space and facilities remain after all active duty personnel and their dependents have been provided needed medical care.

2. Due to excessive workload for the manning available, other military medical facilities in this area have had to reduce the quantity of care they have provided retired personnel in the past. As a result, larger and larger numbers of retired personnel and their dependents have sought medical care at the Norton AFB medical facility. Most of these have come to us without appointments. This has resulted in an excessive number of "walk-in" patients which has diluted our efforts so that the quality of care provided must inevitably suffer. It has become necessary, therefore, to establish the policy that beginning February 1, 1966, retired personnel and their dependents will be seen only by appointment at this medical facility.

3. At the same time I would like to point out that in April 1966 our manning document will be reduced 34 spaces and we will certainly no longer be able to provide inpatient care for female dependants and very probably no inpatient care at all.

4. During the summer months our professional staff will be reduced by transfers, separations, and loss of authorizations to the point that we will very likely be unable to provide any retired care at all between June 15 and September 1. During this period we may well be able to provide care to active duty military personnel only.

5. Because of the increasing workload and decreasing medical staff with the resulting fact that less medical care will be available at this facility for retired personnel and their dependents, I would strongly urge those of you who can qualify to make application for coverage under the Federal medicare bill which becomes law on July 1, 1966. Application must be made before March 31, 1966, or you may be ineligible for 2 years.

6. We desire to provide medical support to our retired military population and will always make available the maximum services possible. Within the limits of our budget and manning, we shall strive to provide at least needed medication and laboratory studies when we are unable to provide medical care ourselves.

WILLIAM H. BEHRENS, Jr.,
Major, MC, USAF, Commander.

I would like to say we mean no criticism of the commander of that dispensary or that base. It is simply the fact they did not have the facilities to take care of the people.

It appears that this present legislative proposal offers an opportunity for an equitable resolution to this problem.

In principle we support this bill, which represents the culmination of the efforts of those who have contributed to the development of practical solution to one of the more serious problems faced by all military families. While the problem exists at any moment only for those on the retired rolls, it exists prospectively for those on the active rolls as well. Thus, the provision of adequate medical care for the retired element is a matter of increasing concern to the active duty force and can well be a major factor in the overall active duty retention problem.

Now, Mr. Chairman, I would like to comment and make recommendations upon certain specific aspects of the bill.

First, care in Veterans' Administration facilities:

We are pleased to note that the bill contemplates the use of Veterans' Administration facilities by military retirees, since VA hospital facilities are widely dispersed in areas where no military facilities are available, and perhaps more importantly, because it opens the way for care for older retirees who may be suffering from chronic diseases requiring extended hospitalization or domiciliary care.

However, the benefits of this section of the bill will be quite limited in practice if retired military personnel are placed in the lowest category for admission, following not only disabled veterans but also those who state that they are unable to pay for care in a civilian facility, as proposed yesterday by a Defense spokesman.

We therefore propose that military retirees be considered for admission on an equal basis with the currently authorized category 3, but without the necessity of taking a "pauper's oath."

Second, proposed rates:

We submit that the rates for medical care for retirees and their dependents and survivors should be the same as those established for active duty personnel and their dependents.

A man on active duty pays no part of his hospital costs, except subsistence charges, even when he is in a civilian facility, and under cur-

rent law and the related legislative proposal (H.R. 13582), he pays only a nominal deductible hospital cost and 20 percent of the costs of outpatient care for his dependents.

We consider that establishment of a higher rate for retired personnel is inequitable and that it would place a financial burden upon them at the very time that their income is reduced substantially. The average retiree's pay is probably somewhat less than 40 percent of the total compensation drawn immediately before retirement.

We much appreciate the Chairman's comments and questions yesterday upon the different rates which have been proposed, during which he developed the fact that the additional cost of providing the same rates for retiree families as for active duty families would raise the cost only by a small percentage factor.

We further propose that the Congress establish precise rates in the bill to be charged for medical services, rather than to leave their establishment to the discretion of the Secretary of Defense, whose spokesman indicated yesterday that they might be arbitrarily adjusted after imposition of a modified "means test." Or perhaps on some other arbitrarily imposed standard.

Specifically, we recommend that rates for hospitalization for retirees and their dependents be set at \$25 (or \$1.75 per day), as now established for the dependents of active duty personnel and that outpatient care be provided at the same rates proposed for active duty families, i.e., the patient would pay 20 percent and 80 percent would be paid by the Government.

Third, proposed limitation upon care:

While it may well be that the Secretary would not consider it appropriate to provide benefits under health contracts exceeding those provided under the high-option plan applicable to civil service employees, we see no reason to include a specific prohibition against his doing so, as proposed in the last sentence of section 1086(a), on page 2, lines 16 through 20 of the bill.

I think this is somewhat the same point Mr. Slatinshek was getting at yesterday when he proposed possibly imposing a floor, below which the benefits should not be reduced.

Fourth, programing space for retirees in military facilities:

We are particularly pleased with the proposal to grant authority to the Secretaries of the Army, Navy, or Air Force to take the following factors into account in programing medical facilities.

1. The teaching and training requirements of the medical interns and residents assigned to the facility, and

2. Large concentrations of retirees in an area where there is a critical shortage of beds in civilian hospitals, and no immediate prospect for alleviation of the shortage. In this particular section, however, we see no need to include the limitation that such consideration can be given only "in extreme cases" as proposed in section 1087(c), page 5, line 9, of the bill. It appears to us that if the three proposed criteria are met, the situation would warrant consideration without the added hurdle of requiring the Secretary to find that an "extreme case" exists.

This is also, I think, somewhat the same point Mr. Hardy made yesterday. He suggested perhaps the word "critical" should come out. We are getting at the same idea, that if the requirement exists, the facilities should be provided.

Fifth, provision for certain retired Reserve officers:

The Retired Officers Association also calls the committee's attention to the fact that this proposal makes no provision for medical care for those retired Reserve officers who have less than 8 years active service, and their dependents. We propose that such personnel, as a minimum, should be entitled to treatment in military facilities on a space available basis.

I would like to add one point here, if I may, Mr Chairman, that is not in this prepared paper. It is a bit hard to compare the social security provisions with this active duty medical care, and we can appreciate the puzzlement of previous witnesses in talking about this. However, we were a little disturbed at Dr. Sackett's conclusion that the medical care that will be provided up to age 65 is better than that which will be provided after age 65.

I commend that to the committee's attention. We do feel medical care should not be reduced for people at the time they reach age 65. I would point out, also, and this is somewhat the same point Mr. Nolan made, that we consider that we have at least a moral right to treatment by the Government facilities, and that in addition to that, active duty people are actually paying social security taxes now, and so are those of us who are employed who are on the retired list. We are paying the tax to provide a service to which this committee has recognized, and so has Defense, that we are entitled. We commend that to your consideration as you work on this bill.

As I indicated earlier, Mr. Chairman, we endorse the principle which the bill seeks to establish. We are confident that when this committee has completed its work and reports a final bill for consideration it will be one that will provide a fully equitable solution to the problem.

Thank you, Mr. Chairman, for giving us this opportunity to be heard.

Mr. HÉBERT. Thank you very much, sir.

Mr. Nedzi.

Mr. NEDZI. Thank you, Mr. Chairman.

Colonel, have you or your organization considered a voluntary contribution plan along the lines Mr. Nolan has suggested?

Colonel CHAPMAN. We have not considered it, at least currently we have not considered it. I would point out to you if such a thing should be adopted, and that would pay the cost of medical care, perhaps we should be exempted from the social security medical care tax, that should be considered.

Mr. NEDZI. Do you have any comment on such a plan or proposal you would like to make? Is it something you are inclined favorably toward, or would you just as soon not get involved with it?

Colonel CHAPMAN. If I might speak personally, because I do not have instructions from our organization, if this would accomplish the purpose of giving us a real right which we would have which would be firmly established, and which we could count on for all time forward, I would not oppose it. I think it has some merit.

Mr. NEDZI. I am afraid all of us are going to be subject to the laws of Congress, and it is going to be pretty hard to get a vested right of any sort. But I thank you for your answer.

I have no further questions, Mr. Chairman.

Mr. HÉBERT. Mr. Wilson.

Mr. BOB WILSON. I have no questions.

Mr. HÉBERT. Mr. Lennon.

Mr. LENNON. Colonel Chapman, what percentage of the retired officers—and I guess the answer would be the same approximately that Mr. Nolan gave—does your association represent? I see it is over 70,000 members.

Colonel CHAPMAN. There are approximately 200,000 retired officers. That is a general round figure. We have somewhat over 70,000.

Mr. LENNON. What percentage would that 200,000 hold to the total retirees, both enlisted and other?

Colonel CHAPMAN. There are about 300,000 retired.

Mr. LENNON. 300,000?

Colonel CHAPMAN. Yes.

Mr. SLATINSHEK. May I interrupt?

There are roughly 628,000 retired members contemplated in the year 1967, slightly less than that, of course, for this current period.

Mr. LENNON. The testimony yesterday was the average age of retirement was in the early forties. Do you believe in that figure?

Colonel CHAPMAN. I imagine that is true.

Mr. LENNON. The average retirement pay on a monthly basis was \$250 a month?

Colonel CHAPMAN. Yes.

Mr. LENNON. The statement was also made yesterday that approximately 90 percent or better of the retirees had entered into other careers, and were gainfully employed.

Colonel CHAPMAN. I heard that statement yesterday.

Mr. LENNON. It was a little large, in my opinion. That is the reason I asked you the question today.

Colonel CHAPMAN. I believe it was in the medical-care study which the Department of Defense conducted about a year or so ago. I believe they had a figure of 70 percent of retirees who were gainfully employed.

Mr. LENNON. Gainfully employed in new careers?

Colonel CHAPMAN. Yes. This, of course, is true of the younger retirees, by and large all get jobs. The older ones, a lot of them do not.

Mr. LENNON. I know you wouldn't be able to project the income of even those 70,000 members that you have on an annual basis per member. Would you hazard a guess of what it was?

Colonel CHAPMAN. I would just be unable to do it.

Mr. LENNON. We will come back to the 70,000 that you represent. What percentage of those are gainfully employed in a so-called new career?

Colonel CHAPMAN. I don't know, I would think it is probably somewhat less than the 70 percent, because I suspect maybe the older group, those who are 50 or more, when they retire probably more of them join our association.

Mr. LENNON. You do not, then, agree with the testimony of the Assistant Secretary, Mr. Morris, or the Surgeons General of the three branches of the armed services, that there ought to be a distinction with respect to the benefits paid of medical and hospital to the retirees and their dependents as distinguished between the active employees and their dependents?

Colonel CHAPMAN. No, sir; I do not agree.

Mr. LENNON. Is that based on the long understanding, particularly in the Department of the Navy and the Marine Corps, there was an assurance of medical care after retirement?

Colonel CHAPMAN. Yes, sir; primarily upon that factor. I think that is true also of the Army, and, of course, now of the Air Force. It is the same situation. The Navy people paid for theirs.

Mr. LENNON. The man who was retired was entitled to the same medical care, hospitalization and medical care, as such, as the active duty. But the chances are, Colonel, that those retirees' income, private income, particularly in the relatively medium age bracket—supplemented or added to their retirement income, is considerably greater, isn't it, than the average person in the active duty? That is a great majority of them?

Colonel CHAPMAN. I am not sure, Mr. Lennon, that that is true. In some cases certainly they earn a considerable amount more. But actually I think you hear more of the inflated—the big salaries that people get—and not so much about those who take routine jobs.

Mr. LENNON. I see you stated here immediately following retirement, the average retirees' income was about 40 percent of his total income prior to his retirement. When you say 40 percent you mean the total emoluments, fringe benefits, and so forth?

Colonel CHAPMAN. Total pay, Mr. Lennon. I mean allowances, and so on—money.

Mr. LENNON. Housing?

Colonel CHAPMAN. No, sir.

Mr. LENNON. You are talking about the base pay?

Colonel CHAPMAN. I am talking about the base pay, subsistence allowance, housing allowance, any other pay for hazardous duty, and so on.

Mr. LENNON. What is the average time from your own experience that a person is retired before assuming he is in the age bracket from, say, 42 to 55—what is the average time that that officer—and that is what you represent—elapsing from the time he retires before he obtains other employment, from your own personal observation and experience, of your associates in your association?

Colonel CHAPMAN. Those who get jobs usually do so in probably six months, I imagine, or close to that.

Mr. LENNON. Of your own personal acquaintance in your association, that has been true, hasn't it?

Colonel CHAPMAN. By and large, yes.

Mr. LENNON. In your own personal acquaintance with those in your association, they have been able, because of their training, and their experience, and their judgments, have been able to project themselves rather successfully in the private enterprise system?

Colonel CHAPMAN. One of the things which the association does, Mr. Lennon, is to provide an employment clearinghouse, as we call it, in which people, members of our association, submit résumés, and we keep in contact with business and try to find jobs for them.

Mr. LENNON. That is one of the advantages in belonging to the association?

Colonel CHAPMAN. That is one of the advantages in belonging to the association; yes, sir. We have on file down there at all times I would say well over a thousand or more, of people who are actively seeking jobs through us, that have not been able to find them.

Mr. LENNON. They are selective in the sense they are seeking the job that they want—seeking the job that they are qualified to do, and the pay scale they are willing to accept?

Colonel CHAPMAN. Yes.

Mr. LENNON. What is the average time those applications are on file, before you have some request for such an individual based on his résumé?

Colonel KELLY. About 3 to 4 months.

Colonel CHAPMAN. Some of them I know are there for a long time. Of course, Mr. Kelly is suggesting it is in the average of maybe 3 or 4 months, something like that. Some of them I know stay in there for a long time. People just don't find jobs. This is the trouble with trying to talk about the average, that you have a lot of these people who never find anything.

Mr. LENNON. We got part of it down to 3.4 at the national level—that is the unemployment level. That 3.4 represents the so-called dropouts. So most of the retired officers on that basis, I would think, were employed today. And most skilled technicians, at the enlisted level who retired, I would think would be employed from what industry says its problem is in getting skilled hands, for skilled employment.

Mr. BOB WILSON. Retirees normally aren't counted in determining the labor force.

Mr. LENNON. That would be interesting to have that statement, if we could obtain it from the Department of Labor and put it in the record.

Mr. BOB WILSON. Yes.

Mr. LENNON. That is the reason I asked the question. I don't know.

Colonel KELLY. Speaking personally, I was able to get a job the day after I retired with the association, yet I have friends who have retired either at the same time or earlier than I did, who are still looking for jobs. Many of them have been out of the Army for at least a year or a year and a half, still looking for that particular job for which they are qualified, you see.

Now, we might speak to this dual compensation act of 1964, which precludes a retired officer of the military services from going to work for the Department of Defense for 6 months after his retirement. Many of the people feel this is the area in which they are most qualified, working for the Government, in the transition from the military to a civilian governmental job.

Mr. LENNON. Maybe you can categorically answer the question posed by Mr. Wilson of California, that the retirees, regardless of their age, from the military, are not considered in the labor force.

Colonel KELLY. I wouldn't know the answer to that.

Mr. NEDZI. I think so.

Mr. LENNON. I thought maybe you would know.

Colonel KELLY. I might also point out—

Mr. LENNON. Can you answer that question?

Colonel KELLY. I cannot answer that question.

I might also point to the average figure that Mr. Morris mentioned yesterday, average of 42, I think he said, an average of \$250. When we are talking about the average, we are talking about the median point where you have people on both sides of the spectrum, you see.

So we do have members of the association who are young officers, retired for physical disability.

Mr. LENNON. What I am trying to do is explore the philosophy under the statement here yesterday on the part of the Secretary, and Surgeons General of the three Departments, saying that in their judgment it was an equitable distinction. I am just trying in my own mind to rationalize it. I personally know a lot of retirees in my own State, and own area, who are very successful, and some of the others were not.

That is all I have. Thank you, Mr. Chairman.

Mr. HÉBERT. Mr. Hagan.

Mr. HAGAN. No questions at this time.

I want to commend Colonel Chapman on his statement, Mr. Chairman.

Mr. SLATINSHEK. Colonel Chapman, just for the purposes of the record, you had indicated some concern about the coverage of retired officers under the medicare program and Social Security Administration at page 65, and you pointed out this was a coverage that you were paying for by virtue of the fact you were an employee under the Social Security Act now, and contributed, and suggested perhaps you should be exempted from this \$3 requirement, which would of course ensue if you came under the coverage of the act.

I would like to emphasize for the purposes of the record that the retiree would continue to have access to a space-available basis to military and to uniformed services medical facilities, which would include both inpatient and outpatient care, and would include prescription drugs, et cetera.

Colonel CHAPMAN. That is right, sir, and we think that is a very valuable right.

Mr. HÉBERT. Thank you gentlemen, very much. We appreciate your appearance and cooperation.

The next witness, Mr. Slatinshek.

Mr. SLATINSHEK. The next witness is Col. John T. Carlton, Executive Director of the Reserve Officers Association.

Colonel CARLTON. If the committee would like we would be glad to put our statement in the record and make very brief comments on it. As a matter of fact, knowing of the deep and committed and objective study of this committee, and the interest in this subject, and knowing of the information that you have, I'm perfectly willing to let you read our statement at your pleasure, if you would like to stop and go to lunch.

Mr. HÉBERT. Thank you very much.

Colonel CARLTON. We have some very important points, and I'm sure Mr. Slatinshek is familiar with them and the members of the committee are familiar with them and we would be glad to just file it. I would like to call attention to the fact Colonel Brackett, Admiral Jackson, and General Lodoen are here with me, we have given the names to the reporter.

Mr. HÉBERT. You are always surrounded with competent backups.

Would you state, though, Colonel, for the record now, your general statement in connection with the legislation? In other words, are you for it?

Colonel CARLTON. Oh, yes, our association is supporting very strongly the three principal areas we are seeking to cover here.

One point that we feel very strongly about is that the committee should write into the bill provisions for retired reservists, who could only benefit, mostly from the age 60 to the age 65, and whom we feel should not be discriminated against.

We support the bill. We support the committee in its approach to this subject. We hope that you will consider active and retired people in the military, on the same status insofar as medical care is concerned.

Mr. HÉBERT. Thank you, Colonel.

Your statement will appear at this point in the record as having been read in the record.

(The statement of Colonel Carlton is as follows:)

**STATEMENT OF COL. JOHN T. CARLTON, EXECUTIVE DIRECTOR,
RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES**

Colonel CARLTON. Mr. Chairman and members of the committee, we appreciate the opportunity to express our views to you concerning these three important bills so vital to the health and morale of the members of our military services.

We support with enthusiasm the intent and purpose of H.R. 9271, which will enable our military personnel to properly care for their retarded children while serving their country. The substitute for H.R. 9271 proposed by the Department of Defense is a much improved bill in that it provides that only a part of the costs of such care will be assessed against the member, on a graduated scale according to his pay grade. However, we do feel that the maximum charge of \$250 provided in the substitute bill is excessive and may well equal the total costs of such care. Therefore, we would recommend scaling down this maximum charge. Your committee might also wish to consider establishing in law the rate of payment by the serviceman for each pay grade.

We also support the proposal contained in H.R. 13582, which would enlarge the civilian medicare program for dependents of active duty personnel. The broadening of this program to provide for outpatient care from civilian doctors is of great importance since so many dependents of our military personnel are either separated from the serviceman or are living in areas where medical care at military facilities is not available.

We are, of course, most interested in the proposals contained in H.R. 13583, which would provide a broader basis for the medical care of our retired personnel and their dependents, and would clarify the circumstances and means by which they will be provided this care. We wish to compliment the Secretary of Defense and the members of the Department who have developed this farsighted legislation. We believe that if this legislation is enacted, it not only will help in fulfilling the Government's obligation to the military personnel who have so long served in the armed services, but it will also directly benefit the Government by increasing the number of personnel who will contemplate making the military service a full time career.

There is one feature of this law that should be further clarified. As we pointed out when we appeared before the special subcommittee in 1964, prior to the Dependents Medicare Act of 1956 only military personnel were entitled to medical care. Dependents were added in this legislation on a limited basis and we welcomed this addition, but we believe that it is important to stand by principles and that conse-

quently the law should guarantee medical care as a legal right to military personnel, both active and retired.

We know that this legislation is the result of the hearings held by the Special Subcommittee on Construction of Hospital Facilities, of this committee during the period April to July 1964.

We note that you, Mr. Chairman, as well as Mr. Hardy, Mr. Bray, and Mr. Pirnie also served on that special subcommittee and we were extremely pleased with its outstanding report. We are also heartened that the legislative proposals contained in H.R. 13583 are responsive in a large degree to the recommendations contained in that fine report.

We are confident that the record of these hearings will establish clearly the obligation of the Government to furnish medical and hospital care to our military retirees, their dependents and their survivors. We also are confident that the record will show clearly that the privilege of medical and hospital care in military facilities will continue to exist, on a space available basis, throughout their lifetimes.

Another outstanding feature of this bill is that it would provide, on a share-the-cost basis, hospitalization and medical care to that increasingly large number of retirees and their dependents who live in areas not served by a military medical facility or in those locations in which the military facility cannot care for the retired population in its vicinity. We have certain reservations with respect to the charges and their apportionment, which we will discuss below.

The provisions for care of retired personnel in Veterans' Administration hospitals is also most beneficial, and should be approved.

We feel, however, that this committee can and should take the opportunity that presents itself in revising the military medical care laws to correct an inequity that has existed since the Dependents Medicare Act of 1956 was enacted.

As you recall, it was this act that first gave to the military retiree and his dependents legal entitlement to care in military hospital facilities on a space available basis. Hearings of both the House and Senate Armed Services Committee on that act clearly indicate that it was intended that this legal entitlement should be provided to all personnel drawing military retired pay. Yet, somehow, undoubtedly in executive session without the support of any discussion or argument, there was inserted in the bill a provision which denied medical care privileges to personnel retired under chapter 67, title 10, United States Code, who had less than 8 years of active duty.

This provision has created an inequity which has irked and has caused hardship to a number of retired personnel. We believe that this provision should be struck from the law so that the legislation that you develop here will apply to all persons who are drawing military retired pay.

The 8-year active duty limitation is certainly an arbitrary one which has no basis in logic. For the most part, those with less than 8 years of active duty are the men who served at the height of the great conflicts in our recent history. A man could have served during the entire period of World War I and II or the entire period of World War II and Korea without having completed 8 years of active duty. Therefore, the great bulk of the people who are being excluded are those who gave their active duty service to the country when it was most vitally needed and when that service included the greatest hardships, risks, and dangers.

While we have no cost figures available to us, we feel that, in comparison with the overall costs involved in this legislation, the additional cost would be minor, since medical care would be provided to these individuals and their dependents only from the period of their retirement at age 60 until they reach age 65. After 65, of course, the great bulk of these people would have their civilian medical care financed under the social security system.

In short, this committee now has the opportunity to correct a grave injustice and we respectfully and strongly urge that the committee take the action necessary to restore the privilege of medical care to all personnel retired with pay.

In respect to other parts of H.R. 13583, we believe that the bill will be improved if that part proposed as section 1086(c) of title 10, is amended. The determination of the cost to be borne by the member should be established in law rather than by administrative fiat. Further we believe that 25 percent may be excessive, especially in view of the fact that the individual's share of the cost under the social security program is only 20 percent.

It would seem more simple and equitable if the same charges were made under this section as provided in H.R. 13582 for dependents of active duty personnel. In other words, it is recommended that the language concerning charges as proposed in section 1079(b), title 10, United States Code, in H.R. 13502 be substituted for the language proposed as section 1086(c) in H.R. 13583.

We also believe that the provision authorizing extra beds in military hospital construction to provide for retirees could be more generous and could be strengthened by providing more definite guidelines in establishing these requirements. As we pointed out to the special subcommittee in 1964, and as that subcommittee recognized, these additional beds provide a basis for expansion in the event of emergency mobilization. Also, as the special subcommittee pointed out in its report, unless additional funds are programmed, the new hospitals which would have been constructed in fiscal year 1965, would have had a bed capacity of almost 3,000 beds less than the hospitals they will be replacing. We do not think that this factor of mobilization requirements should be overlooked in the planning and authorization for new hospital construction.

The saturation of the facilities in the Army's Walter Reed Hospital because of the necessity of long treatment for the seriously wounded in Vietnam, a relatively small war, constitutes a convincing demonstration of the wisdom of allowing for substantial mobilization requirements.

Subject to the comments contained above, with particular reference to the elimination of the inequity concerning retirees with less than 8 years of active duty, we commend the Department of Defense for developing this legislation and urgently recommend that these bills, with appropriate amendments, be favorably reported by your subcommittee.

Thank you, Mr. Chairman and members of the committee, for your consideration of our views.

Mr. HÉBERT. The next witness, Mr. Slatinshek.

Mr. SLATINSHEK. We have a representative of the Coast Guard here, Capt. Ernest Burt. Captain Burt does not have a prepared statement but for purposes of the record, he wants to indicate the position of the Coast Guard.

Mr. HÉBERT. Come around, Captain Burt.

Mr. SLATINSHEK. Captain Burt, if you could provide the committee with a simple statement of your position in respect to the legislation?

Captain BURT. All right, sir.

Mr. Chairman, the Coast Guard is pleased to appear in support of the enactment of H.R. 13582, 13583, and 9271.

There is little we can add to the testimony already presented by representatives of the Departments of Defense and Health, Education, and Welfare.

The need of our active and retired personnel and their dependents for the relief which these bills are intended to provide parallels that of the other armed services, except perhaps in the case of H.R. 13582.

Due to the large numbers of small Coast Guard units, located in relatively isolated areas, the dependents of our active duty personnel often are far from Federal facilities.

Because of this the relief afforded by the extension of medicare to the outpatient care in private facilities will benefit dependents of the Coast Guard to a proportionately greater degree than those of the other services.

Insofar as the wording of H.R. 9271 is concerned it should be pointed out that the Coast Guard, by law, is at all times a member of the armed services. It might be well to clarify the wording of H.R. 9271, so as to include a reference to the Secretary of the Department under which the Coast Guard may be operating, so as to avoid any ambiguity in this regard.

Thank you, Mr. Chairman, for the opportunity to appear.

Mr. HÉBERT. Mr. Nedzi?

Mr. NEDZI. I have no questions.

Mr. HÉBERT. Mr. Hagan.

Mr. HAGAN. No questions.

Mr. HÉBERT. Mr. Slatinshek.

Mr. SLATINSHEK. Just one question. Can you provide for the record a breakout of the number of dependents that would be affected in the Coast Guard in connection with this legislation and the number of retired personnel?

Captain BURT. Yes, sir.

Mr. SLATINSHEK. If you would simply submit that for the record.

Captain BURT. All right, sir.

(The material was previously included in HEW statistics.)

Mr. HÉBERT. Any further questions?

Mr. SLATINSHEK. No.

Mr. HÉBERT. Thank you very much, Captain. We appreciate your appearance and we appreciate always the Coast Guard which does a magnificent job in peace and war.

Captain BURT. Thank you, sir.

Mr. HÉBERT. The committee will stand in recess until 10 o'clock Monday morning.

(Whereupon, at 12:28 p.m., the subcommittee was adjourned to reconvene at 10 a.m., Monday, March 28, 1966.)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE No. 2,
Washington, D.C., March 28, 1966.

The subcommittee met, pursuant to adjournment, at 10:15 a.m., in room 2212, Rayburn House Office Building, Washington, D.C., Hon. F. Edward Hébert (chairman of the subcommittee) presiding.

Mr. HÉBERT. The committee will be in order.

Mr. Slatinshek, your first witness, please.

Mr. SLATINSHEK. The first witness scheduled before the committee this morning is Mr. Gettings, representing the National Association for Retarded Children.

There is a copy of Mr. Gettings' statement set out before each of the members of the subcommittee.

Mr. HÉBERT. Mr. Gettings, you may proceed.

**STATEMENT OF MR. ROBERT GETTINGS, NATIONAL ASSOCIATION
FOR RETARDED CHILDREN**

Mr. GETTINGS. Thank you, Mr. Chairman.

Before I start, I would like to express the regret of Colonel Ettenger to be unable to be here this morning to present this testimony. He was called out of town on urgent business.

I appreciate the opportunity to appear before the subcommittee this morning to offer the testimony on behalf of H.R. 9271, on behalf of the National Association for Retarded Children. As the major citizens organization in the country concerned exclusively with the problem of mental retardation, we frequently have been contacted over the years by servicemen attempting to obtain proper care, training, and treatment for their retarded dependents.

The stories of hardship which we have received have made us acutely aware of the plight of many military families with retarded members.

One indication of our concern is this study entitled "The Problems of Armed Forces Personnel With Mentally Retarded Dependents." We have also produced a directory of services for the retarded for armed services personnel.

Earlier in these hearings the Department of Defense has described the staggering financial burden and poignant family tragedy which often faces military families with a retarded dependent. We could point out many other heart-rending cases which have come to our attention over the years but to do so would be merely repetitious. The important point is that this is a serious problem worthy of the diligent attention of this subcommittee.

We support the purpose of H.R. 9271 but recommend that the committee adopt the alternative draft proposed by the Department of Defense since we feel it provides a more comprehensive approach to solving this problem. Representatives of the Department of Health, Education, and Welfare have already explained to this subcommittee the advantage of the draft bill in comparison to H.R. 9271. We will not occupy your time with further explanations of these differences except to point out that the alternatives to residential care outlined in the draft bill are vital if a full range of services needed by all mentally retarded dependents is to be provided.

While lending our general support to the Department of Defense proposal, we would like to suggest two ways in which it could be improved:

(a) Change the definition of persons eligible for services in section 1079(c): While the terms "moderately," "severely," and "profoundly" retarded have been used by the American Association on Mental Deficiency to describe the degrees of mental disability, this terminology does not lend itself to precise, objective definitions and, as yet, has not been universally accepted in the field of mental retardation. Moreover, the purpose of this bill is to assure that the proper type of service is provided to each individual with such mental and physical handicaps; thus, an absolute definition of the degree of disability involved is not essential since the services are not necessarily fixed by this factor. Thus, for example, a moderately retarded mongoloid child without physical disability may be able to live at home with his parents and receive special educational services when a proper program is available. However, should his father be transferred to a new duty station where such a program is not available, the child may have to be placed in a boarding home in order to receive proper training.

If the words "moderately," "severely," and "profoundly" retarded, as contained in the draft bill, are incorporated in the language of the statute which Congress enacts, we feel that difficulties may arise in administering the act due to the lack of precise definitions for these terms. As an alternative, we suggest that the following language be used after the word "title," in section 1079(c), line 4: "who is so seriously mentally retarded or physically handicapped as to be unable to receive proper care, training, and treatment from resources available to him in the locality."

(b) Reduce the maximum and minimum charges to service members for benefits provided under section 1079(c): The maximum and minimum charges for care, training, and treatment contained in section 1079(d) of the draft bill exceed the current charges for institutional care in State-operated facilities in many States; therefore, we feel that these statutory limits should be reduced.

The general policy of the National Association for Retarded Children on the responsibility of parents for the cost of institutional care is that the amount charged the parents should not exceed the cost of maintaining a normal child at home. While, on the surface, a charge of \$25 may appear to conform to this policy, the impact of such a charge on the family of a lower-grade enlisted man must be taken into account. A \$25 deduction from the base pay of an enlisted man in pay grades E-1, E-2, E-3, or E-4 would seriously affect the ability of the family to make ends meet. Deducting \$25 from the base pay of a private E-1 with less than 4 months' service—\$87.90—would have a disastrous effect on the family. Even the family of a serviceman in pay grade E-5 with 2 to 3 years' service—\$194.10 per month—can hardly afford a \$25-a-month deduction without sacrificing family necessities.

Increasingly the States are recognizing that a minimum family income should be established below which charges for institutional care are not assessed. Chart A illustrates the charges to parents with a family income of \$1,000 to \$10,000 in the States of Louisiana, Minnesota, Michigan, and Connecticut. These States were selected

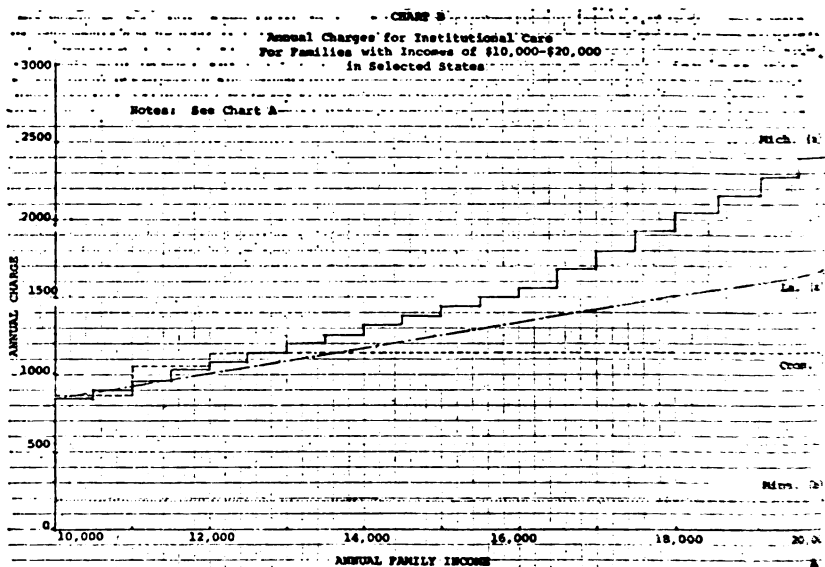
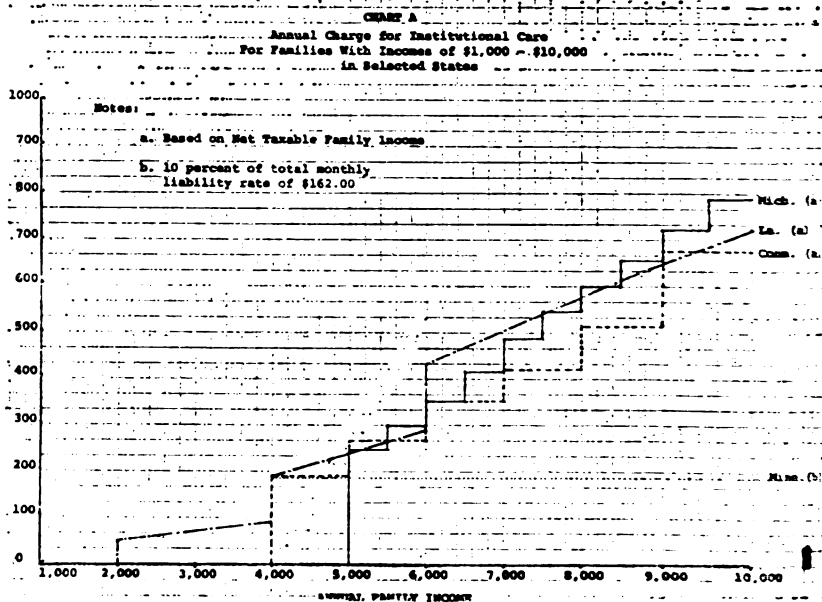
because they have recently revised their fee schedule and, therefore, detailed information was available. Notice that of the four States only one charges families with a total income of less than \$4,000 per year and that the one State which does collect from such families charges only \$4 to \$8 per month. While a few States have laws on the books which would require parents with an annual income below \$4,000 to pay \$25 a month or more, a survey of charges for institutional care conducted by our association in 1963 indicates that in practice collection of such amounts rarely occurs. Thus, in many States a serviceman would be charged more than a civilian resident for care, training, and treatment of a retarded member of his family in a State-operated institution.

We also feel that the maximum charge of \$250 per month is too high. A survey conducted by our association last year indicated that the maximum charge for residential care in State-operated institutions exceeded \$250 per month in only 1 out of 36 States reporting. Chart B illustrates the charges for residential care in State-operated institutions for families with an income of \$10,000 to \$20,000 per annum in Louisiana, Michigan, Minnesota, and Connecticut. Both this survey and graph indicate that service members in the upper pay grades often would be required to pay more—in some case many times more—than a civilian resident of the State.

The purpose of the draft bill is to create an equitable situation for the serviceman with a retarded dependent; such equity is denied to the serviceman if he is required to pay more for residential care than a civilian resident of the State with a comparable family income. We feel that reasonable maximum and minimum monthly charges for care in State operated institutions should be established, based on the net taxable family income of servicemen in the lowest and highest pay grades.

In conclusion, we again would like to stress that, with the exception of the two points discussed above, we wholeheartedly support the draft bill submitted by the Department of Defense and urge that it be accepted as an alternative to H.R. 9271.

(The charts referred to in the statement are as follows:)



Mr. HÉBERT. Thank you very much.

The paper you exhibited, what is that called?

Mr. GETTINGS. "The Problems of Armed Forces Personnel With Mentally Retarded Dependents."

Mr. HÉBERT. Without objection, we will put that in the record at this point.

(The document referred to reads as follows:)

THE PROBLEMS OF ARMED FORCES PERSONNEL WITH MENTALLY RETARDED DEPENDENTS

(Prepared by Helen B. Holodnak, National Association for Retarded Children, Inc., New York, N.Y., April 1964)

INTRODUCTION

NARC has long been concerned with the problem of Armed Forces personnel with mentally retarded dependents and their efforts to secure services for their children. The earliest reference to this problem in the Armed Forces file dates back to May 1953, in which the need for Federal legislation was underscored.

In January 1955, reference was made to preparing a paper or pamphlet entitled "Suggestions to Military Personnel with Retarded Children" because of numerous requests for information and guidance from service families. With the pressure of the increasing workload of a growing organization, there was not time to follow through.

The correspondence from service families increased as the strength of the Armed Forces was built up within the continental United States, and overseas in recent years. A variety of requests for information and assistance were received at NARC headquarters. Many instances of hardship suffered by service families underscored the injustice of the States' requirement of legal residence. Much assistance has been given on a case-to-case basis, but there has been a long-felt need to thoroughly and systematically review the problem involving all branches of the Armed Forces.

The study was planned for a 5-month period and was initiated on July 1, 1963. It was extended for an additional 3 months during which the pamphlet entitled "A Guide for Armed Forces Families With Retarded Children" was prepared.

Upon completion of this report, a draft was submitted to the Department of Defense for review. Numerous comments were received subsequently. These were carefully studied and evaluated, and revisions were made in the report based upon the aforementioned comments.

Existing literature

Various periodicals and material gathered from the resource files of NARC were reviewed and source material was made available by the professional staff on related aspects of the problem. A careful study of current literature on residence laws was undertaken, in particular material prepared by the National Travelers Aid Association which has long spearheaded the movement toward the removal of residence requirement for all persons in need.

The Interstate Compact on Mental Health which was adopted by the Council of State Governments in 1955 provides for reciprocal arrangements under which States making up the compact agree to accept each others' residents on transfer from an institution of another State. At present, only 28 States have adopted the compact, providing reciprocal facilities for mentally ill and mentally deficient patients when residence requirements have been met. One half of the States in our country have varying requirements ranging from 5 years' residence to 1 year. Several States have no definition in terms of years, but require proof of intent or physical presence.

Various legislation relating to education and medical care of dependents was reviewed. Regulations, directives, and publications of the Department of Defense and branches of the Armed Forces were made available to NARC and were studied.

Cooperation with Department of Defense

In the literature, there are no studies reported concerned with the unmet needs of mentally retarded dependents of Armed Forces personnel. NARC has the distinction of being the first voluntary agency to undertake a study of this nature and scope. Excellent and unusual cooperation has been extended to NARC by the Department of Defense facilitating greatly the gathering of data.

Much interest has been evidenced by the Department of Defense and the various branches of the Armed Forces in the study which focused upon the unmet needs of retarded dependents and the implications of the findings for future activities of NARC.

Of primary importance in launching the study was the establishment of liaison within the Department of Defense with the proper governmental and military officials, so that the purposes and goals of the study could be interpreted and understood. On August 15, 1963, a meeting was arranged with Dr. Shirley C. Fisk, Deputy Assistant Secretary (Health and Medical) and other persons¹ representing various departments in the Department of Defense (Manpower).

The President's Panel on Mental Retardation estimated that there are 75,000 mentally retarded children of servicemen who present special problems and require special facilities. NARC's representatives pointed out that the decision to undertake the study was predicated upon requests for assistance from servicemen within the continental United States and abroad over a period of years indicating—

1. Difficulty encountered by military personnel in establishing legal residence and hardship endured in seeking services for the mentally retarded dependents.
2. Lack of adequate medical facilities.
3. Lack of adequate educational facilities.
4. Inadequate methods for disseminating information on mental retardation within the Armed Forces and the community.
5. Difficulty and hardship experienced in endeavoring to obtain residential care facilities.
6. Need to determine what kinds of information should be included in a manual to be prepared for use by NARC units to render more effective service to military families and their mentally retarded dependents.

There was general agreement that legal limitations imposed by Congress and the varying residence requirements of the several States were formidable stumbling blocks creating severe hardship for military families. Current policies limiting services to mentally retarded dependents might be altered affording a more liberal interpretation resulting in improved services, but basically, legislation was required to correct inequities and injustices.

The Department of Defense is very much aware of the service families' plight and would welcome a solution. It was pointed out that NARC was undertaking this study to determine how it can best serve military families with retarded children. When the Department of Defense evaluates its own facilities and resources and determines what services can be rendered to the mentally retarded, then NARC can mobilize its resources to provide for the unmet needs.

Certain information and data are vitally necessary if an adequate picture is to be obtained concerning mentally retarded dependents. These areas are comparable to those which are important for any group of retarded children. Facts were gathered and assembled systematically regarding financial assistance and social services, medical services, educational services, facilities for residential care, in the various branches of the Armed Forces.

QUASI-MILITARY AGENCIES AND THE AMERICAN RED CROSS

Early in 1942 when the Armed Forces were rapidly expanding, it was apparent that it was necessary to take steps to provide assistance to service families when they were in financial distress for which there were no appropriated funds. The Navy Relief Society, established in 1904 as a private organization to render assistance to members of the Navy and Marine Corps and their dependents, had long pioneered in this area. The Army and Air Force established similar private organizations in the early months of 1942, known as the Army Emergency Relief and the Army Air Force Aid Society, respectively. From the standpoint of morale it was felt that members of the Armed Forces would have peace of mind in the knowledge that there was a resource to which their families could turn in times of financial crises and need.

The funds to finance the programs of these agencies are derived from investments which are substantial and contributions made by personnel of the respec-

¹ Representatives Department of Defense, Manpower attending: Shirley C. Fisk, M.D., Deputy Assistant Secretary (Health and Medical) representing Hon. Norman S. Paul, Assistant Secretary (Manpower); Col. S. M. Hogan, Professional Education Division, representing Col. J. A. Bowman, directorate of education programs; Lt. Col. Vernon McKenzie, representing Col. H. E. Griffin, assistant for professional service; Capt. G. D. Williams, USN, directorate for management affairs, representing Brig. Gen. Julian H. Bowman, Deputy Assistant Secretary (military personnel policy); Chaplain John J. Rhea (colonel, USA) Executive Director, Armed Forces Chaplains Board; Col. Stanley W. Dziuban, representing NARC and Northern Virginia Association for Retarded Children.

tive branches of the services. These agencies also receive unsolicited gifts from civilian friends, but are not supported by Government funds. Assistance to service families is given in the form of grants or outright gifts, and non-interest-bearing loans. Originally established for the purpose of providing financial assistance, the programs of these organizations were broadened to encompass a wide range of social and health services including provisions for handicapped children.

The structure of each program varies, but the goals are the same—to maintain morale and to relieve distress of Armed Forces personnel. Each of the organizations has auxiliaries or units at military installations in the continental United States and overseas. Servicemen may apply to the nearest office for assistance.

Army Emergency Relief

The Army Emergency Relief has purchased services for approximately 15 handicapped children during the period December 1961 to August 1963. Of this number, only a handful were mentally retarded. For an occasional child, tuition fees were paid to enable him to obtain special training or education. General Witsell,² the director, stated that hospitalization for chronic or permanent handicaps such as mental retardation is provided for a two-week period to enable the parents to arrange a permanent plan. In general, the program of the AER appears to be rigidly administered and quite limited in scope as compared with the Navy and the Air Force.

Navy Relief Society

The Navy Relief Society also aids members of the Marine Corps and the Coast Guard when it serves as part of the U.S. Navy in time of war. Admiral Jarrett stated that the policy of the Society regarding handicapped children is liberal. There is no financial limit placed upon the amount of funds expended upon a child, and in some instances a considerable sum is spent. Unfortunately, no statistics are kept on the number of retarded children served. When an instance of permanent placement is involved, the Society will help financially until suitable placement is found. Of the quasi-military organizations, the Navy Relief Society is financially by far the wealthiest. It is the oldest and has had more time to build up its assets, and it has received substantial bequests. Provisions are made for special training of handicapped children when it is indicated. The Navy Relief Society is also unique in that it is the only military welfare organization employing trained social workers. Two of the social workers serve as field representatives training volunteers at the various auxiliaries throughout the country. The third social worker serves as case work director, directing the Society's activities in the area of social work. The Society does not support classes in special education although it could well afford to do so. Admiral Jarrett stated that the Society would support a class for mentally retarded children if it were asked to, but it has not been approached. It is interesting to note that the Society also offers some additional services. Nurses are employed to provide visiting nursing care for dependents such as follow up of patients discharged from the hospital, assistance and instruction to mothers of newborn infants, etc. Nurseries are provided where mothers may leave small children while visiting the commissaries or hospitals. The Navy Relief Society has the financial means to provide generously for Navy families and, within the limits of its defined policies, it does so.

Air Force Aid Society

During World War II, the Army Emergency Relief was authorized to provide emergency financial assistance to Army Air Force personnel as well as Army personnel. Although the Army Air Force Aid Society was established in 1942, it did not officially begin operations as the emergency relief organization for the Army Air Force until 1946 when it received one-third of the prorated assets of the Army Emergency Relief. In the following year it adopted its present name—Air Force Aid Society. This organization is unique in that in addition to the usual financial assistance program, it has organized a disabled children's program, known as CHAP. Project CHAP (children have a potential) was initiated in 1961 "to provide guidance and financial assistance to Air Force families who have physically or mentally handicapped children under the age of 21, who need financial assistance to carry out a firm medical and educational program." At every airbase around the world, a CHAP program has been established to help Air Force families with handicapped children with the official sanction of the

² Refer to appendix for title, agency, and address for persons mentioned in the text.

Air Force. It was gratifying to learn that the Air Force Aid Society has kept accurate statistics of the number and types of handicapped children assisted. In the 18-month period, December 1961 to June 1963, a total of 602 children were aided involving an expenditure of approximately \$113,000. Of this number, 115 retarded children (19 percent) were provided various services involving the sum of \$28,343. The retarded group was carefully broken down into four categories:

1. Mentally retarded educable.....	49
2. Mentally retarded trainable.....	48
3. Mentally retarded uneducable.....	11
4. Mongoloid.....	7
Total.....	115

Major General Davidson, director, kindly made these statistics available and stated that the Society is anxious to expand its activities and expenditures for handicapped children. The Air Force Aid Society is also distinguished in that it has financially underwritten a program of special education at various airbases around the world for physically and mentally handicapped children by paying the salaries of the teachers. Financial assistance is also provided to supplement the dependents' medical care program when the individual is faced with medical costs over and above those authorized which cannot be met within his resources. However, the Society does not provide for continual hospitalization or other institutional care because of limited funds. The emphasis in the Air Force aid program is on helping people to help themselves.

Coast Guard Welfare

A word must be said on the provisions made by the U.S. Coast Guard for its personnel. In peacetime, the Coast Guard is under the jurisdiction of the Department of the Treasury, whereas in time of war it is under the jurisdiction of the Navy. Coast Guard Welfare assists personnel with grants and non-interest-bearing loans in times of need when it is on a peacetime basis. Captain A. C. Wagner, executive vice president, was very interested to learn of NARC's Armed Forces Study and of the general activities of NARC. At the present time the Coast Guard Welfare has knowledge of three families who have mentally retarded children. Captain Wagner will send a notice to all welfare directors of the U.S. Coast Guard districts advising them to refer parents of retarded children desiring information and guidance to NARC. Coast Guard Welfare is a very small organization compared to those of the other branches of the Armed Forces, but it endeavors to help to the utmost Coast Guard families in need. Since the Coast Guard only has approximately 30,000 men, Captain Wagner stated that it has a family atmosphere that the other branches could not have, because of their size. He expressed his appreciation for having made known to the Coast Guard Welfare the resources of NARC.

Several of the above programs are not professionally directed nor manned by full-time personnel. This fact limits the effectiveness of such programs in dealing with complex problems and the individuals affected. The military welfare organizations are a vital morale building force and their activities on behalf of service personnel are commendable. With professional direction and staff the programs, for example, of the Army Emergency Relief and the Air Force Aid Society would be materially strengthened resulting in improved services for service personnel and in the more effective utilization of funds.

The American Red Cross

All of the quasi-military agencies described above coordinate their programs with that of the American Red Cross. The military welfare agencies and the Red Cross have agreed on policies and procedures to facilitate mutual cooperation in providing financial assistance to service personnel and their dependents. Although their financial assistance policies appear to be nearly parallel, there are situations in which one agency can assist and the other cannot. The American Red Cross, of course, is empowered by Congress to carry on activities for the benefit of the Armed Forces and their families, both in peace and war. Much of the case work is done by the local Red Cross when service families suffer hardship, when there is financial need or when resources in the community such as residential care for a mentally retarded child must be found.

Areas in which there is a concentration of military installations such as Washington, D.C., have many troubled families seeking services for their mentally retarded children, and because of the relative paucity of facilities in Washington, they rely heavily on the local chapters of the Red Cross to assist them in finding solutions.

Several excellent case summaries have been made available to NARC by the District of Columbia chapter demonstrating severe hardship and complex family problems. The parents of these retarded children gladly gave permission for the chapter to make their case histories available to NARC for two reasons: to express gratitude to the chapter for the help given them and their retarded children, and to assist NARC in making known the plight of service families in the hope that some steps can be taken to relieve distress and hardship. Local community and medical agencies also released case record material through the District of Columbia chapter of the American Red Cross to NARC. Mrs. Eloise Waite, Director of Home Service of the District of Columbia chapter of the American Red Cross has been most cooperative.

The American Red Cross, National Headquarters, the area office in Alexandria, Va., and District of Columbia chapter have extended unusual cooperation in assisting NARC in gathering information and data for the study, and would welcome recommendations or suggestions which would result in improved services to military families with retarded children.

VOLUNTARY AGENCIES

National and international voluntary agencies also provide services to military families. These agencies have been most cooperative and have indicated a deep concern for the hardships service families encounter and endure in seeking services for their retarded children. Expressions of desire to cooperate with NARC or to receive suggestions or recommendations toward improvement of services were the rule; rather than the exception.

One of the first steps taken prior to gathering data in the Armed Forces was to confer with representatives of the National Travelers Aid Association and International Social Service which provide casework services and financial assistance to military families when the areas of difficulty fall outside of the realm of the American Red Cross. Miss Evelyn Jacobs of NTAA and Mrs. Eugenie Hochberg of ISS, a spokesmen for their respective agencies, verified and documented the great financial and personal hardships suffered by service families because of the needs of their retarded children for special services when the requirements for legal residence could not be met.

MEDICAL SERVICES

Joint Directive on Dependents' Medical Care

In April 1962, a Joint Directive on Dependents' Medical Care was reissued by the Department of Defense and the Department of Health, Education, and Welfare. The directive, known as the "medicare" directive, provides information and guidance on the implementation of chapter 55, title 10, United States Code, Medical and Dental Care (formerly the Dependents' Medical Care Act, Public Law 569, 84th Cong.). The term "medicare" in this instance refers to the program of medical care provided for dependents of the personnel in the uniformed services, and is not to be confused with the "medicare" program the late President Kennedy proposed for retired persons receiving benefits under the jurisdiction of the Social Security Administration.

The statutes define very carefully and explicitly what medical services may be furnished to dependents of a member of the uniformed services by uniformed services facilities or civilian medical facilities.

The wives and children of members of the uniformed services serving more than 30 days are eligible for care from civilian sources and in uniformed services facilities. However, service facilities must be used if they are available and capable of providing required care when dependents reside with their sponsors or the head of the family who is in the service. Dependent children who are mentally or physically incapacitated are eligible for care at age 21 and beyond only if the incapacity existed prior to their attaining age 21. In addition, dependent children who are enrolled in a full-time course of instruction at an approved college or university retain their eligibility until reaching age 23. In areas where there is no uniformed service medical facility, or where the service facility is unable to provide the required care, authorization is given to obtain care from civilian sources. In acute emergency requiring immediate treatment, medical care may be obtained from the nearest civilian medical facility in order to preserve life or prevent undue suffering.

Medical services provided

It is important to note that medical care provided dependents, and medical care which is specifically denied dependents, both through Armed Forces medical facilities and through "medicare" are in accordance with congressional authoriza-

tions, budgetary and personnel limitations. Furthermore, the number of dependents of active troops and the number of retired personnel and their dependents who are also eligible for medical care, does not enter into the determination of the number of medical officers in the Army, Navy, and the Air Force. The number of medical officers in each branch of the service is determined solely by a ratio of a given number of medical officers to a given number of active troops.

The primary function of the hospitals and dispensaries of the Army, Navy, and Air Force (uniformed services medical facilities) is to provide medical care for the active troops or personnel. If medical staff, space, and facilities are available, after providing medical services to the Armed Forces, then medical care may be provided to dependents as follows:

1. Diagnosis.
2. Treatment of acute medical conditions, surgical conditions, contagious diseases, acute emergencies of any nature.
3. Immunization.
4. Maternity and infant care.
5. Other unusual and special and authorized care.
6. Drugs and medicinals may be obtained by dependents subject to their availability.

Medical services not provided

Dependents are not provided hospitalization at hospitals and dispensaries of the Armed Forces for the following:

1. Chronic diseases except for acute flareups or complications requiring active or definitive medical or surgical treatment.
2. Nervous and mental disorders, except for diagnostic purposes.
3. Domiciliary care (care normally provided in an institution such as a nursing or convalescence home).
4. Dependents are not provided: Artificial limbs, artificial eyes, hearing aids, orthopedic footwear. Overseas or in remote areas, if these items are not available from private sources, dependents may purchase them from Government stock, if available.
5. Ambulance service, except in an acute emergency.
6. Home calls, except in special cases.
7. Dental care is not provided except for emergency treatment or if required for treatment of a medical or surgical condition. In "remote" areas in the United States, dental care is provided dependents on a "space available" basis. Overseas, dental care is authorized at all uniformed services facilities.
8. Outpatient clinic care may not be obtained from civilian sources except for (a) obstetrical and maternity care; (b) care of an infant born outside a hospital (limited to 10 days after delivery); (c) treatment of bodily injuries; (d) services required of physicians or surgeons immediately before and after hospitalization for an injury or surgery requiring followup care; (e) X-ray, radium, or similar treatment initiated during a period of hospitalization.

Gaps in medical service

Careful examination of the provisions for medical care, and restrictions of medical care reveal serious gaps for adequate diagnosis, evaluation, and treatment of mentally retarded dependents. The entire medical care program for dependents is subject to the availability of staff and space after the needs of active troops and personnel have been met. Obviously, sufficient staff should be provided to insure adequate medical care of both military personnel and dependents. Although diagnosis is one of the services provided by uniformed facilities, with insufficient staff and limitations of space, proper diagnosis and evaluation of the retarded may not be possible. Outpatient clinic services are limited by the same factors, yet a dependent is not eligible for outpatient clinic services in a civilian facility. The serviceman may take his child to any civilian hospital if he is prepared to pay for diagnostic and evaluation services. The Army has several evaluation centers to which retarded children may be referred for diagnostic workup: Walter Reed General Hospital in Washington, D.C., Letterman General Hospital in San Francisco, and Landstuhl General Hospital in Germany. Several of the larger Air Force hospital staffs include a psychiatrist, neurologist, pediatrician, psychologist and social worker, and in essence function as evaluation centers. The Navy does not have any evaluation centers.

Facilities for inpatient care and treatment of the retarded are not provided unless an acute medical problem exists which must be treated. Although cases of chronic disease are not eligible for hospital care, severely retarded children have been accepted and usually retained for a period of 21 days. In unusual instances

where hardship exists, a child has been kept as long as 6 months. There is no provision for residential or institutional care, and service families encounter more than usual difficulty in finding suitable placement for their children.

It was most interesting to learn that although the uniformed services are responsible for the medical care of approximately 150,000 to 200,000 children of school age, child guidance clinics are completely lacking. One child psychiatrist has been assigned to serve all Europe where a substantial number of military personnel is stationed. According to medical officers who are concerned with the administration of professional services, there is a high incidence of emotionally disturbed children in service families, among them children who may or may not be retarded, but because of emotional problems are difficult to assess.

A mentally retarded child who has a multiple handicap, requiring braces, for example, would create added expense, for these would have to be purchased from civilian sources. Fees for special tests and procedures such as psychological testing, speech therapy or psychotherapy for dependents must also be paid by the parents if obtained at civilian facilities. Because of modest incomes, service families cannot afford to pay the high costs of these procedures and therapies if they are not available in military hospitals and dispensaries.

Need for reevaluation of dependents' medical care

The Department of Defense and the medical administrators and staffs of the uniformed services are very aware of the limitations in the dependents' medical care program. The facilities are available, but in order to conduct an adequate program, additional staff and buildings in which to house staff are needed. To render adequate medical services would require changes in the laws broadening the range of medical services for dependents. The medical personnel of the several services are concerned for the welfare of dependents, particularly the mentally retarded, the emotionally disturbed, and the chronically ill. They are more than willing to assume responsibility for the medical care of dependents. As a matter of fact, medical personnel would welcome the opportunity to provide an adequate medical program for those whom they may diagnose, but not treat.

Legislative measures designed to amend or change present laws would alleviate the lot of the retarded child, and this approach should be thoroughly explored. It may also be necessary to consider new legislation. An increase in medical staff in the uniformed services is of primary importance, for without additional staff changes in statutes permitting increased services for retarded children would merely be a change on paper and not in practice. It is difficult to determine the degree of influence or control by Congress and by the various departments and agencies concerned within the Department of Defense upon medical staffing. Appropriate steps should be taken by the Department of Defense to increase its medical strength to insure adequate medical care for dependents of active troops, retired personnel, and their dependents.

EDUCATIONAL SERVICES

Dependents' school program in the United States

The educational program for children of military personnel in the United States is under the jurisdiction of the U.S. Office of Education, through the Assistant Commissioner and Director of the Division of School Assistance in Federally Affected Areas. Children of military personnel generally attend classes in the local school system, and mentally retarded children also attend its classes. When it is deemed by the U.S. Commissioner of Education that the local school system does not provide a suitable education, the Commissioner allocates funds to a military department to allow the commanding officer of a military installation to conduct classes on base. Certain segregated classes in Southern States were deemed to be unsuitable, and the military installations were authorized to conduct classes. Statistics on the number of classes for mentally retarded children were not available. It was stated that data of this kind was not submitted in reports prepared. The number of retarded children of military personnel attending classes in the local schools would be difficult to obtain.

Dependents' school program overseas

The educational facilities for mentally retarded dependents of service families overseas are fragmentary, and relatively little information could be obtained concerning the numbers of children in schools and the number of classes established. In gathering data on this aspect of the study, appointments were arranged with the Office of Dependents' Schools in the Army, Navy, and Air Force. In discussions with representatives of the dependents' schools, much was learned

about the problems of administering global school systems consisting of more than 290 schools, with a school population of approximately 160,000 children.

The Department of Defense has the ultimate authority and responsibility for the administration of the overseas military dependents' school program. At this level, the major concerns of the Department of Defense are policy and budget, and it is greatly removed from the level of the classroom and the teacher. One of the reasons for this state of affairs is due to the fact that the overseas dependents' school grew in a period of 18 years from nothing to a multimillion-dollar educational system. In 1945, the first organized overseas dependents' school was established; there are now about 300 such schools. As one colonel at the Pentagon put it, "It just grew like Topsy." As a matter of fact, the overseas military dependents' school program was established 2 years before the Department of Defense was created, which was in 1947. Each of the branches of service conducts the dependents' school program for children of the personnel.

Department of the Army

The Army has a large program for mentally and physically handicapped children, but the exact number of children enrolled in classes is not known. At the Office for Dependents' Education, very careful and extensive statistics are kept on average daily membership and related data. However, there are no records of how many physically handicapped, blind, cerebral palsied or mentally retarded children attend school overseas. Specific information on the number of these handicapped children was not tabulated since no one expressed the need for it, and the data was not necessary for the computation of the budget. Similar situations were found in the Air Force and the Navy.

Information provided by the NARC International Relations Committee indicates that in Europe there are at least 19 classes: 17 classes for the educable child at the elementary level (Germany, France, and Italy) 1 in Germany for the trainable child 6-18 years of age, and 1 high school class in Germany for the educable youngster age 14-18.

A special study was recently done in Europe concerning what happens to the junior retarded child. This is the child who would have completed the program in the elementary school (if he were normal), and is now old enough to move on to the grade 7-12 school unit. No program as yet has been planned for this child.

Mr. Engel, Deputy Director of the Dependents' Schools for the Army, stated that there are 136 schools under the jurisdiction of the Army of which 25 are high schools. The school population numbers in the neighborhood of 75,000 children.

Department of the Navy

The Navy Dependents' School does not have any special education classes overseas for either mentally retarded or physically handicapped children. Where possible, families with such children are transferred to a city with facilities in special education. The child might also be sent to the best private school in the area for which the Navy would pay the tuition.

Mr. Martin, a civilian employee who is assistant head of the program, stated that "the Navy has been very fortunate in that very few requests for schooling for handicapped children have been received." The Navy has approximately 10,000 children in attendance in 37 schools, of which 12 are high schools.

In the Continental United States the Marine Corps has one school system which provides special education for retarded children. At other Marine Corps installations arrangements are made with the local school districts which provide special education programs.

Department of the Air Force

The Air Force has 120 schools, of which approximately 18 are high schools with an enrollment of 63,000 children. The Air Force has knowledge of 12 classes for retarded children and is aware of a great need for additional classes in Europe where there are 4. The remaining 8 classes are in Japan. Currently, efforts were being made to obtain approval for a class for trainable children in Europe. Major Stafford, assistant chief of the dependents' school program, stated that in Germany where there is a heavy concentration of Air Force personnel, only a small number of retarded children are being afforded the opportunity of attending special classes.

One of the greatest problems in overseas schools is the poor physical facilities in which classes are housed. Old barracks, converted quonset huts, and buildings for which the military no longer have use are made available for classrooms. Many of the rooms are very small and are not large enough for 25 children, which is an important statistic. The teacher-pupil ratio for normal children is 1 to 25.

and salaries for teachers are allocated according to this ratio. If rooms cannot house more than 15 children, then additional teachers must be employed, reducing the amount of funds available for supplies, teaching materials, library books, etc.

Fiscal problems

The two major problems in the conduct of a dependents' school program are inadequate funds to properly run the program and the inflexibility in the use of such funds. The amount allocated by Congress per child in 1963 was \$280. Since the cost of educating a retarded child ranges from 3 to 5 times that of a normal child, it is readily apparent that either normal children will have to be educated at the expense of handicapped children, or handicapped children at the expense of normal children, unless Congress can be persuaded to increase this amount substantially. In Wiesbaden, Germany, the cost of providing a retarded child with an opportunity to attend school is \$701 per year. The cost of tuition in private schools for children in countries like Venezuela where tuition is \$1,000 per year is another item which seriously cuts into the \$280 per capita.

The economic basis of the dependents' school program is unsound, and needs to be thoroughly overhauled. Legislation might be needed to make it mandatory for retarded as well as handicapped children to be provided an education. Mr. Katzenbach, Deputy Assistant Secretary (Education) DOD, is sympathetic to the problem of the retarded and desires to move as quickly as possible toward providing adequate educational opportunities for these children.

SOCIAL SERVICES

Department of the Army

Social services in the armed services are fragmentary and there is no common or consistent pattern among the various services. The Army has the largest department of professionally trained social workers under the direction of Colonel Rooney, Social Service Consultant to the Office of the Surgeon General. Colonel Rooney has a staff of approximately 150 trained social workers and some 300 social work specialists who have been given an intensive 8 week orientation course in social work. The specialists, a substantial number of whom have college backgrounds, assist the trained social workers in the conduct of a social service program. Social workers are assigned to Mental Hygiene Consultation Units and General Army Hospitals.

Mental hygiene consultation services are usually available to dependents but not for treatment since these are minimally staffed. At the general hospitals there are neuropsychiatric units which are staffed by psychiatrists, social workers, and psychologists, so that a more refined evaluation can be provided for dependents, but very limited treatment facilities. Social work services are not available to dependents unless they are seen by physicians who refer cases to social workers when indicated. Unless a dependent gets into the "medical stream," there is no access to social work services.

Department of the Navy

The Navy does not have any social workers, nor does it have a social service or welfare problem. Dependents are referred to the Red Cross Field Director or the Navy Relief Society for assistance with problems.

Department of the Air Force

The Air Force has a staff of social workers who are assigned to neuropsychiatric units of Air Force hospitals which, of course, are also staffed with psychiatrists and psychologists. Additional assistance is provided Air Force families with personal problems through the family services program. This organizational structure is commendable because it provides a department at each base to which families may go with personal and family problems. The Air Force is the only branch of the services which administratively provides a family services officer at each base whose responsibility is to help families with problems. The CHAP program for handicapped children is also conducted in conjunction with the family services program.

Chaplains

Chaplains have an important role in counseling and guiding service families and making referrals to military and community resources. Traditionally, the Chaplain directs the spiritual activities and life of the military. In the Armed Forces, the chaplain counsels personnel on every aspect of their personal lives, and provides psychological counseling and social services when indicated.

FIELD VISITS

It was felt that it would be advantageous to visit a few select military installations to gether firsthand data on services available to service families with retarded children. As the study progressed, opportunities were afforded to visit an Air Force, Army, and Marine Corps installation.

Bolling Air Force Base, Washington, D.C.

The Family Services Center at Bolling Air Force Base was visited to learn how the program is organized and administered at the base level. A conference was arranged with Mrs. Curtis LeMay, Mrs. Joseph Carroll, Mrs. John Ryan (wives of Air Force generals) and Capt. Patricia Doyle, Family Services Officer. The activities of the family services and CHAP programs at more than 200 bases around the world are carried on by service wives who work as volunteers in various aspects of the programs. The various wives clubs (officers, non-commissioned officers, and enlisted personnel wives clubs) raise funds to support these programs.

Mrs. LeMay is the founder and "guiding spirit" of the family services program, which was organized by her approximately 10 years ago with a committee of Air Force wives. Subsequently, a conference was arranged with Mrs. LeMay at her home to obtain detailed information and data on the development of the family services and CHAP programs.

Walson Army Hospital, Fort Dix, N.J.

A trip to Walson Army Hospital provided valuable information concerning the role of the Army social worker in a neuro-psychiatric unit. Major Baxter, Chief Social Worker, and one of his staff, Lieutenant Hoffman, were most cooperative in making available case history materials and data relating to Army families with mentally retarded dependents. Lieutenant Hoffman, who is assigned to work solely with dependents, has been in contact with the Burlington County ARC Unit in New Jersey regarding resources for retarded children. Valuable suggestions were obtained concerning the kinds of information which should be included in a guide for use by social workers in military settings. An opportunity was provided to observe several retarded children in the pediatric ward of the hospital.

Marine Corps, Quantico, Va.

A visit to a class of retarded children at Russell School at the Marine Base in Quantico, Va., was arranged by the Office of the Deputy Assistant Secretary of Defense (Education), Department of Defense. The representative of NARC was accompanied by a representative of the above office and the Office of Dependents' Schooling of the Marine Corps Headquarters. Some 2,000 children are enrolled in 3 elementary schools and 1 high school. A tour of the schools was made with the guidance of Colonel Keene, Chairman of the School Board and Mrs. Dollins, Acting Superintendent of Schools.

The Marine Corps Base at Quantico is the only military installation in the Washington, D.C., area which has a class for mentally retarded children on the installation. The class, which is integrated, has an enrollment of 8 children—4 boys and 4 girls—ranging in age from 6 to 10. Their I.Q.'s fall between 65 and 78, and their grade levels span grades I through IV. An opportunity was provided to observe a part of an arithmetic lesson, and the children who also have a rhythm band played a selection for the visitors with great delight.

NATURE OF FINDINGS

The present study was undertaken by NARC specifically to investigate the nature of the problems experienced by Armed Forces personnel in seeking services for their retarded children, and to identify and delimit gaps in service. It was recognized that an inclusive study of this complex problem in the 5-month period allotted was not possible. In this report, therefore, the emphasis is not upon the range and scope of services and facilities, but rather upon their limitations. The several services and the various departments within the Department of Defense provide many special services to meet the special problems of the retarded. If NARC is to mobilize its resources to provide for the unmet needs of retarded dependents, the gaps in service must be clearly defined and identified as a basis for future planning.

From the data and information gathered certain factors have emerged:

1. There is evidence of a marked lack of communication within the Department of Defense and of the various branches of the services concerning resources avail-

able within the military to service families of retarded children. One of the major problems is the fact that reports are geared to compile data required for budgeting and fiscal matters. In all areas concerned with dependents, the administrative level is concerned with policy and budget, and is greatly removed from the level of the service family, the teacher in the classroom or the social worker in the hospital. Furthermore, the several services in general appear to have little knowledge about the activities of the other services in areas of common concern.

2. The several services do not have a common approach or pattern in dealing with servicemen's families and their retarded dependents. The Air Force is the only branch of the service which has an organized program whose mission is to help families with problems, the family services center at each base. The Army and the Navy have not especially designated any department or staff officer to whom a troubled family may turn. The chaplain, the commanding officer, the psychiatrist in a hospital, the teacher at the base may be the person to whom the troubled family turns for assistance. There are a multiplicity of channels of aid and it is difficult to determine which channel of help applies.

3. The basic and underlying causes for lack of adequate services for retarded dependents are insufficient funds and the inflexibility in the use of funds. Congress has not appropriated sufficient funds for the conduct of an adequate school program for normal, let alone for handicapped children. Limitations on the size of medical and ancillary staff, and lack of funds to build facilities in which to house them have resulted in a limited medical program for all dependents. A range of facilities should be added to provide for a series of special problems.

4. Divided responsibility between the Department of Defense and the Department of Health, Education, and Welfare for the education of dependents in the continental United States has resulted in a poorly administered educational program. At military installations, the branches of the Armed Forces cannot conduct a suitable school program for dependents when requests for additional teachers and classrooms are stymied by cumbersome administrative procedures employed by the U.S. Office of Education in the dispersement of funds set aside by Congress.

5. A study of problem areas indicates that legislative action must be taken to correct inequities and injustice such as in the area of residence laws and availability of medical care. Present laws must be amended and new legislation is required if the retarded dependent is to be provided for adequately.

6. A uniform policy regarding the care and treatment of retarded dependents in the several services is urgently needed. There is a marked difference in attitude and approach toward service families with retarded dependents. The Air Force has evidenced official concern for the welfare of its families and has taken action to provide a measure of relief. The Army and Navy do not have official organized programs such as the family services and CHAP programs of the Air Force. The Army and Navy utilize compassionate assignments and other procedural devices to alleviate the problems of service personnel with retarded dependents.

ASPIRATIONS FOR THE FUTURE

1. The Department of Defense and the several services are very aware of the needs of the serviceman with a retarded child and have taken a number of steps to meet them effectively. Currently, the Department of Defense is in the process of developing a large-scale program designed to provide the services required. NARC's assistance and counsel has been requested in reviewing and evaluating the proposed program which will ultimately become a directive.

2. Through this cooperative effort it is anticipated that NARC's relationship to the Department of Defense and the several services will be strengthened, and that NARC will continue to cooperate with the Department of Defense in areas of common concern.

3. NARC should arrange a conference inviting various voluntary agencies active in the field such as the American Red Cross, the National Travelers Aid Association, and the International Social Service, and quasi-military welfare organizations to explore ways in which more effective services may be rendered to military families with retarded children.

4. NARC will seek to involve the interest of the Congress and the executive branch for the purpose of exploring ways of alleviating hardship and of meeting individual situations faced by servicemen.

5. The NARC Governmental Affairs Committee should review current legislation affecting servicemen with mentally retarded dependents. Legal limitations imposed by Congress and the varying residence requirements of the several States create severe hardship for military families. Legislative action is required to

correct inequities and injustice. A coordinated approach by NARC, the Department of Defense, and other interested agencies is recommended.

6. The study demonstrated a marked lack of information on community services and facilities available within the continental United States and abroad to retarded dependents. A guide for Armed Forces families with mentally retarded children has been prepared which will be available in the near future. To enable NARC State and local units to use the pamphlet effectively some guidelines should be drawn up and circulated to the units.

INDIVIDUALS CONTACTED IN THE COURSE OF THE STUDY

- Mrs. Danitsa Adjemovitch, Inter-Country Medical Social Work, consultant, International Social Service, New York, N.Y.
- Maj. Roy Baxter, Chief Social Worker, Department of Neuropsychiatry, Walston Army Hospital, Fort Dix, N.J.
- Lt. Col. Hazel E. Benn, head, Education and Information Section, U.S. Headquarters Marine Corps.
- Lt. Comdr. C. W. Boggs, Patient Affairs and Dependents' Medical Care, Bureau of Medicine and Surgery, Department of the Navy.
- Mr. N. Towar Boggs, executive director, American Red Cross, New Brunswick Chapter, New Brunswick, N.J.
- Col. J. A. Bowman, Directorate for Education Programs (Education), Department of Defense (Manpower).
- Mr. Anthony Cardinale, Dependent Schools Division (Education), Department of Defense (Manpower).
- Mrs. Joseph Carroll, Bolling Air Force Base, Washington, D.C.
- Maj. Paul S. Cox, Dependent Medical Care Liaison, Office of the Surgeon General, Department of the Air Force.
- Mr. James L. Creasy, Division of School Assistance in Federally Affected Areas, Office of Education, Health, Education, and Welfare, Washington, D.C.
- Comdr. N. B. Curtis, Patient Affairs and Dependents' Medical Care, Bureau of Medicine and Surgery, Department of the Navy.
- Maj. Gen. Howard C. Davidson (retired), Director, Air Force Aid Society, National Headquarters, Washington, D.C.
- Mrs. Gladys Dollins, Acting Superintendent, Dependents' Schools, U.S. Marine Corps, Quantico, Va.
- Capt. Patricia Doyle, Family Services Officer, Family Services Center, Bolling Air Force Base, Washington, D.C.
- Col. Stanley W. Dziuban, Northern Virginia Association for Retarded Children, Alexandria, Va.
- Mr. Jene F. Engel, Deputy Director for Dependent Schools, Dependent Schools Unit, Office of the Adjutant General, Department of the Army.
- Shirley C. Fisk, M.D., Deputy Assistant Secretary (Health and Medical), Department of Defense (Manpower).
- Mr. William Fournier, Head, Dependents' Schooling, Education and Information Section, U.S. Headquarters Marine Corps.
- Mr. William Frederick, regional director, the Council of State Governments, New York, N.Y.
- Col. H. E. Griffin, Assistant for Professional Service (Health and Medicine), Department of Defense (Manpower).
- Mr. Rall Grigsby, Assistant Commissioner and Director of School Assistance in Federally Affected Areas, Office of Education, Health, Education, and Welfare, Washington, D.C.
- Miss Cathryn Henna, assistant director, Home Service, American Red Cross, National Headquarters, Washington, D.C.
- Mrs. Eugenie Hochfeld, supervisor, International Social Service, New York, N.Y.
- 2d Lt. James Hoffman, Social Work Officer, Department of Neuropsychiatry, Walston Army Hospital, Fort Dix, N.J.
- Col. S. M. Hogan, Professional Education Division (Education), Department of Defense (Manpower).
- Col. Kenneth Hoge, Deputy Director, Army Emergency Relief, Washington, D.C.
- Col. Frederic J. Hughes, Director Professional Service, Office of the Surgeon General, Department of the Army.
- Mr. Stephen S. Jackson, Special Assistant, Office of the Assistant Secretary, of Defense (Manpower), Department of Defense.
- Miss Ethel W. Jacobs, director of personnel services, National Travelers Aid Association, New York, N.Y.

- Dr. Cecil Jacobson, Human Cytogenetics Laboratory, George Washington University, Washington D.C.
- Vice Adm. H. B. Jarrett (retired), Assistant to Executive Vice President, Navy Relief Society, Washington, D.C.
- Mr. Edward L. Katzenbach, Jr., Deputy Assistant Secretary (Education), Department of Defense (Manpower).
- Col. J. W. Keene, Chairman, School Board, Dependents' Schools, U.S. Marine Corps, Quantico, Va.
- Mrs. Curtis E. LeMay, Fort Myer, Va.
- Dr. Romaine P. Mackie, Special Assistant to the Director, Division of Handicapped Children and Youth, Office of Education, Health, Education, and Welfare, Washington, D.C.
- Mr. Robert Martin, Assistant Head, Navy Dependents' Schooling Branch, Department of the Navy, Bureau of Naval Personnel, Washington, D.C.
- Chaplain Paul C. McCandless (Colonel, U.S. Air Force), Professional Division, Air Force Chaplains, Department of the Air Force.
- Mr. Issac McKee, Field Director, American Red Cross, Brooklyn Army Terminal, Brooklyn, N.Y.
- Lt. Col. Vernon McKenzie Professional Service (Health and Medicine), Department of Defense (Manpower).
- Mr. Malcolm Morrow, Liaison Officer, Office for Dependents' Medical Care, Office of the Surgeon General, Department of the Army.
- Col. Robert E. Nuernberger, Deputy Director, Directorate of Professional Services, Office of the Surgeon General, Department of the Air Force.
- Chaplain John I. Rhea (Colonel, U.S. Army), Executive Director, Armed Forces Chaplains Board, Department of Defense (Manpower).
- Miss Jane Ritter, Education Specialist Curriculum, Dependent Schools Unit, Office of the Adjutant General, Department of the Army, Washington, D.C.
- Lt. Col. William S. Rooney, Social Service Consultant, Office of the Surgeon General, Department of the Army.
- Miss Blanche Rubin, Senior Assistant Director, Home Service, American Red Cross, N.Y. Chapter, New York, N.Y.
- Mr. Herbert H. Rummel, Director of Home Service, American Red Cross, N.Y. Chapter, New York, N.Y.
- Mrs. John D. Ryan, Bolling Air Force Base, Washington, D.C.
- Maj. Arlen Stafford, Assistant Chief, Dependents' School Branch, Directorate of Personnel, Training and Education, Department of the Air Force, Washington, D.C.
- Maj. Gen. Robert P. Taylor, Chairman, Armed Forces Chaplains Board, Department of Defense (Manpower).
- Lt. Col. William J. Tiffany, Jr., Assistant Consultant in Psychiatry and Neurology, Office of the Surgeon General, Department of the Army.
- Mrs. Ruth Turk, Secretary, Interstate Clearing House on Mental Health, the Council of State Governments, Chicago, Ill.
- Mr. Howard Wadey, Secretary-Treasurer of Board of Control, U.S. Coast Guard Welfare, Washington, D.C.
- Capt. Austin C. Wagner, Executive Vice-President, U.S. Coast Guard Welfare, Washington, D.C.
- Mrs. Eloise Waite, Director, Home Service, American Red Cross, District of Columbia Chapter, Washington, D.C.
- Miss Mary Ward, Assistant Director, Home Service, Eastern Area Office, American Red Cross, Alexandria, Va.
- Capt. G. D. Williams (U.S. Navy), Directorate for Management Affairs, Department of Defense (Manpower).
- Dr. Harold M. Williams, specialist, Exceptional Children and Youth, Office of Education, Department of Health, Education, and Welfare, Washington, D.C.
- Mrs. Deborah Wilson, Casework Director, Navy Relief Society, Washington, D.C.
- Maj. Gen. Edward F. Witsell (retired), Director, Army Emergency Relief, Washington, D.C.
- Mr. Ben M. Zeff, Deputy Director for Education Programs, Department of Defense (Manpower).

Mr. HÉBERT. Mr. Lennon.

Mr. LENNON. You suggest as alternative language to section 1079(c), line 4, be used—you make that suggestion in the last sentence of paragraph 2, on page 2, of the statement, "who is so seriously mentally retarded or physically handicapped as to be unable to receive

proper care, training, and treatment from resources available to him in the locality."

That would carry the implication or the suggestion that if he could not receive it at the local level—you are speaking of the necessity of institutional care, then?

Mr. GETTINGS. Well, not necessarily the necessity for institutional care. One of the most encouraging things which we note recently in the care of mentally retarded is that with increasingly severe disability they are able to stay in the community if proper types of day care facilities, or activity programs are available to them, so this may also extend to other types of program—for example, vocational rehabilitation, special education programs, day care programs, all of which may be included in this, or a residential program.

Mr. LENNON. Yes, I understand what you are seeking to do, but I am not sure that the language you suggest as a substitute for this section we just referred to would do it.

You have given the example of a child who may be mentally retarded to some degree because of a birth defect, but who is physically able to remain in the home.

Now, does section 1079(c) of the bill spell out clearly—you are suggesting two different approaches, aren't you—a method by which they can be institutionalized under the criteria in the draft bill, in the original bill, and another method for those children who remain in the home but who receive assistance through this program?

Mr. GETTINGS. Well, we are suggesting a definition which we feel would provide greater flexibility in the way this could be administered, and therefore this would permit a child who needed residential care to get it, but if the child didn't need residential care and needed a local day care facility or a vocational rehabilitation program, he would be able to get this.

In other words, the decision would be up to determination of competent medical, educational, and vocational rehabilitation authorities to determine what the child actually needed after a careful evaluation and diagnosis.

Mr. LENNON. Maybe I am just not clear, and I want to be.

Under the section you refer to, that would be the criteria under which a child and, therefore, the parent could participate in this program. If you use the language that you suggest, then the child and the parents couldn't participate in this program unless they were institutionalized. That is the concern that I have.

Mr. GETTINGS. Oh, I understand. I don't believe this is true at all. I believe you could use the language we suggested here to apply to a child who could benefit from other than an institutional program.

Now, our concern is this, that the same types of facilities are not available in all areas. We realize that some local school districts provide programs of special education through which either a moderately retarded child can benefit, yet other school districts do not, and it may be that in some of our localities these programs just won't be available to the child, and therefore they will have to be provided in some other manner.

Mr. LENNON. I am still not exactly clear on it. The bill amends the existing statute, as indicated on the breakdown sheet, page 10, this backup sheet that we have in explanation of the bill. Perhaps I am mistaken in my view, but I get the impression that if you use your language as you substitute in amending section 1079(c), that

then a child would not be eligible for assistance under this program unless he was institutionalized.

Mr. GETTINGS. That certainly isn't the intent or purpose of our statement. The intent would be that the child would receive the type of care that would fit his own individual situation. If the language we suggest would not have that purpose, we certainly would be open to other improved language.

The basic thing we are trying to point out is these categories of moderately, severely, and profoundly are not precise definitions. At one time we used to base our definition of a retarded child purely on IQ, which is not true any more. It is based on a broader evaluation of the child's ability, and therefore when a child is called moderately retarded, this is a working definition which assists the clinical evaluation people to have some idea of the child's capabilities, but certainly it is not a fixed label you are placing on the child.

If you incorporate these into the statute, you may be freezing something into the statute which will be hard to administer.

Mr. LENNON. What is the working relationship between the National Association for Retarded Children and the American Association on Mental Deficiency?

Mr. GETTINGS. It is a rather close working relationship. We always work rather closely with them. However, the American Association of Mental Deficiency is a professional organization which has been established by the members of the various professions who are interested in serving the mentally retarded, where the National Association for Retarded Children is a voluntary organization which deals with a voluntary action level.

Mr. LENNON. The language in the bill and the Department of Defense draft have used the descriptive language of retardation on mental deficiency of the American Association on Mental Deficiency.

Mr. GETTINGS. We accept the definitions as used by the American Association on Mental Deficiency. We feel we would like to see this language extended and incorporated in the language of everyone in the field of mental retardation which is not necessarily true today. Many educators still use the term "educatable" and "trainable" to categorize the various types of people, retarded children that they are dealing with. Now, we feel that the terms "mildly", "moderately", "severely", and "profoundly" are more open descriptions of the child's ability, and provides for flexibility in treating the child.

Mr. LENNON. That is the language we have in the bill, but you think that is too restrictive.

Mr. GETTINGS. I think it is not precise enough.

Mr. LENNON. Yet it is the language in the preciseness that the American Association on Mental Deficiency uses?

Mr. GETTINGS. This is correct.

Mr. LENNON. But you would go a step further and try to do it by exclusion.

Mr. SLATINSHEK. Mr. Lennon, if I may point out the language of the Department, of course, is a broad cover under which the Secretary would issue regulations which would interpret and implement this program, and it would be my opinion that this language here is, if anything, broader than that offered by the Association, and would lend itself to better implementation and the views of the Association could be picked up in the regulations issued by the Secretary.

Mr. LENNON. That is the point that *I am trying to get to*, Mr. Slatinshek. That is the reason I have *some hesitancy* about the committee adopting the language you suggest, and I know you had a reason for it, but I was thinking in terms that the Secretary could promulgate the rules and regulations, and then it would fit the very purpose that you have suggested, I think to some degree, rather than striking the language that appears in the draft bill and using the language that you have, sir. That is the reason I was exploring it, and I am happy that you injected that thought into the discussion, Mr. Counsel.

Now, I would talk to you a little bit about this overall problem related to the cost. I wonder if the Department of Defense, when it presented its proposal here, did not have in its possession the same information that you bring us now with respect to the varying costs across the country in 36 States as distinguished between the individual citizen and also the serviceman.

Mr. GETTINGS. I have no doubt that they did.

Mr. LENNON. I wonder why they didn't project this as something we ought to take into consideration.

Mr. GETTINGS. I have no idea.

Mr. SLATINSHEK. Mr Lennon, perhaps I can add some light on that.

Mr. LENNON. Yes, I would like to have some light.

Mr. SLATINSHEK. The bill is broader than simply the coverage of public institutions, as a reading of the bill would indicate, it contemplates the possibility that these children be placed in private institutions in which, of course, the charge is exceedingly high and would require a substantial contribution from the member in any event, and this is perhaps the basis for the Department's scaled-down contribution for the member.

Again my personal opinion is I imagine the Department would in no event require of the member a higher contribution than he would be required to pay if he were merely a resident of the State and were not in uniform.

Mr. LENNON. Well, again, Mr Slatinshek, you put your finger on the very point that we were discussing with the witness. Certainly that would be so, that the Department of Defense, the Secretary, would not approve the admission of any serviceman's child in a State institution at a higher level of pay than was required by a civilian who had a child in a State institution.

Mr. GETTINGS. If that is true, we certainly have no objection.

Mr. LENNON. Yet your testimony would indicate that the language of the Department's bill would result in many instances in a serviceman and the Government paying more than the private individual in the State, and we want to avoid that by all means, but again there I think the language of the Department's bill would assure us that. I just can't conceive of any contract being entered into by the Department of Defense with any State mental commission that would require the payment to that State institution, either on the part of the Government or the part of the serviceman, of more than was paid by a full-time resident of that particular state.

Mr. SLATINSHEK. If I may interrupt again, Mr. Lennon, I do believe the Association has a good point here.

Under the language we have here, the minimum would be \$25 in any event, and there is no latitude provided in the statute, which might very well require a change by the Committee to permit a lower

charge in those instances where the member would be paying a lower charge if he were not in the service and were merely a resident of the state.

Mr. LENNON. I have had that point in mind, too. I think the bill ought to be drawn in such a way that the serviceman as an individual, and the Government, together, on its pro rata part should under no circumstances pay more than a private citizen.

Mr. HARDY. If I may ask this, in connection with the charge to the serviceman, do we understand that it was the intent of the Department in this language to require the serviceman to pay the full cost in the State institution where the cost did not exceed these figures set forth in the bill, whereas if an individual had his child in a private institution Uncle Sam would pick up part of the cost?

Mr. LENNON. I would say that was not made clear in the discussion that took place here the other day.

Mr. HÉBERT. I think, Mr. Lennon, Colonel McKenzie is here and could possibly clarify this.

Colonel McKENZIE. It was not the intent of the Department of Defense in drawing this bill to obtain the results that were just described.

Mr. HARDY. Which one? We have had two or three results described.

Colonel McKENZIE. The one which would have the man paying more as a participant in this program than he might have had to pay otherwise.

Mr. HARDY. All right, you have at least cleared up that one, and if you will forgive me—

Mr. LENNON. Yes.

Mr. HARDY. Was it the intent to require, where State institutions were available, the serviceman to pick up the entire tab if his child was in a State institution but to supplement it if the child was in a private institution that charged more?

Colonel McKENZIE. No, sir, it was not. It was contemplated, and this language I believe covers that point, he would pay his share of the cost.

Mr. HARDY. But if he is in a State institution which has rates less than the minimum required under this bill, he would be paying the entire cost as his share, wouldn't he?

Colonel McKENZIE. In such a case, this language would be defective insofar as our intent was concerned.

Mr. LENNON. I have thought about this since the testimony of last week.

The language of the bill says the amount shall be not less than \$25 nor more than \$250.

Now, suppose the child were institutionalized at say \$65 a month, that was the going rate in the State. Under the language of your bill, the individual serviceman would be docked or deducted on a monthly basis at the rate of \$25, and the Federal Government would not then pick up the \$75 that we think it is the intent of the Federal Government to pay.

I think that language is going to have to be changed so that, as you have indicated, it won't be hard and fast. That is what I am thinking about.

Colonel McKENZIE. You are right, Mr. Lennon, it should be changed.

Mr. LENNON. I thank you for clearing that up, because I have been thinking about it since the testimony of last week.

That is all.

Mr. HÉBERT. Mr. Hardy.

Mr. HARDY. The only other thought I had, Mr. Chairman, was in connection with these three words that describe the degree of retardation.

I can appreciate the problem in the lack of preciseness in these words, and I am not at all sure that either approach is the proper approach, either the one you suggest or the language that we now have in the bill.

Personally, I hate to see the thing left to such a wide variety of interpretations that could be changed any time you have a change in the people who are writing the regulations.

Don

Mr. GETTINGS. There are two types of changes that come about. I think we also should keep in mind that mental retardation isn't a topic that we know a great deal about today, and increasingly we hope in the future, with the research program that is being conducted today, to know a great deal more. It seems that the language of the statute should permit a maximum application of our knowledge at the present time.

Mr. HARDY. If you could relate it to the degree of the individual problem rather than the extent of the retardation, I think that is probably what you were trying to do in the language you suggest.

Mr. GETTINGS. We are trying to get a functional definition.

Mr. HARDY. I think the idea is probably a good one, but it would lead to some administrative difficulties, too.

My own thought is we probably ought to take a look at that language and see if we can't improve upon both of them.

Mr. LENNON. This thought has occurred to me, that you know where the preponderant majority of the military installations are located, in the South, Southwest and the West to an appreciable degree, and it is in those areas that you do not have the capital wealth for the financing of your State mental institutions like you do in some places on the eastern seaboard and your metropolitan areas.

Do you have any figures on North Carolina with respect to the cost?

I will rephrase the question and ask you if you know of your own knowledge whether or not the cost to the individual for the institutionalizing of retarded children or those who have to be put in institutions is based on a salary scale or income scale of the parents or step-parents?

Mr. GETTINGS. Let me say this, that increasingly we note this coming about. We have recommended and in the past few years States have gone to this. Louisiana now has a rate based on net taxable income, Michigan does, and so does Connecticut. Several other States have gone to this approach.

So far as North Carolina is concerned, I am not sure. We have a study we did in 1963 which indicated, if you will let me just check here on North Carolina, roughly the statutory annual charge in North Carolina to a parent would be \$700 a year. This is in a State-operated institution, I emphasize.

Mr. LENNON. Is that based irrespective of income of the parents, foster parents, or stepparents?

Mr. GETTINGS. I would have to check to be sure.

Mr. LENNON. The four States you used to illustrate your testimony use as a base the net taxable income?

Mr. GETTINGS. Three of the four States do.

Mr. LENNON. You don't find that generally?

Mr. GETTINGS. No, there are still many that do it on a flat charge basis.

Minnesota, if you will notice, shows on the chart straight across \$16.20 a month per parent regardless of the parent's income.

Mr. LENNON. But institutions of this kind vary in cost even within the boundary of one State where they are staffed with the best psychiatrists and outstanding people in the profession, don't they?

Mr. GETTINGS. Well, one of the things we have been trying to emphasize in our publications on institutional care is that you shouldn't tie the charge to the parents to the cost of providing the actual care, because this is discriminatory toward the parent.

We feel, as I stated in the testimony, that the charge for residential care should not exceed what it would cost the parent to keep a normal child in the home. If you do have it exceed that charge, then you are penalizing the parent for having the retarded child. This is our philosophy on the charges for residential care.

A lot of the States continue to tie the amount that is charged the parents to the cost—

Mr. LENNON. And the ability to pay?

Mr. GETTINGS. Ability to pay and the cost of actually providing those services. If the per diem cost for care in "X" institution within the State goes up \$10 a day, then the cost to the parents goes up an equivalent amount.

Mr. LENNON. But you say that the annual cost on the average in North Carolina—and there are several institutions of this kind—is about \$700 per year to the parent, guardian or foster parent?

Mr. GETTINGS. Right.

Mr. LENNON. If that were true, then the not less than \$25 to be assessed against the serviceman in certain scales would not be an appropriate figure, would it?

Mr. GETTINGS. Well, certainly the figure of \$250 a month wouldn't be appropriate, because \$250 a month would mean \$3,000 a year.

Mr. LENNON. \$700 a year would be about \$56 a month, and \$25 a month of that amount would certainly be more than one-fourth. The philosophy here was for the Federal Government to pay approximately 75 percent of the cost and the serviceman 25, so we come back to what I suggested earlier, that certainly we ought to change the figure of not less than \$25 a month for the man in the lower pay grade.

Mr. GETTINGS. I think if you will look at it, you will see a private E-1 earning not more than \$90 a month. \$25 is an awful cut out of this.

I think another thing you have to take into consideration is the State's ability to collect this amount.

This study we did in 1963 indicates that there is no State that collects from over 50 percent of the parents of retarded children in institutions, and in some States it is as low as 10 percent of the parents that are actually charged, regardless of what the statute says. In other words, the ability to get the money out of the parents is a little

difficult, but in the military it would be a straight deduction from his paycheck, so it would mean 100 percent collection.

Mr. HÉBERT. Without objection, that will be inserted in the record, also.

(The study referred to reads as follows:)

FOREWORD

THE NEED FOR THE SURVEY

The advent of the parent movement in behalf of retarded children and subsequent organization of associations for retarded children at a local, State and National level created an unprecedented increase of citizen interest in the welfare of thousands of mentally retarded individuals living in State-supported residential centers throughout the country. Members of the Committee on Residential Care of the National Association for Retarded Children believed that parents must become generally knowledgeable on the subject of institution care and well informed as to conditions, techniques and trends in the various States if they are to develop into the most effective coworkers with professional people in improving the quality of residential care.

In order to provide the basic information on residential care, this Committee undertook a survey of the residential centers for the retarded throughout the Nation.

PURPOSE OF THE SURVEY

The ultimate goal of the survey is to produce a report which might well be termed an instrument of understanding. Such an instrument should bring about a more intelligent understanding of the complex operations involved in residential centers for the retarded and a better understanding of the current programs, conditions and trends in the various States. In addition, the report should help those who work in this field to understand the specific aspects of institution care which are of importance to parents, and why.

HOW WAS THE SURVEY DEVELOPED AND CARRIED OUT?

This project was initiated and carried out by 16 persons serving as the Committee on Residential Care of the National Association for Retarded Children. Specific aspects of institutional programming were assigned to various persons on the Committee. In 1961, a detailed questionnaire was prepared and submitted to the administrative officers of 111 State-supported institutions for the retarded in 50 States. The questionnaire was preceded by a personal letter to the head of each institution which stated the reason for the project and asked for cooperation in giving the information for his institution. The questionnaires were divided into sections in order that they might be studied and answered by the various staff members responsible for a specific aspect of the total institutional program. Thus, instead of reflecting the opinions and ideas of only one or two persons in each institution, the questionnaires in many cases brought in replies from persons representing all disciplines on the institutional staff, thereby obtaining a broader, more comprehensive view of the total programs.

Of the 111 institutions polled, 99 or 89 percent returned the completed questionnaires. In several cases one or more institutions failed to return certain sections but the majority of those responding answered the entire questionnaire. Each individual Committee member then made a study of the returned questionnaire in his or her specific area of assignment. The data was organized and analyzed, and a report was written on each section by the responsible individual.

In addition to the questionnaires, other resource material was utilized by all committeemen. This material included literature available from various sources pertaining to their specific area of study. The publications "Mental Hospitals," "The American Journal of Mental Deficiency," and numerous other professional journals and articles relating to residential care were used as resource materials. Ideas were also drawn from numerous papers and talks presented by workers in the field of residential care and related areas. In addition, personal visits were made by NARC staff and/or members of the Committee on Residential Care to a majority of the 111 institutions. Conferences were held with administrative officials of the State, as well as with the administrative officials and staff members of the institutions themselves.

REPORTING OF RESULTS

The reports covering the various subjects of the survey will be published in separate parts in a series of volumes. Each report will present the data gathered on each subject, an interpretation of the data, the conclusions which are drawn from the survey, and the recommendations of the Committee on Residential Care on the particular facet of institution care involved.

Part I of the report contained in this volume presents the results of the study of the matter of charges for residential care. This is a matter which has been under continuous study since 1956 when the first NARC study on this subject was begun. Published in 1958, the report "Responsibility for Costs of Maintenance and Training in Public Institutions for the Mentally Retarded" became the first available published compilation of data devoted exclusively to this vital problem.

This part of the overall survey is being published as a separate report because of its importance and somewhat unique nature. Basically this subject represents a reflection of public understanding and public attitude toward this enormous community problem.

JOHN G. FETTINGER,
President, National Association for Retarded Children.

THE SURVEY COMMITTEE

Arthur Avery, Roselle, N.J. (food services).	John L. Holahan, Minneapolis, Minn., administration.
Mrs. G. T. Etheridge, Detroit, Mich. (volunteer services).	Mrs. Hugh Johnston, Northfield, Minn., religious nurture.
Arnold Gangnes, Seattle, Wash., architecture.	Francis P. Kelley, Mansfield, Conn., recreation.
Mrs. J. C. McMeen, Columbia, S.C., pre-admission services.	Philander L. Ries, Baltimore, Md., rehabilitation.
Mrs. Marshall Nelson, Pensacola, Fla., clothing.	Norman F. Smith, Houston, Tex., charges for residential care.
Mrs. Kenneth Razak, Wichita, Kans., vice chairman.	Mrs. George Wise, Aberdeen, Wash., education.
Mrs. Max Murray, Roanoke, Va., chairman.	

I. INTRODUCTION

Many years ago, expenditures for the institution care of the mentally retarded in many States were relatively low, and efforts to collect charges from parents or relatives were weak or even nonexistent. In more recent years the cost of institution care has risen throughout the country, as the States have improved and expanded their institution programs and as the general cost of living has increased. As a result, the matter of who should pay the cost of care has become an important issue.

The various States have demonstrated wide differences of opinion on the matter of reimbursement for care. A few States charge nothing, some charge a modest sum, but the majority seem inclined to continuously raise charges to very high levels. Inasmuch as the problem of mental retardation is the same in all States, these differences of opinion cannot be valid or justified. Some States may be correct in their views but the rest must be in error to some degree. The fact that many States have essentially the same reimbursement legislation or policies for the mentally retarded as for the mentally ill points up a lack of understanding of these widely divergent problems.

Because of the growing importance of institution charges, this matter was included as a major item in the survey and study of residential institutions conducted by the NARC Committee on Residential Care.

II. BACKGROUND AND PREVIOUS INVESTIGATIONS

The matter of the responsibility for charges and the ability to pay them is a very complex matter with many factors to be considered.

On one side stands the retarded child in need of institutional care. He is handicapped through no fault of his own, forever dependent, or at least semi-dependent. His need for expensive institutionalization may be due to his own limitations, those of his family, or those of his community.

On the other side stands the community or the State. Traditionally, the burden for vital services which are too costly for citizens to handle on an individual

basis is accepted by the community through taxes. The community, however, faces the continuous problem of finding funds for the ever-increasing demand for services.

In the middle stands the parent. He is not responsible, either, for the fact that this child is mentally retarded and that institutional care is necessary. His retarded child is only one of his responsibilities. He must also shoulder his responsibilities as a member of his community, his responsibilities to raise and educate his other children, and his responsibility for preparing adequately for his own retirement.

Who will pay the cost of institution care for this child? Who can pay it? If the cost is to be shared, who is to pay how much? Who is to say? How much sacrifice should a family or the other children in the family be expected to make? What is an adequate standard of living? What is "hardship"? Who is to say?

These are some of the questions with which researchers on the subject of institution charges have wrestled in studying the problem of charges (or reimbursement) for care.

The NARC report (1) published in 1958, was based upon a comprehensive survey of the matter of reimbursement in all States. The report stated:

"It is bitter irony to tax parents for the unavoidable misfortune of having a retarded child. We must wonder if it is consistent with American social philosophy to require that parents of mentally retarded children pay taxes to support public education facilities which exclude their children, when there is a price tag on their attempts to obtain equal benefits for their children in public institutions."

The NARC report recommends that "Society should assist in bearing the expenses of this major calamity" and suggests that charges "should not be tied to the per capita costs of institutional programs" but instead "the maximum rate of payment [should] be established in relation to the cost of living of an individual member of family maintained in the community."

The report made many other pertinent recommendations, such as termination of all charges for children over 21 years of age, establishing uniformity and justice in charges, limitation of accumulated liability for charges which a parent is deemed unable to pay.

"The American Journal of Mental Deficiency," published in 1960, a study by Dr. Edward Eagle into the matter of charges for care (2). In this report, the author points out that "there is little uniformity with respect to the magnitude of the maximum legal charges, the percent of parents required to pay the maximum, the procedure for determining the ability to pay, * * * the items included in per capita costs, the amounts of per capita costs, the amount required by various States from parents having the same gross income, etc."

The author concludes that 1 in 30 mentally retarded children " * * * will require full-time care for life. This major calamity is the problem not only of the parents, but of society as well."

A report published by the Virginia Association for Retarded Children (3) analyzed in its first section the hospitalization pattern of the mentally retarded and the mentally ill. Its conclusion said in part:

"All conclusions draw from this study of the institutionalization patterns of the retarded and the mentally ill must point to differences rather than to similarities * * * it is clear that the whole institutionalization pattern, the circumstances and problems involved, the family situations and the medical aspects, are all completely different."

The second part of the Virginia report analyzes the charge systems, using data from references 1, 2 and others, and concludes that the charge systems are unrealistic and inequitable. The report cites "the arbitrary nature of the administration of ability-to-pay," and states the principle that:

"When an institution charge takes more from a family than that family would spend on that child maintained in the home, a hardship has been placed upon the standard of living of that family, upon its children, and upon the ability of the wage earner to educate his other children and to provide adequately for his own retirement."

The work of the NARC Committee on Residential Care, as embodied in the present report, has concentrated on the broader overall characteristics of the charge systems and has drawn from an analysis of these characteristics some definite conclusions and recommendations. These recommendations were embodied in a resolution which was proposed by the Committee and which was passed by the general membership meeting of the NARC at its 1962 annual convention in Chicago. The resolution is included at the end of the report.

III. SOURCES OF DATA

The principal source of the 1960-61 data is the NARC questionnaire which was sent to the appropriate agency in each State. Appendix A contains a copy of the questionnaire, along with additional information on sources, uses, and qualification of the data.

IV. BASIC INFORMATION ON CHARGE SYSTEMS

Basic data

Statutory charges.—The statutory annual charges for 1956 and for 1960-61 are shown in figure 1. The charge for each State in 1956 is indicated by the height of the solid bar, while the increase which occurred by 1960-61 can be read from the height of the cross-hatched bar, using the scales at either side of the figure.

Figure 2 summarizes the 1960-61 data and shows the number of States which charge nothing, low, high, and very high charges.

Per capita cost of care.—The annual per capita costs of care,* or expenditures, in the various States are shown in figure 3 for 1956 and for 1960-61. The height of the solid bar indicates the cost of care in 1956, while the height of the cross-hatched bar indicates the cost of care in 1960-61. For States having several institutions with different per capita costs, averages calculated for the entire State, weighted according to institution population, are shown.

Income distribution in the United States.—The income distribution for U.S. families is shown in figure 4. This figure shows that 3.7 percent (3.7 in 100) of American families earn more than \$15,000 per year, only 14 percent earn more than \$10,000, while nearly half earn less than \$5,000 per year.

Average family income and distribution of income varies from one State to another. Figure 4(b) is a tabulation of values for each of the 50 States.

These data show that there is no large group in this country which can afford to pay large charges over a long period. On the contrary, a very large percentage of families are shown to have incomes so low that they could not reasonably be expected to pay any charges other than for clothing and incidentals.

Trends

Comparison of cost and charges.—The data of figures 1 and 3 have been plotted in figure 5 to show the relationship between maximum statutory charge and per capita cost of care for 1956 and 1960-61. Each State is one point (circle symbol) on these figures. Figure 5(a) shows that in 1956 some States charged the same as cost (points on the dashed line), two States charged slightly more than cost (points above the dashed line), while more than half charged less than cost (points below the dashed line). Also, most of the States with costs greater than \$1,300 per year charged substantially less than cost. The maximum cost of care (expenditures) is shown to be about \$1,700 in 1956.

By 1960-61 (fig. 5(b)), a number of changes have occurred. About 18 States spent more than \$1,700 per year. Only about seven of these States attempted to charge the full cost of care (points on or near the dashed line). The remainder charged substantially less than cost. The five States which spent a great deal more than \$2,000 per year had a maximum statutory charge of less than \$1,000. One of the five had a maximum statutory charge of less than \$500 per year, and one charged nothing.

In the group of States which spent less than \$1,700 per year, the points are generally higher and closer to the dashed line in 1960-61, which indicates a significant general rise in maximum statutory charges.

Thus, figure 5(b) shows that in the upward movement of per capita cost of care, many of the States have pushed maximum statutory charge upward along with expenditures. Some States have shown intention of collecting the full cost of care at levels approaching \$2,000 per year. A few States, however, have divorced statutory charge and cost of care by charging only a fraction of costs at the \$1,500 level and above.

Changes in statutory charges.—Figure 6 compares the maximum statutory charges in 1960-61 with those in 1956. Points on the dashed line indicate charges which were the same during both years. The points above the dashed line indicate increase in charges from 1956 to 1960-61 with the amount of increase equal to the vertical distance between the point and the dashed line.

Clearly, charges have been increased in over two-thirds of the States. The increases in most States are large, and occur for States which had high charges in 1956 as well as for States which had low charges. The level of statutory charges

*Generally defined as the institution budget divided by the total number of patients.

in about one-fourth of the States has reached the cost of maintaining a child in college.

The number of States making no charge is shown to be three in 1960-61, two less than in 1956.

Predicted future increases.—The NARC questionnaire asked: "Do you anticipate a change in present monthly charge?" The left portion of figure 7 shows the answers received. Twenty-four States said "Yes" (and indicated an increase), while 20 States said "No."

On the right portion of the figure, the present charges are plotted for those States which said: "Yes, a change [increase] is expected." Seventeen of the twenty-four States which predict increases are now charging between \$1,000 and \$2,000 per year, with 8 of the 17 already charging more than \$1,500 per year.

The solid black points on figure 7 have another interesting distinction—these points are for States which now collect the full charge from less than 2 percent (2 in 100) of the patients.

Thus, the information on this figure shows that almost half of the States are expecting to increase their maximum statutory charges, although many of these charges are already large, and although many of the States are actually collecting such charges from only a very small percentage of the residents involved.

Basis for maximum statutory charge

It has been suggested by other research reports in this field (such as references 1 and 3) that the maximum rate should not be tied to the per capita cost of the institutional program. Part of the justification for this suggestion is that the per capita costs contain numerous items which represent community services which are tax based and for which there should be no charge.

States which base statutory charge on per capita costs.—Figure 8 compares the number of States which based their maximum statutory charge on per capita costs in 1956 and in 1960-61. This figure shows that the number of States which base their statutory charge on per capita costs rose from 20 in 1956 to 28 in 1960-61. It is clear that more and more States are basing their maximum charge on the per capita cost.

Content of per capita cost.—The questionnaire asked each State to check the items which are included in per capita cost (PCC) from a list of specific items. The following table shows the results for the 28 States which answered this question.

Item	States which include this item in per capita cost ¹
Food and lodging.....	28
Medical care.....	28
Staff salaries.....	28
Formal education program.....	27
Staff training.....	24
Rehabilitation.....	26
Building repair and maintenance.....	24
Building construction (capital outlay).....	1

¹ 28 States replying.

The arguments against including "Formal education program" and "Rehabilitation" in per capita costs are formidable. The parents pay local and State taxes to help provide these services in their communities. In paying a charge based upon per capita costs these parents are required to pay a second time for these services. Twenty-seven out of twenty-eight States answered that they do include education in per capita costs, the exception being Texas, which has legislation specifically forbidding the inclusion of this item.

Although the questionnaire did not probe these areas in detail, police and fire protection are also ordinarily included in per capita costs,* in spite of the fact that these, too, are services normally supplied by the community at no cost. Research is another item, which, according to reference 1, is included in the per capita costs of two-thirds of the States which answered the 1956 NARC questionnaire. Research is an important function which should be sponsored directly by the State and should not be added to the burden of those who are striving to pay the cost of care for institutionalized children.

* See footnote, p. 5925.

Finally, the cost of clothing for indigent institution residents is included in the per capita costs of many States. Parents who are paying part or full charge are therefore sharing the clothing bill for these residents while paying the clothing bill for their own children directly.

Some conclusions for section III

The foregoing information on costs, charges, trends, and income has been presented as the basic information necessary to an understanding of the charge systems. This information shows that maximum statutory charges are rising rapidly, as are per capita costs or expenditures. Many States are attempting to keep charges tied to per capita costs, while others, including some very high cost States, have abandoned this approach and are charging a great deal less than cost. Family income data shows that a large percentage of American families have relatively modest incomes. There appears to be no large income group which can afford very high charges over a long period of time.

It is now appropriate to turn to a detailed study of the actual working of the charge systems, their performance and the impact which they are having upon parents of the mentally retarded. The next section of this report discusses these aspects of the problem in considerable detail.

V. THE PERFORMANCE AND IMPACT OF CHARGE SYSTEMS

Performance

In an examination of the performance of the existing charge systems, it is necessary to use general data covering all States and such specific data as is available from individual States. Where detailed data from an individual State is used, the State is not named. Such data are presented only to illustrate a particular phenomena, and no claim to generalization is made.

The overall performance from the standpoint of the State is shown by one simple item: The amount of money collected by each State, compared to the amount which the charge system intends or pretends to try to collect.

Portion of per capita costs collected.—In figure 9 the total heights of the bars show the cost of care in the various States, repeated from figure 3. The solid black portion of each bar shows the amount of this cost collected, on the average, for the State. The height of this black portion, then, compared to the total height of the bar is a direct measure of the percentage of the total institution budget collected in charges in that State (see the example on fig. 9).

This figure shows that in spite of high and steadily rising charges in many States which make a pretense of attempting to recover the cost of care, only a very small portion of the institution budget is actually recovered in charges. The maximum collected in any State is about 12 percent, and two-thirds of the States reporting collected less than 8 percent. An overall reason for this situation is, of course, found in the data on income distribution in the United States previously presented in figure 4. The fact that the percentage recovered varies greatly from one State to another is an indication that the philosophy or intent of the State or its collection agency also varies greatly from one State to another.

Number of patients paying full, part, or nothing.—The performance of the charge systems, from the standpoint of the institution resident and the parents, is shown in figure 10. This figure shows the percentage of residents paying (or for whom is paid) the full charge (white bar), part charge (cross-hatched bar) or nothing (black bar). It will be noted that only a very small percentage pays the full charge (not over 10 percent for any State, in some States no one). The percentage of residents which pay part of the statutory charge varies from 5 to 60 percent, depending upon the State. The percentage which pays nothing is very large, varying from about 25 percent to more than 96 percent.

Figure 10 appears to support the conclusions drawn previously from the figure showing income distribution in the United States (fig. 4), the conclusion that there is no large income group which can afford large charges for institution care and only a relatively small group which has income sufficient to pay any charges at all.

This figure also illustrates the very great difference of opinion among the various States as to how many can or should pay. The procedures used in the various States for determining how much a particular family should pay is discussed in detail in a later section entitled "Ability to Pay."

History of payments as charges rise.—Figure 11 shows what happened to collections in a high-charge Eastern State when the statutory charge was twice raised to higher levels. The rectangle drawn with a dashed line shows the amount of money which this State would collect if everyone paid the full statutory charge.

This amount thus represents a sort of "target" amount. The cross-hatched areas show, to the same scale, the amount of money actually collected from those who pay full charge and part charge. The percentages and number of institution residents in each category are indicated at the bottom of the figure. This figure shows that in 1956-57 8 percent of the residents paid the full charge of \$450 per year, while 21 percent paid a part payment which averaged \$186 per year. When the statutory charge was raised to \$780 per year in 1959-60, the same 8 percent paid this amount, while 26 percent paid a part payment averaging \$318. When the rate was raised to \$1,200 per year in 1960-61, only 6 percent paid this rate. Thirty-two percent paid a part payment averaging \$373 per year.

It will be noted that the average payment rose substantially each time the statutory rate was increased, although presumably under the ability-to-pay system each person making a partial payment was already paying all that he could. Although some of the increase was undoubtedly due to tightening of the system and to increased collections from "third-party" sources, the evidence is strong that increased statutory charges result in increased pressure on parents all along the line.

The fact that the cross-hatched area showing full payments has become narrower when the charge was raised from \$780 to \$1,200 (156 residents paying versus 224) indicates that the revenue to be derived from full payments will probably not increase substantially in this State if rates are raised still further. The increased efforts at collection and the increased burden carried by this dwindling number of people are not justified by the small increased return to the State.*

Accounts in arrears.—Figure 12 shows the number of institution residents paying various charges and the amount by which these groups are in arrears in one Midwest high-charge State. For example, the top section of the chart shows that 165 residents are paying the full charge. Ninety are paying \$900 to \$1,800, etc. The bottom section of the chart shows the amount of payments in arrears for each group. Fifty residents, or nearly one-third of the 165 who are supposed to be paying the full charge, are in arrears \$3,000 or more, while 25 more are in arrears between \$1,000 and \$3,000. About one-fifth of the 90 which pay \$900 to \$1,800 are in arrears \$3,000 or more. The number of residents in arrears for various amounts can be estimated for each payment group from the chart.

To look at this figure another way, the areas which comprise the top section show, to scale, the amount of money which the State is committed to collect from each group, while the areas which comprise the lower section of the chart show, to the same scale, the amount by which each group is in debt to the State. Clearly, a significant number of parents are in debt for significant amounts of money in this State.

Information from another (Eastern) State indicates that with collections from patients running about \$2,800,000 per year (total of all mental hospitals), accounts in arrears total nearly \$1,900,000. The reasons for these situations are not known; however, the existence of debts of this magnitude would appear to be incompatible with the concept, claimed by most reimbursement legislation or systems, that the amount charged a family shall be that which can be paid "without hardship." It seems likely, although it has not been proven, that similar situations exist in other States.

Ability to pay

The foregoing data have shown that in no State is the full statutory charge paid by more than a very small percentage of the residents (parents). The rest come under some sort of administrative procedure which sets a rate of payment according to their "means" or "ability to pay." Because most parents of institutionalized children come under this administrative procedure, it will be treated in as much detail as is possible with the available data. It should be noted that detailed information which would permit a study of the true nature and inner workings of the ability-to-pay procedures are largely unavailable; consequently, an analytical and inferential approach based upon available data has been used.

Agency which determines ability to pay.—Figure 13 lists the various persons, agencies or authorities which make the ability-to-pay determination and the number of States in which each is used. Six different agencies or categories are seen to be performing this test, including various State agencies, local government, and local courts. The differences in the nature and interests of these agencies suggest that their ability to perform this task might differ considerably, and that their determinations of ability to pay might vary greatly from one State to another

*Nevertheless, the statutory charge in this State was increased 25 percent on the following year.

as a result. That this is indeed the case is amply illustrated by the data which follows.

Example of charge determination in 40 States.—Figure 14 shows the annual charge which would be levied, based upon ability to pay, in 41 States for an identical family. These data were gathered by Dr. Edward Eagle, author of reference 2. The family was described as a family of three with no unusual debts or assets and with a gross income of \$6,000 per year. Nine States said that for this family there would be "no charge" (square symbols on the bottom line), 8 States said that they could specify "no set charge" (square symbols to the right), 12 States gave a firm number or a range of numbers from \$300 to \$980 per year (squares and rectangles), while 11 States gave an amount which the charge would be "less than" (arrow symbols).

Even when allowance is made for the uncertainty of over half of the answers, it is clear that there is a very wide range of charges levied upon this "example family" by the 41 States. Inasmuch as mental retardation and the problems which it produces are quite similar in the various States, it is inconceivable that a charge of nothing in one State and a charge of \$980 in another, for the same income, could both be just and equitable. Consequently, the evidence shown must be taken to mean that ability to pay is not an absolute, measurable, definable quantity, but is rather an arbitrary opinion which varies greatly from one authority to another and from one State to another.

Impact upon the family.—In considering the impact of institution charges upon the family, it should be remembered that the charges may come into the family budget after this budget has been strained for years by extra expenses in connection with the retarded child. Also, the institution charges may continue for many years, perhaps for the lifetime of the parents, or longer.

Figure 15 provides information with which the impact of charges upon a family can be examined in detail. Shown on the right half of this figure is a typical budget for a family with a \$6,000 gross income. This budget, or the way in which the average family in this pay bracket spends its income, was determined by a research project of the U.S. Department of Labor (USDL) (4). This value of income is of particular interest because it is the midrange of incomes from \$5370 to \$6567 which are described by the USDL research as "modest but adequate" levels in various areas of the United States.

Shown on the left half of the figure, with dollars drawn to the same scale, is the institution charge in the range of a typical high-charge State (fig. 14), taken as \$800 per year for this income. Added to this value is an estimate of \$350 for clothing, transportation, and miscellaneous, making a total cost to the family of \$1,150.

To evaluate the impact which institution costs of \$1,150 have upon a \$6,000 income, one need only to attempt to find space for the cross-hatched column at the left in the column at the right. It will be noted that several of the budget items shown are fixed items, such as taxes, insurance, medical, etc. It will be noted also that the budget does not include an allowance for savings, education, or contingencies. It is clear that \$1,150 cannot be taken from this budget without producing a serious decrease in the standard of living of this family.

The foregoing analysis suggests that institution charges which are collected from incomes in and below this "modest but adequate" level bear no relation to "ability to pay," but instead represent a serious and arbitrary decrease in the standard of living for the family. Consequently, one of the strongest recommendations emanating from this study is the recommendation that this level of income be established as the limit below which no charges will be asked for other than clothing and incidentals.

Some quotes from reimbursement statutes.—While no effort was made to collect or analyze legislation from all States, a file of such information was accumulated and examined during the study. The legislation of many States appears to set forth the reimbursement procedures in only general terms, leaving, in effect, the policies, rates, and procedures of reimbursement to the executive agency of the government. The following quotations are each from the statutes of a different State:

"Whenever the parent, guardian, or estate of the child is able to do so, the cost of maintenance in whole or in part shall be borne by them, the amount and payment thereof to be determined and arranged by the Board of Commissioners of State institutions from time-to-time as conditions and circumstances may permit * * *."

"The county welfare boards shall investigate the financial circumstances of each patient and his relatives and shall report them to the Commissioner. The Commissioner shall make such further investigations as he deems necessary and

shall determine * * * what part of the cost of care the patient is able to pay, if any. If, in the opinion of the Commissioner, the patient is unable to pay the full cost of care, he shall make a like determination as to the ability of the relatives to pay the charge provided in section 3 thereof."

"* * * the person legally liable for the support of any such person, shall be liable for the expense of his care, treatment and maintenance in such institution. Such expense shall not exceed the actual per capita cost of maintenance and shall be fixed by the Department of Mental Hygiene and Hospitals * * *. The department may contract with any patient's parent, guardian, trustee, committee, or the person legally liable for his support and maintenance, and in arriving at the amount to be paid, the department shall have due regard for the financial condition and estate of the patient or inmate, his present and future needs and the present and future needs of his lawful dependents, and, whenever deemed necessary to protect him, or his dependents, may agree to accept a monthly sum for his maintenance less than the actual per capita cost of his maintenance."

"In exercising this right of reimbursement the director of mental health may, whenever it is deemed just and expedient to do so, exonerate any person chargeable with such maintenance from the payment thereof in whole or in part, if the director finds that such person is unable to pay or that payment would work an undue hardship on him or on those dependent upon him * * *."

"The department shall develop procedures to determine the ability of a patient or his legally responsible relative to pay all or a part of the costs of the patient's care and shall adopt rules and regulations for the assessment of charges in accordance with the ability to pay * * *."

These samples illustrate the curious situation which prevails in many States with regard to reimbursement legislation. Legislation in these States does not spell out conditions of payment, nor does it give a policy or even define the terms (such as "due regard for the financial condition" or "works an undue hardship") used. Such legislation merely hands the whole affair over to an executive or judicial agency to run as it sees fit. As a result, nearly all of the parents of the institutionalized retarded come under an administrative ruling of a government agency for reimbursement purposes, rather than under the legislative ruling of the governing body.

In recognition of this situation, the NARC questionnaire sought information on the methods used in determining ability to pay.

Curves and charts for determining charges.—The NARC questionnaire asked the question: "Are charts, tables, or scales for determining adjusted charges published and/or available?" Figure 16 shows that 33 States answered "No," while only 9 States said "Yes." A few of the States which answered "No" gave some explanation. Some quotations from these replies are of interest here.

One State wrote: "* * * the system used to determine charges is rather complicated and cannot be determined by a table or scale alone but is made up of many factors involving a total family situation of which the resident is a member."

From another: "* * * the system used to determine charges * * * is based on an individual's ability to pay * * * all factors are considered * * * where charges are strictly on an ability-to-pay basis, without working an undue hardship, you can readily see that such a chart would not be practical or equitable in administering our reimbursement law."

Such well-meaning but vague statements were the only information which some States provided regarding their methods of determining charges under their reimbursement laws.

In denying that any system for determining ability to pay can be set forth in black and white, these statements seem to be saying that ability to pay is more an art than a science. That it is, in fact, neither art nor science but only an arbitrary opinion of the determining person, has been amply illustrated by figure 14 and others.

Further, if the States which deny having charts or tables for release to the public really do not have such, even for internal use, it seems unquestionable that differences in charges determined by different persons in different areas of the same State will be great, perhaps as great as those shown in figure 14.

Other researchers have reached similar conclusions regarding the elusiveness of ability-to-pay procedures. For example, Mernitz states (5):

"Because of its elusive character, application of the ability-to-pay standard is subject to considerable manipulation, not infrequently resulting in unfairness and favoritism. Most statutes imposing private responsibility lack any standard of determination at all other than the bare direction that charges be assessed in accordance with ability to pay."

All nine of the States which acknowledged that charts were available supplied copies. Eight of these have been plotted graphically on figure 17. (Data for the ninth, Colorado, was based upon State income tax blanks and could not be readily plotted.) Data for Kentucky have been added from information compiled by the Mental Health Commission in South Carolina (6). This figure shows the amount of charge asked (left scale) for various amounts of gross income (bottom scale). The step shape which is characteristic of most tables is shown for those States where the steps are large enough to be significant. The rest are plotted as continuous lines.

For ease in reading, the fine solid lines have been added to show 5, 10, 15, 20 percent of gross income, as labeled. The percentage of gross income asked by the various States for various incomes can be readily estimated by the position of the charge curve with respect to these lines.

The great differences among these curves illustrate dramatically the large differences of opinion among the States as to what charges should be. It is astonishing to note that seven of these States levy charges upon families with incomes of less than \$4,000 per year. Taken as a group, these curves show that, for incomes of \$4,000, charges in most of these States are around 5 percent of gross income, or about \$200 per year. For incomes of \$6,000 charges run from about 6 percent to nearly 20 percent of gross income, or from about \$400 to above \$1,000 per year. Above incomes of \$7,000 almost all of these States are charging between 10 and 20 percent of gross income.

The slope of the curves of figure 17 shows the rate at which charge is increased as income rises. The general slopes for all States on the first part of this figure (ignoring the step shape of some) are seen to be quite similar and slightly steeper than the line labeled "30 percent of gross income." This slope means that, for each additional \$100 earned by the parent above about \$5,000 income, these States ask \$30 to \$36 more in institution charges until the maximum charge is reached. The slopes of the curves on the second part of figure 17 are varied, with a few approximating the 10-percent line. This slope means that approximately \$10 is asked in charges for each \$100 in additional gross income earned.

Criteria for determination of ability to pay.—It is of interest to consider next the criteria for determining ability to pay; i.e., the information upon which the determination is based.

The NARC study¹ lists the results of a rather detailed inquiry into the factors considered by the various States. These data give some insight (for 1956) into the basis or criteria which is stated to be in use.

No effort was made in the present study to repeat this survey, nor to obtain detailed forms used by each State to document financial information on individual families. It is of interest, however, to consider the items on which information was asked by the blank forms sent to parents in one high-charge State. These items are:

Income	Assets
Debts and time payments	Rent or house payment
Food	Utilities
Heat	Taxes
Clothing	Retirement deductions
Insurance	Other (specify)
Transportation	

Entirely missing from the blank forms are such valid and vital budget items as:

Medical expenses	Vacation and recreation
Education and reserve for education	Christmas
Reserve for retirement	Savings and contingencies
Reserve for automobile replacement	Home maintenance
Church and charities	

When questioned on the allowability of items on the latter list, the reimbursement officials in that State agreed that these items were probably allowable, and that the parents should list these items along with the others. In the discussion, it was pointed out that many parents were not including these items because they were not on the forms, and consequently were not giving a true account of their costs and obligations. In spite of this inquiry, however, no change or additions to the original list of items appeared on a reprinted version of the forms later issued in this State.

The above information is but one of numerous examples of the ways in which inequities can be injected into or can creep into the ability-to-pay procedures.

Inasmuch as these procedures are dealing with a family's standard of living and may have a pronounced effect upon the long-term financial life of the family, such inequities should be regarded as a very serious matter.

A number of other questions come to mind in studying the list of items above. To what extent should assets be considered to enter into determination of ability to pay? If a family of modest income owns modest assets, should the family be required to liquidate these assets to pay charges? To what extent can assets be held as reserves for education or retirement? Who is to say? Inasmuch as a family's assets represent a degree of security for the future, should not only the income from these assets, if any, be considered to affect ability to pay?

How much reserve for education and reserve for retirement is allowable? What level of housing should a family enjoy? How much should a family give to church and charities, or spend on vacation and recreation? What is hardship? What is an adequate standard of living? How much sacrifice should a family or the other children in the family be expected to make? Who is to say?

A little reflection along the lines sketched above brings one quickly to the conclusion that those who determine "ability to pay" have much control over the standard of living, education of the children, and the present and future security of the whole family. It is disturbing to note that this very grave responsibility has in many cases been given without appreciable legislative direction, that it is reportedly executed without established charts, tables, or formal methods, and that the results are so inconsistent that they must be considered to be arbitrary opinions which vary greatly (fig. 14) from one authority to another.

The inquiry into personal financial matters.—In general, parents of institutionalized retarded children who cannot afford to pay the full statutory charge are required to reveal the complete, intimate details of their financial status to the agency which determines ability to pay. In States in which the determination is made by the court (fig. 13) these details may be thrown into open court. This practice is unacceptable for a number of obvious reasons and has been, according to a recent study (7), " * * almost universally condemned by both lawyers and psychiatrists."

In some States the parents are turned over to the welfare agency for investigation (fig. 13) and must endure the attendant indignity. In nearly all States, the financial life of the family is under continuous detailed scrutiny by the determining agency, with determinations being made sometimes as often as every 6 months.

In many States the parents who cannot pay the full charge are technically indigent, and in some States they are actually classified in the statute as legally indigent.

Unfortunately, it is not just a small portion of parents who are subjected to these procedures. Only the very small number which voluntarily pay the full charge without submitting to investigation is excepted (fig. 10). The rest, which number from 90 to almost 100 percent of the parents, and which include a very large number of hard-working, responsible citizens, must endure the stigma of being labeled "indigent," the indignity of welfare procedures, and the frustration of surrendering the right of planning the family's financial future. The addition of these burdens to the considerable burdens which the family already carries in having an institutionalized child would seem to indicate a lack of understanding of the basic facts about mental retardation and about the problems which it produces.

A few States have attempted to ease the matter of inquiry into personal financial matters by basing determination of ability to pay solely upon net income as computed on income tax forms. This sort of system is considered to have much merit and its use is suggested in the recommendations which appear at the end of this study.

Payments by "third parties."—An item which has become of increased importance in the area of reimbursement is payments by "third parties"; that is, sources other than the institution resident or the parents. These sources, which include social security, retirement benefits, and the like, can provide significant income in behalf of residents which might not otherwise be able to pay for care. As such, they are important to any reimbursement program, and must be taken into account when modifying or designing a charge system.

The availability of these "third party" payments, however, is sometimes used as an argument for setting the statutory charge as high as possible. Figure 15 shows some interesting information on the relative importance of "third party" sources in full and part payments in one high-charge State. The right portion of the figure shows that two-thirds (66 percent) of the full payments are made solely by relatives, while relatives participated in another 16 percent of the full

payments. Only 18 percent of the full payments are made solely by "third party" sources.

The left portion of the figure shows that nearly half (45 percent) of the part payments are made by "third party" sources, with relatives making the other half of the part payments.

This figure, though limited to one particular State, would seem to indicate that the largest burden of full payments is carried by relatives, and that "third party" sources are of far greater importance in the area of part payments. These part payments are, of course, fixed by the "third party" source itself rather than by the statutory charge. Thus, raising the statutory charge serves principally to lay increased burdens directly upon the relatives, and would affect to a far smaller extent the amounts collected from "third party" sources.

Payments by hospitalization "insurance."—The payment by some hospitalization plans for the care of the institutionalized retarded, though not widespread, is nevertheless a significant item. The availability of such payments raises the question "What is the effect of the existence of hospitalization insurance on ability to pay?"

One high-charge State does not mince words on this matter. Its legislation says:

"If a patient has an insurance contract providing for payment of expenses at a hospital providing services for mental retardation, the other provisions of this division (on determining ability-to-pay) shall be suspended while such insurance is in force and such patient shall be charged the full amount of the average per capita cost for services at the type of institution at which the patient receives care."

In considering the equity of legislation or administrative policy such as this, it should be remembered that hospitalization insurance is bought and paid for by the individual to protect himself from the unforeseen catastrophe of large medical bills. In a State having statute or policy that is quoted above, the following situation is conceivable:

A family with an institutionalized child for whom the statutory rate is \$125 per month has been examined and found "able to pay" \$75 per month. It is then discovered that the family has a hospitalization policy which will pay \$50 per month for a limited time. The State immediately proceeds to collect \$125 per month: \$75 from the parents and \$50 from the insurance company. When the limited time period is over, the hospitalization payments cease and the charge continues at \$75 per month from the parents.

Obviously, in this hypothetical case, the protection which the parent had purchased for his family has been denied him for this hospitalization and converted to the benefit of the State.

Legally, insurance can be looked upon as a contract between an individual and a company. There appears to be considerable question as to whether there is any legal or moral justification for taking into account an insurance contract in determining responsibility or charges, whether the insurance is automobile liability, hospitalization, burial insurance, or whatever.

Some conclusions for section IV

The foregoing information on performance and impact of charge systems has shown that the percentage of parents who pay full charge is very small, in no State more than 10 percent. A larger group pays a part charge, but the largest group, which in most States is between 50 and 90 percent, pays nothing. This situation is a result of the level of family income, as described earlier in the report. As a consequence, the amount of money recovered in charges by the State is very small (in no State more than 12 percent) compared with the total expenditures.

The ability-to-pay procedures, which are used by most States to determine the amount of payment demanded of all parents except the few who voluntarily pay the full charge, have been shown on a nationwide basis to be inconsistent, undefined, and inequitable. These procedures do not deal in measurable quantities but produce determinations which are only arbitrary opinions. Further, charges based upon these procedures are shown by the available data to be widely guilty of invading the basic standard of living of families of modest incomes.

VI. TOWARD A NEW PHILOSOPHY ON CHARGES

Background

The foregoing sections have presented and analyzed the technical aspects of charges for institution care, including the basic statistical data showing status, trends, and performance. In distilling from this material the basis for improved

charge systems, it is essential to add the ingredients of sociological, humanistic, and philosophical considerations. It is beyond the scope of this report to discuss or debate these considerations in any great detail. This section will therefore present only a few additional facts regarding the mentally retarded, their families, and their communities, and will then present the general conclusions and recommendations of the committee.

Differences between the mentally retarded and the mentally ill.—A report on the matter of institution charges would be incomplete without consideration of the confusion which exists regarding the relationship between the mentally retarded and the mentally ill.

In the past these two groups have in many instances been treated alike. In many States, both groups were cared for in the same institution. Although separation in different institutions has now been effected in most States, the institutions for the mentally retarded are often administered by the same agency which administers the hospitals for the mentally ill. The reimbursement laws covering the two groups are often similar, if not identical. Legislation in the various States which sets the statutory maximum charge at the full cost of care often makes no differentiation between the two groups. Indeed, there is evidence that not only the general public, but also legislators and administrative agencies may not, in some cases, clearly understand the differences between these two groups.

The study by the Virginia Association for Retarded Children (3) presents a detailed analysis of this point, based upon the hospital records for one particular State. The results of this analysis showed that the number of patient movements (admissions, discharges, deaths) among the mentally ill was very large and showed that average lengths of stay were 10 months for first admissions, 20 months for readmissions, and 6 years for persons who died in the hospital.

The mentally retarded patients, on the other hand, showed so little movement that average lengths of stay could not be computed directly. A deeper analysis of the data on the mentally retarded showed that most retarded were admitted as children, and that except for those highly defective children who died young, and except for the modest number of youths (most mildly retarded educable) who left after their schooling was completed, a large number of patients stayed in the institution for a very long time—20, 30, 40, years, or a lifetime.

This study concludes that the circumstances of hospitalization, family problems and the medical aspects are all completely different. Generally speaking, the patient coming now to a hospital for the mentally ill, is, except for his period of hospitalization, an independent adult, a competent wage earner, whose stay in the hospital is relatively short. The resident in the institution for the mentally retarded, on the other hand, enters at an early age for a long, perhaps a lifetime stay and is, generally speaking, dependent for life.

It is imperative that these differences be carefully considered when designing a system of charges for institution care.

Attitudes of the parents.—In addition to the formal questionnaires which sought factual data from State agencies concerned with hospital administration and reimbursement, the NARC Committee performing the study asked for background information, parental attitudes, future trends, etc., from State associations for retarded children. Letters containing helpful information were received from a majority of the States.

It is unfortunate that no means exists for readily presenting the composite of opinions which these letters contained. Collectively the letters provided the committee with a fine feel for the grassroots thoughts on the matter of charges for the residential care of the retarded.

Many letters expressed gratitude for the progress in the particular State, and a hope for better understanding of the problems faced by the parents of institutionalized children. Most letters spoke out against the particular symptom of lack of understanding in that State: lien laws, high charges, double taxation, collections in the hands of the wrong agency, inequities in setting charges, the lifetime burden laid on parents. Some mentioned that children with other handicaps (the blind, the deaf, etc.) are treated far differently from the retarded in their State (an item which is discussed in detail in the NARC study (1) and the article by Dr. Eagle (2)). In short, a great many of the items which have been discussed in this report were brought up in these letters as items of grave concern.

One thought which appeared in many letters and which was very much in evidence in the discussions within NARC is the view that most parents expect and desire to participate in the care of their retarded children. They do not ask to be relieved of all responsibility, but expect to share in it, whether through payment of some measure of the costs or through providing for clothing, personal needs, and incidentals. This philosophy runs through this report and is found

firmly embodied in the formal NARC resolution which will be presented later in this section.

Having affirmed their intention to do their part, the parents ask, as they have asked on other subjects in the past, that the community also accept a share of the responsibility, enough to make the burden manageable to the parents.

Attitudes of the community.—The attitude of the community (State), as revealed by the variety of policies on reimbursement described in the previous sections of this report, can be described as widely varying. At one end is the State which charges nothing for the residential care of the retarded. At the other end is the State whose legislation demands collection of the full cost of care, and perhaps prescribes pernicious methods to enforce collection, such as the use of lien laws* to cover the portion of costs which a family is deemed unable to pay.

It is clear from these differences that the community needs to make a new assessment of this matter. This new assessment should be based upon an understanding of the technical and economic information on reimbursement, such as is presented in this report, and upon a familiarity with the growing body of scientific information on mental retardation. It must be based also upon a careful consideration of the sociological and family aspects of the problem, aspects which are only lightly touched upon in this report.

Based upon past experience, there is room for optimism that if the facts of the matter are brought before the community, a demand for improvement in this situation will result.

It should be mentioned that all States face the continuous requirement for obtaining the funds with which to implement their ever-increasing array of services. Consequently, the policies and legislation on reimbursements in many States are very highly revenue oriented. While this need for revenue can be understood, it should not be considered a justification for placing undue financial burdens upon the parents of the institutionalized retarded. Although detailed data are not available upon which to base an analysis, it can be deduced from the data presented previously that modification of reimbursement systems to eliminate hardship and inequities would decrease the revenue to most States by an amount which is very small in terms of the total institution budget.

Conclusions and recommendations from this study

The following are the principal conclusions which have been produced by the NARC survey and study of charges for residential care. Each conclusion is followed by the general recommendation of the committee on the particular point.

1. The maximum statutory charges for institution care of mentally retarded children have increased precipitously in the past 4 to 6 years. These charges now exceed in many States the cost of maintaining a child in college.

Recommendation: That the States recognize that the statutory charges for institution care of mentally retarded children are too large to be borne alone by any appreciable segment of our population, and that the matter of reimbursement be studied and be realized with reality.

2. More and more States are basing their statutory charges on per-capita costs; consequently, further increase in charges are predicted by 25 States, many of them already high-charges States.

Recommendation: That the principle of responsibility of parents for the full cost of care, or per capita cost, be abolished, and that the community willingly assume a portion of the cost of care of all institutionalized retarded.

3. The impact of institution charges actually levied upon parents in many States appears to be very great. There is evidence that significant reductions in standard of living are being produced, particularly among those parents who are in modest income brackets.

Recommendation: That maximum charges to the parents be limited to the cost of rearing a normal child at home, and that no charge for other than clothing and incidentals be made to families whose income is below a modest but adequate level.

4. In their performance, the charge systems of the various States demonstrate that the ability-to-pay determination is a vague and indefinable procedure which invades the private affairs of the family and which produces only arbitrary opinions. In spite of its claims of being based upon "ability" and "no hardship," the procedure is shown by the data to be widely guilty of invading the basic standard of living of families of very modest income.

Recommendation: That a simple sliding scale, for cases in which payment less than the maximum is justified, should be developed based upon net taxable income, and published.

*Not covered in this report. Some information will be found in references 1 and 2.

5. The charge systems throughout the country, in spite of all efforts of the States to collect and all effort of the parents to pay, succeed in collecting only a small percentage of institution costs. The reason is found in the income statistics which show that there is no large income group which can afford to pay large institution charges, and only a modest group which can afford to pay any charges at all.

Recommendation: That the community recognize that the costs of institutionalization are too great to be carried by individuals, and like other major economic problems, must be spread over the collective tax revenues of the community.

The NARC Resolution: A guide for the future

The conclusions and recommendations drawn from the work of the NARC Committee on Residential Care of the Mentally Retarded have been embodied in a resolution which was submitted by the Committee to the NARC annual convention in October 1962. This resolution was passed by the membership in its general meeting. It will be noted that the resolution does not attempt to spell out what charges should be. Rather, it sets forth principles and limitations, which can be used in the design of a charge system for each State. A system designed on these principles will serve the requirements of the State and, at the same time, serve and protect the needs of families in whose hands has been placed one of society's great unsolved problems—a mentally retarded child.

The full text of the resolution follows:

"RESOLUTION

"Whereas mental retardation is a catastrophe which may befall a child in any family, at any economic level, in any community; and

"Whereas in the best interest of the retarded person, his family, or his community it may become necessary that he be placed in an institution; and

"Whereas for a period of 8 years NARC has conducted a comprehensive research and analysis of institution charges in the United States; and

"Whereas the conclusions drawn from this research have shown that great differences exist between the charges assessed parents in the various States, and that these charges result in damaging reductions in the standard of living of many families, particularly those families with modest incomes: Now, therefore, be it

Resolved, That the National Association for Retarded Children recognizes and commends those States which have acknowledged that the cost of care of the mentally retarded is too great to be carried by the parents alone, and which have assumed a substantial share, or all, such costs; and be it further

Resolved, That the National Association for Retarded Children recommends that in those States where payment for institutional care is required, the charge system should embody the following principles, limitations, and procedures:

1. The maximum responsibility of parents for the cost of care of the retarded in public institutions shall be limited to the cost of rearing a normal child at home.

2. Other than provision of clothing and incidentals, no charges for institutional care shall be made for families whose incomes are below those described as "modest but adequate" by the Bureau of Statistics, U.S. Department of Labor.

3. For families with incomes above the minimum level, criteria and procedures for determining charges should be developed, based primarily upon net taxable income.

4. Responsibility of parents for charges shall be reduced or cease if the period of institutional care is very prolonged or when the child reaches age 21.

5. No charges or debt shall accrue for other than the charges set by the procedures outlined above. There shall be a statute of limitations to provide that no charges can be recovered which are past due for more than 5 years.

6. Assets or entitlements of individuals residing in institutions may be applied toward reimbursement to the extent of average per capita cost, with full consideration of his needs upon rehabilitation and release.

VII. REFERENCES

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7. "Reimbursement for the Care of Mental Patients—A Compilation of State Programs and Policies." House Order No. 3380, the Commonwealth of Massachusetts (Feb. 19, 1962). Prepared by the Legislative Research Bureau. Wright & Potter Printing Co., Legislative Printers, 1962.

APPENDIX A

SOURCES AND USE OF DATA

The principal source of the 1960-61 data is the NARC questionnaire, a copy of which is included at the end of appendix A. This questionnaire, was designed to solicit information normally available to the State agency which administers institutions for the mentally retarded. It was, however, inadvertently sent to the various State institutions along with questionnaires on other subjects. Later it was also sent to the State agencies. Many State institutions provided what information they could on these questionnaires. Most State agencies also answered the questionnaire.

Some disagreement was found between answers from the individual institutions and from the State agency in the same State. Many of the discrepancies can probably be explained by minor differences in method of keeping records and the like, and are not sufficient to materially affect the analysis for which these data were used. In general, the data from the State agency were used. Where no reply was received from the agency, or where the agency data were missing or obviously in error, the institution data were used.

Other sources of data and information were used to cross-check and fill blanks. These sources included legislative research reports (such as that of the U.S. Department of Labor (4), material supplied by State Associations for Retarded Children, and publications (such as that by Mernitz (5). Except as otherwise indicated, the data presented are for 1960-61. Comparisons are made with data from the earlier NARC study (1) of 1956. Sources of data for 1956 include this study as well as that of the Virginia Association for Retarded Children (3).

It is emphasized that the data contained in this report were not compiled to produce an utterly complete statistical report. Rather, the purpose was to produce a working document of respectable accuracy which illustrates the status and trends of charges for residential care, and which highlights the problems and the situations which are of concern to the parent and friends of the mentally retarded. Accordingly, graphical methods of presenting the basic data are used in preference to tabular methods.

NATIONAL ASSOCIATION FOR RETARDED CHILDREN
386 Park Avenue South
New York, New York 10016

SURVEY ON STATE INSTITUTIONS

Part C: COST OF MAINTENANCE AND TRAINING

Name of Institution _____ State _____

1. For purposes of comparison and indication of trends, please give information requested in the following table as accurately as your records permit. Monthly charges and costs are indicated.

- | | | | | |
|---|-------|-------|-------|-------|
| a. Number of patients in residence: | _____ | _____ | _____ | _____ |
| b. Cost of operation (per capita): | _____ | _____ | _____ | _____ |
| c. Maximum statutory charge for care: | _____ | _____ | _____ | _____ |
| d. Amount collected directly from residents (or parents), expressed as percentage of institution budget, regardless of where these revenues are placed or how used: | _____ | _____ | _____ | _____ |
| e. Amount collected from third-party (non-state) sources (social security, retirement, insurance, etc.) expressed as percentage of budget: | _____ | _____ | _____ | _____ |

2. Do you anticipate a change in present monthly charge?
Yes _____ No _____ More _____ Less _____

Please give amount and the year it will take effect:
Amount \$ _____ Year _____

3. Please indicate (regardless to what agency paid):

- | | |
|--|--------|
| x. Percentage of residents (parents) paying full statutory charge: | _____% |
| y. Percentage of residents (parents) paying adjusted partial charge: | _____% |
| z. Percentage of residents (parents) who pay nothing: | _____% |
| Total (x, y, z) | _____% |

MARC SURVEY ON STATE INSTITUTIONS

4. Who or what agency determines adjusted charges? _____
- a. On what basis are adjusted charges determined? _____
- b. What age factors, (resident's) if any, are considered in determining charges? _____
- c. Is an amount less than the statutory maximum accepted without investigation of family circumstances?
Yes _____ No _____ Amount \$ _____ (Monthly).
- d. Are charts, tables or scales for determining adjusted charges published and/or available? Yes _____ No _____. If yes, please attach copy to completed questionnaire.
- e. Do difference between adjusted and statutory maximum charges accrue as debt to parents or guardians? Yes _____ No _____.
5. Is statutory maximum charge based upon per capita cost? Yes ____ No ____
If yes, please check items listed below included in per capita cost:
- | | |
|--|-------|
| Food and lodging | _____ |
| Medical care | _____ |
| Staff salaries | _____ |
| Formal education program | _____ |
| Staff training | _____ |
| Rehabilitation | _____ |
| Building repair and maintenance | _____ |
| Building construction (Capital outlay) | _____ |
6. Statutory charge (maximum) for institutionalized mentally ill in your state: \$ _____

Please mail one copy to MARC, 386 Park Avenue South, New York, New York 10016. Retain second copy for your files.

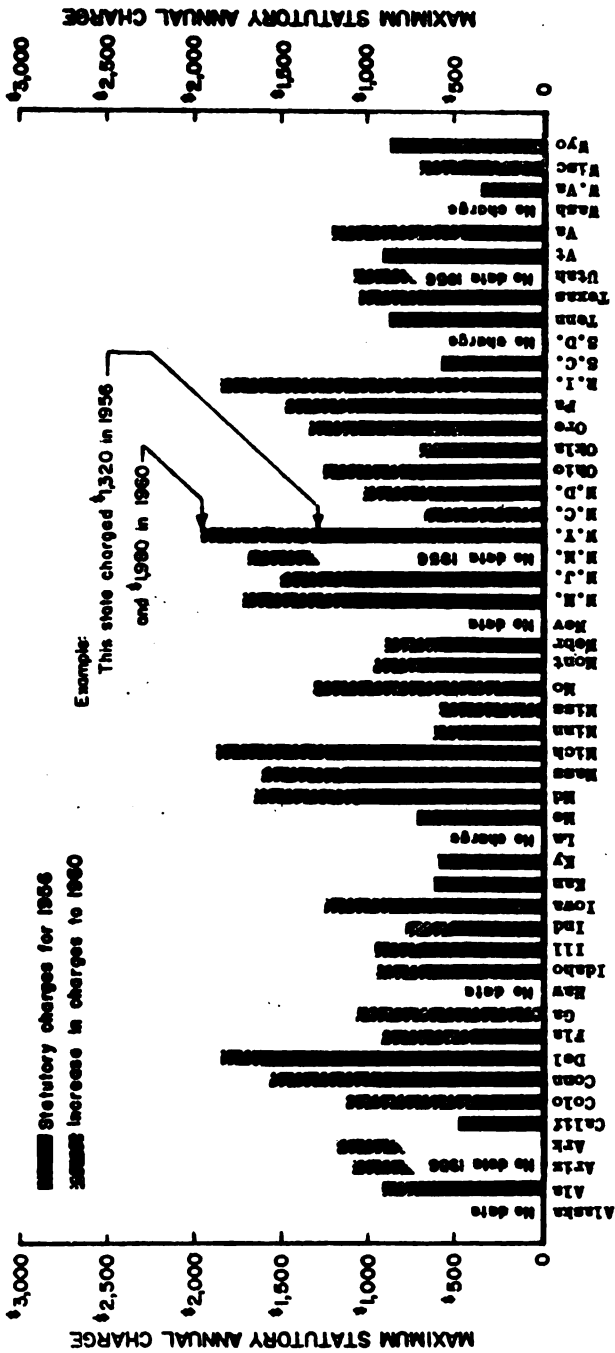


Figure 1 — Maximum statutory annual charges in 1955 and 1960-61. For states with several charge rates, calculated averages are shown.

<u>MAXIMUM STATUTORY CHARGE</u>	<u>NO. OF STATES</u>
None	3
Low (below \$720 per year)	10
High (\$720 to \$1500 per year)	24
Very high (above \$1500 per year)	10
No data or no institution	3

Figure 2. - Number of states having low, high, and very high maximum statutory charges in 1960-61.

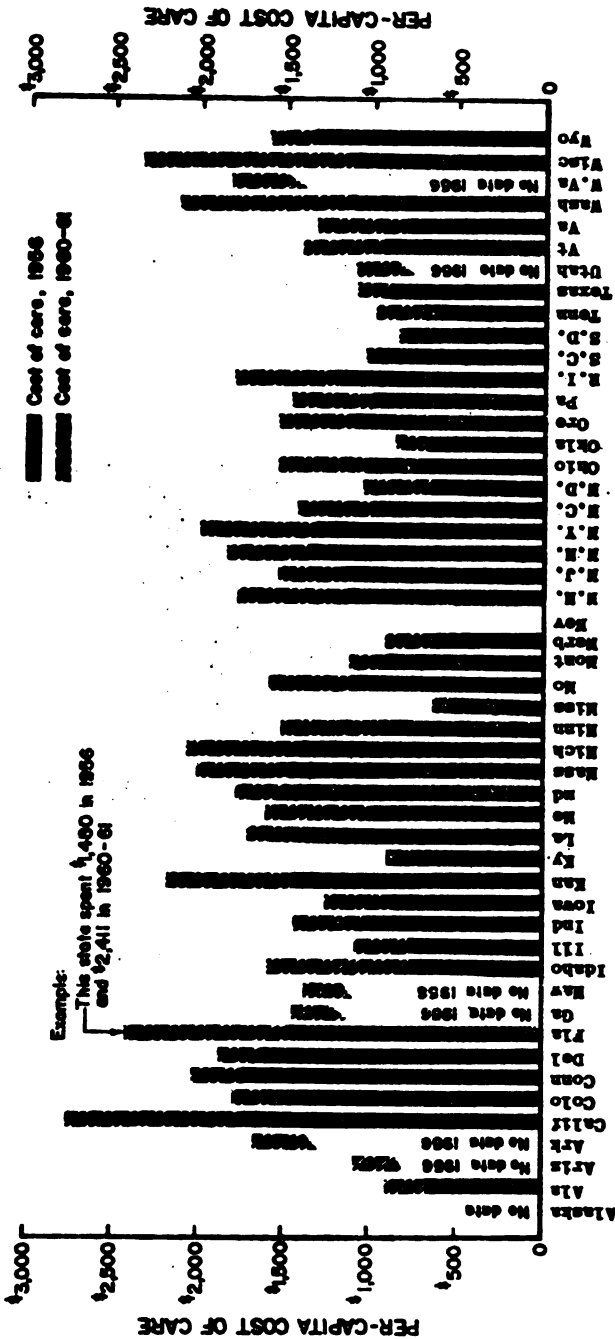


Figure 3.- Per-capita cost of care in 1956 and 1960-61. For states having several institutions with different per-capita expenditures, calculated averages are shown.

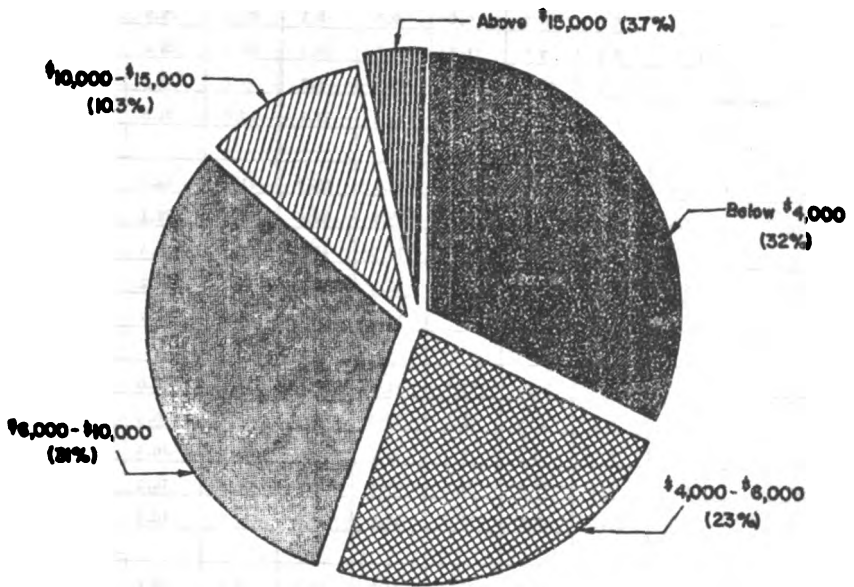


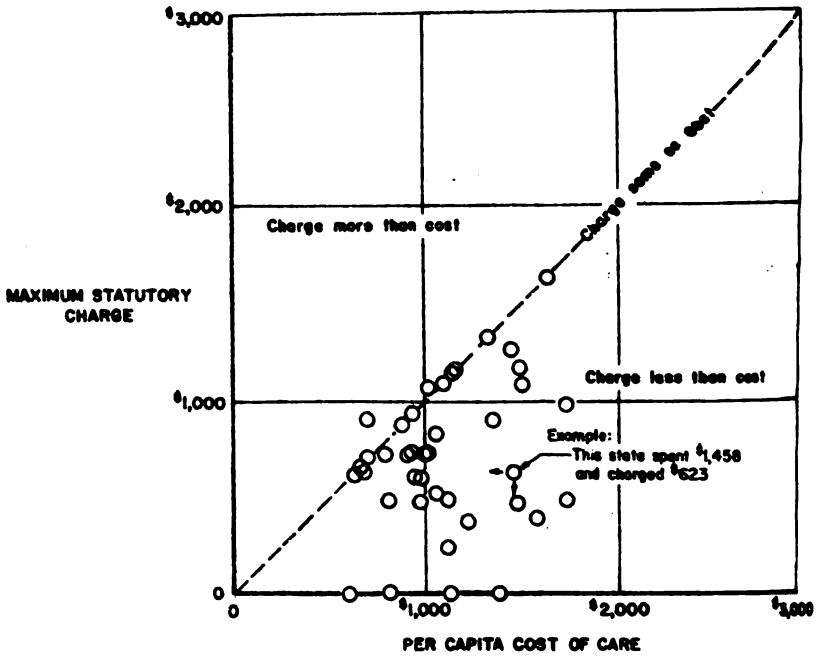
Figure 4.- Income distribution for U.S. families, 1960. Data from USIRS.

STATE	INCOME BRACKETS								Median Income
	Under \$2,000	\$2,000 to \$2,999	\$3,000 to \$3,999	\$4,000 to \$4,999	\$5,000 to \$5,999	\$6,000 to \$6,999	\$7,000 to \$7,999	\$8,000 and Over	
Ala.	26.6	12.5	11.7	10.9	10.0	7.8	12.6	8.0	3,937
Alaska	9.0	5.6	6.7	9.0	9.3	8.1	22.5	29.9	7,386
Ariz.	12.9	8.4	9.8	11.8	12.5	10.7	19.5	14.4	5,568
Ark.	32.5	15.2	12.7	10.3	8.6	6.1	9.1	5.5	3,124
Calif.	8.0	6.1	7.3	8.9	11.3	11.6	25.0	21.8	6,786
Colo.	9.6	8.7	9.8	11.7	13.1	11.3	21.2	14.6	5,789
Conn.	5.5	4.3	6.2	9.7	13.2	12.5	26.5	22.3	6,881
Del.	9.3	6.7	8.6	11.0	12.3	11.0	21.5	19.6	6,197
Fla.	16.2	12.2	12.9	12.0	11.4	8.9	15.2	11.1	4,782
Ga.	22.5	13.1	12.1	11.1	10.3	8.0	13.7	9.2	4,800
Hawaii	7.0	5.9	10.4	11.5	11.3	10.4	21.4	22.0	6,346
Idaho	11.5	9.3	11.4	14.1	13.9	11.0	18.2	20.5	5,839
Ill.	9.0	6.0	7.2	9.3	12.1	11.4	24.7	20.5	6,566
Ind.	10.6	7.4	9.4	11.8	13.6	11.6	21.5	14.1	5,799
Iowa	15.2	10.1	11.2	12.6	12.9	10.4	17.0	10.7	5,089
Kansas	12.9	9.4	11.1	12.7	13.4	10.6	17.9	12.1	5,295
Ky.	26.1	12.0	11.4	11.3	10.5	7.9	12.8	8.0	4,083
La.	23.0	12.6	11.5	10.8	10.0	8.2	14.0	9.9	4,272
Maine	11.8	11.0	14.3	14.7	14.1	10.7	15.7	7.7	4,873
Md.	8.8	6.5	8.5	10.6	12.2	11.0	22.6	19.8	6,339
Mass.	6.7	5.8	8.3	11.6	14.3	12.5	23.8	17.0	6,272
Mich.	9.5	6.3	7.2	10.4	13.7	12.0	23.7	17.4	6,256
Minn.	12.8	8.6	9.8	11.4	13.0	11.2	20.2	13.0	5,573
Miss.	37.7	13.9	11.2	9.3	7.9	5.8	9.0	5.2	2,884
Mo.	17.1	9.9	10.2	11.3	12.1	9.9	17.7	11.8	5,127

Figure 4(b) - Percentage of families in various income brackets in 1959 in the 50 states. Data from Statistical Abstract of the U.S., 1962, published by U. S. Dept. of Commerce.

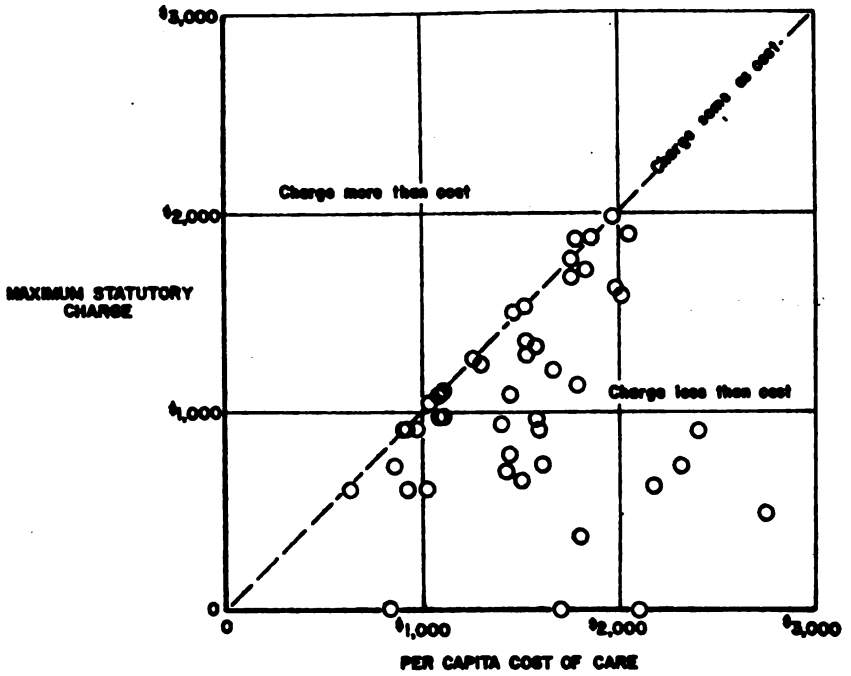
STATE	INCOME BRACKET								Median Income
	Under \$2,000	\$2,000 to \$2,999	\$3,000 to \$3,999	\$4,000 to \$4,999	\$5,000 to \$5,999	\$6,000 to \$6,999	\$7,000 to \$7,999	\$10,000 and Over	
Mont.	11.4	8.8	11.3	12.8	14.1	11.3	18.8	11.5	5,403
Nebr.	14.7	11.4	12.8	13.0	12.6	9.7	15.8	10.2	4,862
Neu.	6.9	5.4	7.6	10.0	11.6	11.5	25.1	21.9	6,736
N.H.	7.9	7.3	11.0	14.1	15.2	12.4	20.7	11.3	5,636
N.J.	6.5	4.9	6.8	9.5	12.8	12.0	25.4	22.0	6,786
N.Mex.	15.1	9.2	10.6	10.8	11.2	10.3	18.4	14.3	5,371
N.Y.	7.7	6.1	8.3	10.7	12.9	11.5	22.9	19.9	6,371
N.C.	23.2	13.2	13.4	11.8	10.3	8.0	12.3	6.9	3,956
N.Dak.	16.9	11.9	13.9	13.9	12.0	9.0	14.0	8.5	4,530
Ohio	9.4	6.3	7.7	10.7	13.8	12.4	23.5	16.2	6,171
Okla.	19.7	11.2	11.8	11.7	11.8	9.2	14.5	10.1	4,620
Ore.	9.9	7.2	8.4	11.8	14.3	12.4	22.1	13.9	5,892
Pa.	9.5	7.4	9.8	13.0	14.4	11.7	20.3	13.9	5,719
R.I.	9.5	7.2	11.0	13.3	15.1	12.0	20.2	11.7	5,589
S.C.	26.5	13.0	12.7	11.0	10.0	8.0	12.2	6.5	3,821
S.Dak.	20.9	12.6	13.3	12.8	11.4	8.8	12.6	7.6	4,251
Tenn.	25.4	12.9	12.3	11.1	10.1	7.9	12.5	7.8	3,949
Texas	18.0	10.7	11.3	11.2	11.1	9.4	16.4	11.8	4,884
Utah	8.3	6.5	8.7	12.6	15.6	13.1	21.5	13.8	5,899
Vt.	12.0	11.1	13.7	14.8	13.7	10.4	15.5	8.9	4,890
Va.	17.4	10.5	11.2	11.3	10.8	8.9	16.7	13.2	4,964
Wash.	8.6	6.6	7.8	10.4	13.7	12.5	23.7	16.6	6,225
W.Va.	21.9	10.7	10.7	11.7	12.2	9.6	14.8	8.4	4,572
Wisc.	10.0	7.4	8.6	11.2	13.9	12.6	22.1	14.3	5,926
Wyo.	9.0	7.5	12.0	11.7	13.5	12.4	21.4	14.6	5,877
United States	13.1	8.3	9.5	11.0	12.3	10.7	20.1	15.1	5,660

Figure 4(b) - Concluded.



(a) 1966

Figure 5.— Comparison of maximum annual statutory charges and annual per capita cost of care.



(b) 1960-61

Figure 5.- Continued

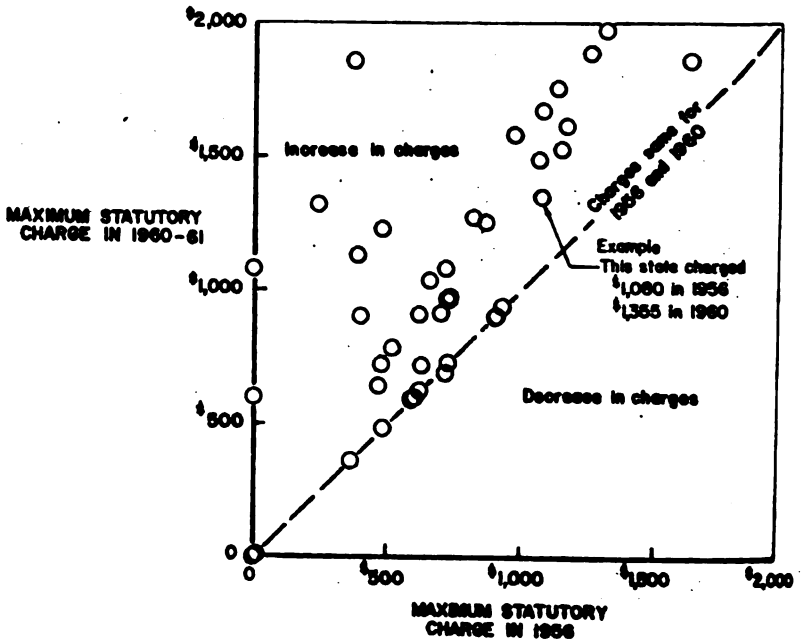


Figure 6.- Comparison of maximum statutory annual charges for 1956 and 1960-61. Each point is for one state.

QUESTION: IS AN INCREASE IN STATUTORY CHARGE EXPECTED?

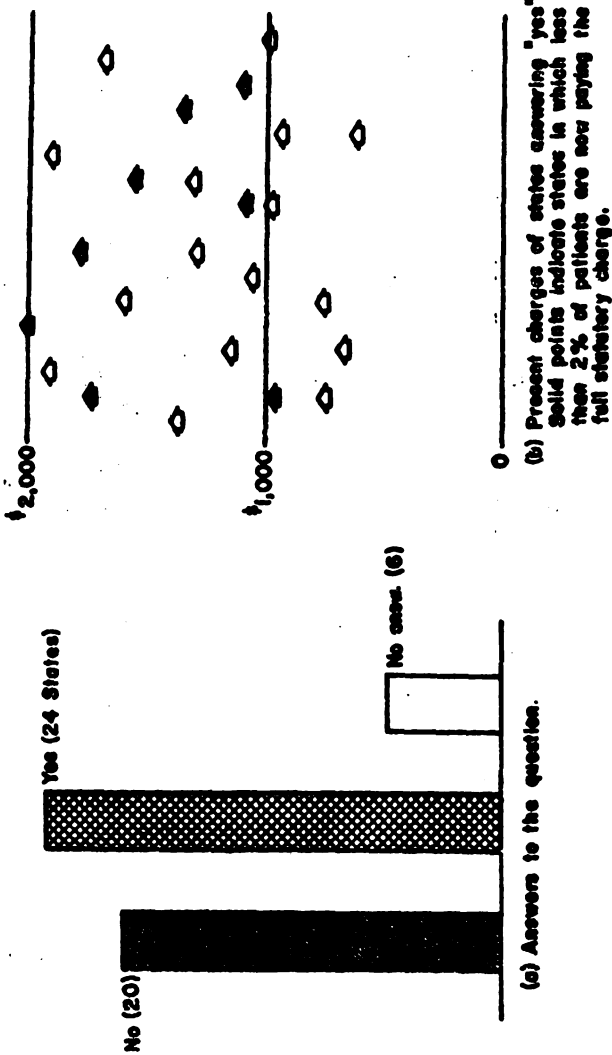


Figure 7.- Questionnaire answers regarding anticipated increase in charges.

QUESTION: IS STATUTORY MAXIMUM CHARGE BASED ON PER-CAPITA COST ?

1956

1960-61

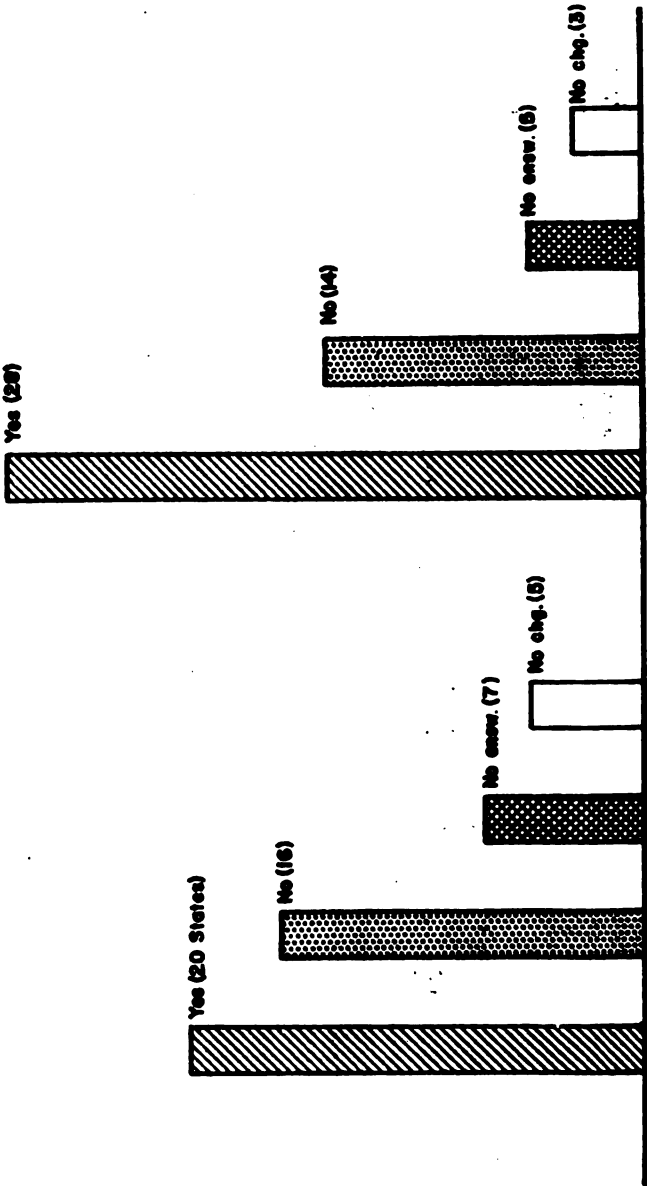


Figure 8.- Questionnaire answers regarding basis of statutory maximum charge.

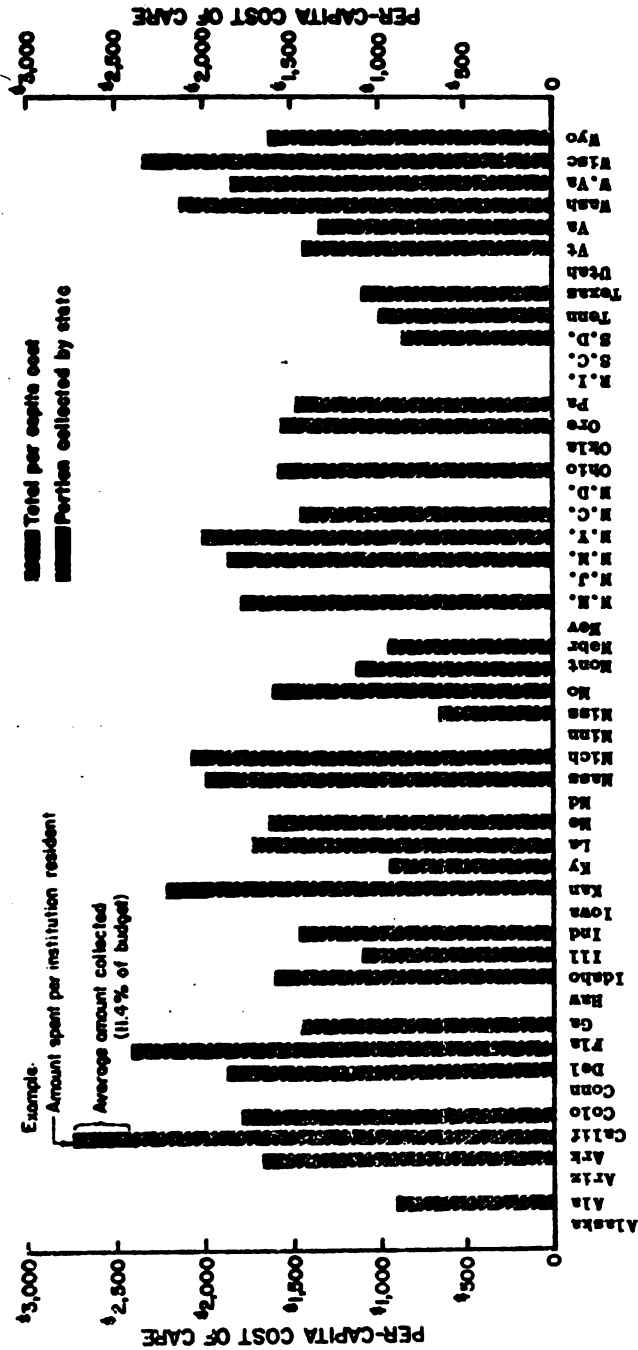


Figure 9.- Portion of per-capita costs collected in 36 states in 1960-61.

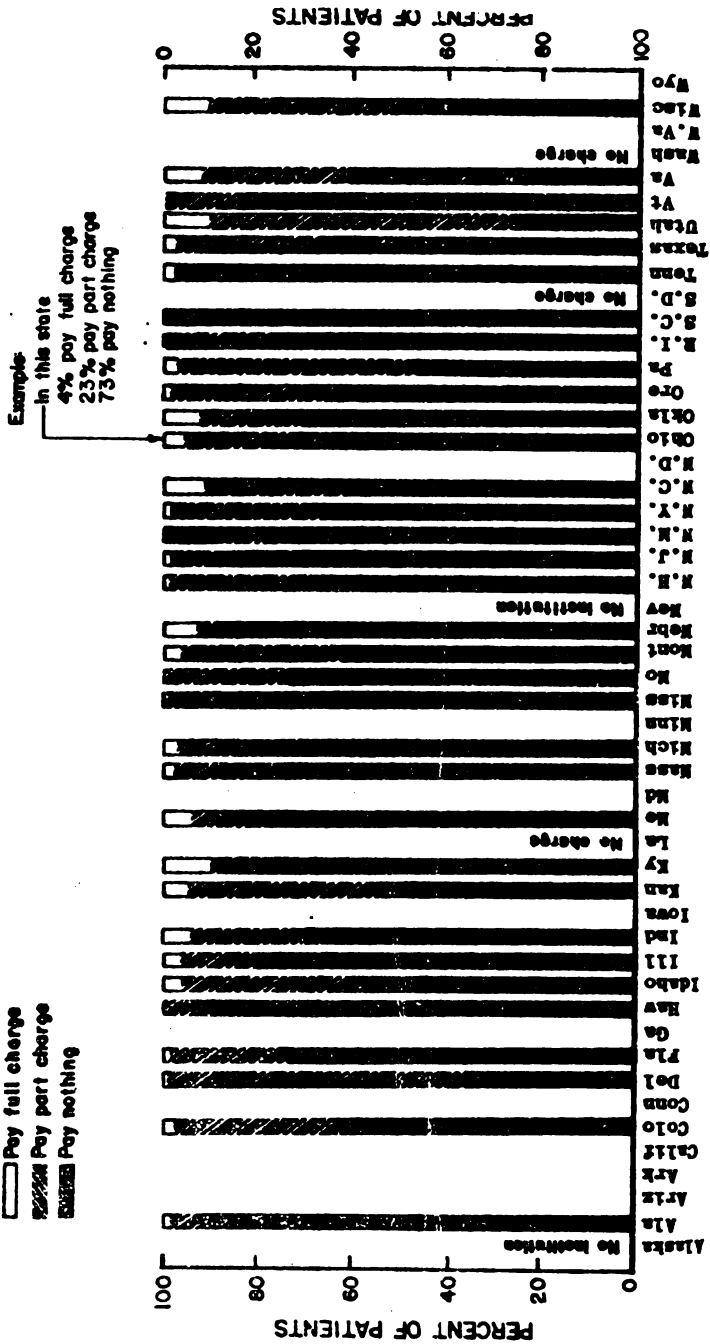


Figure 10. - Percentage of patients paying full charge, part charge, nothing, in 34 states.

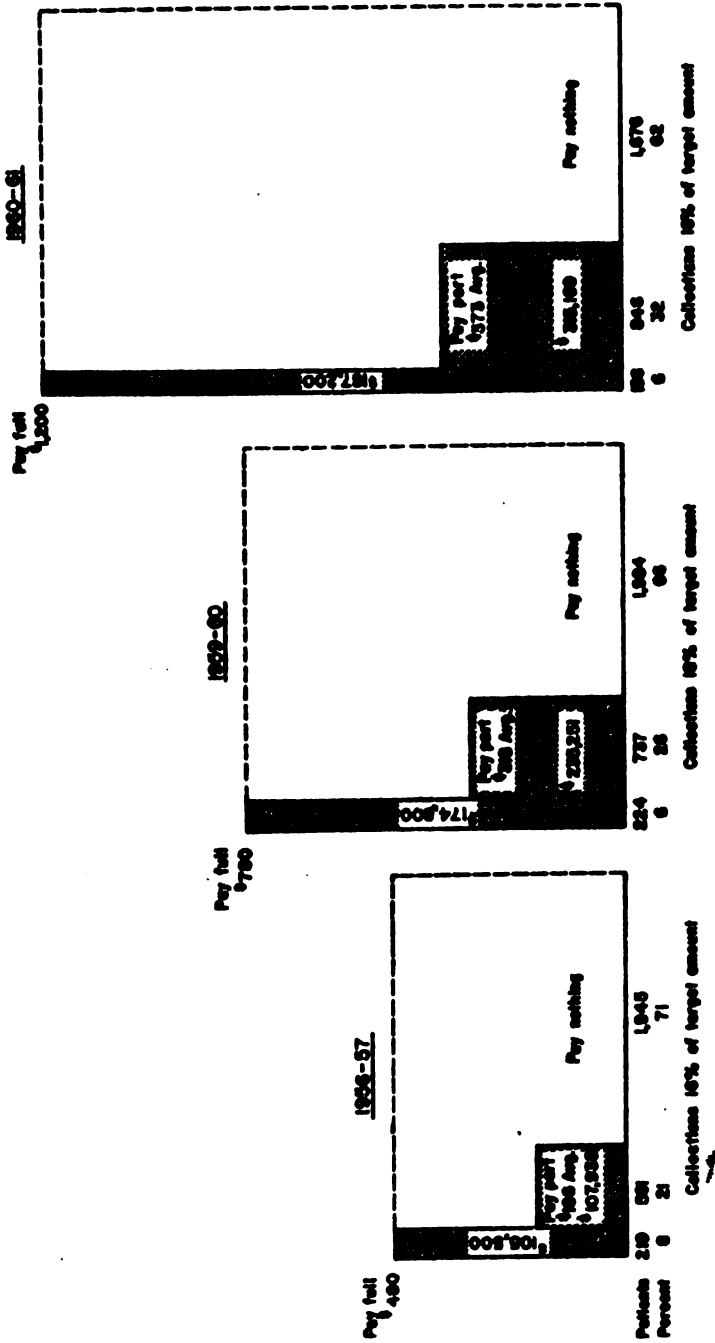


Figure L.- Record of payment in one high-charge state as charges rise.

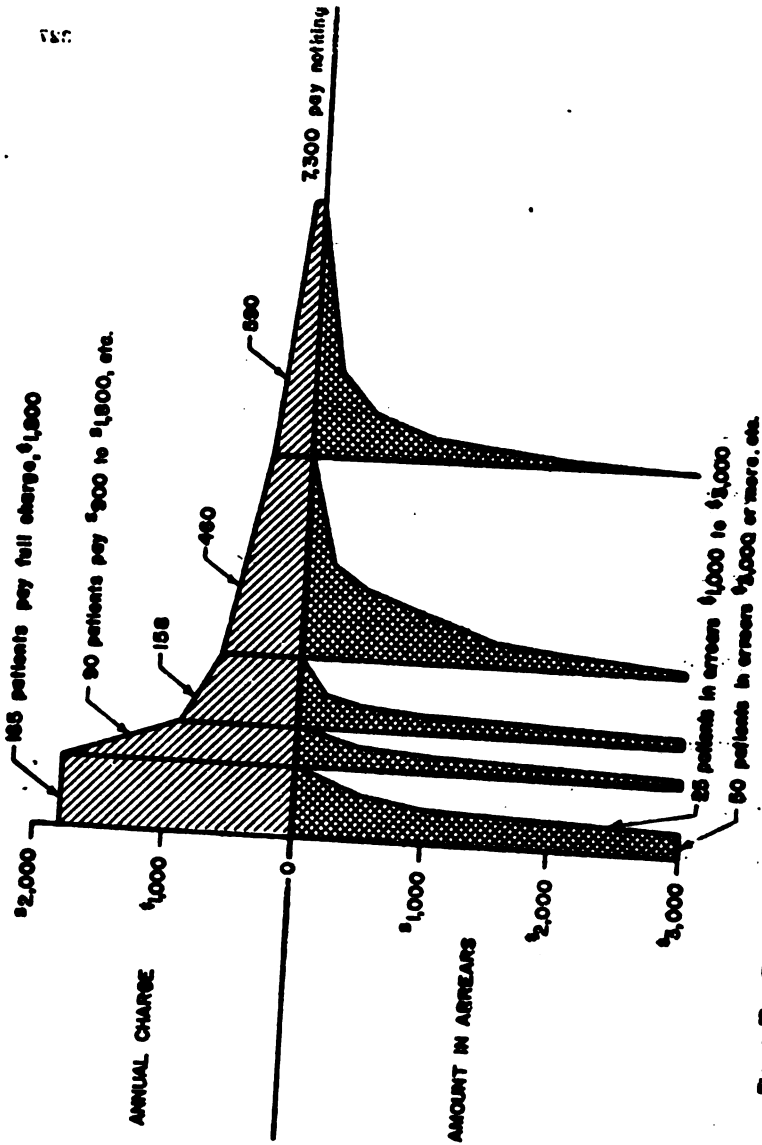
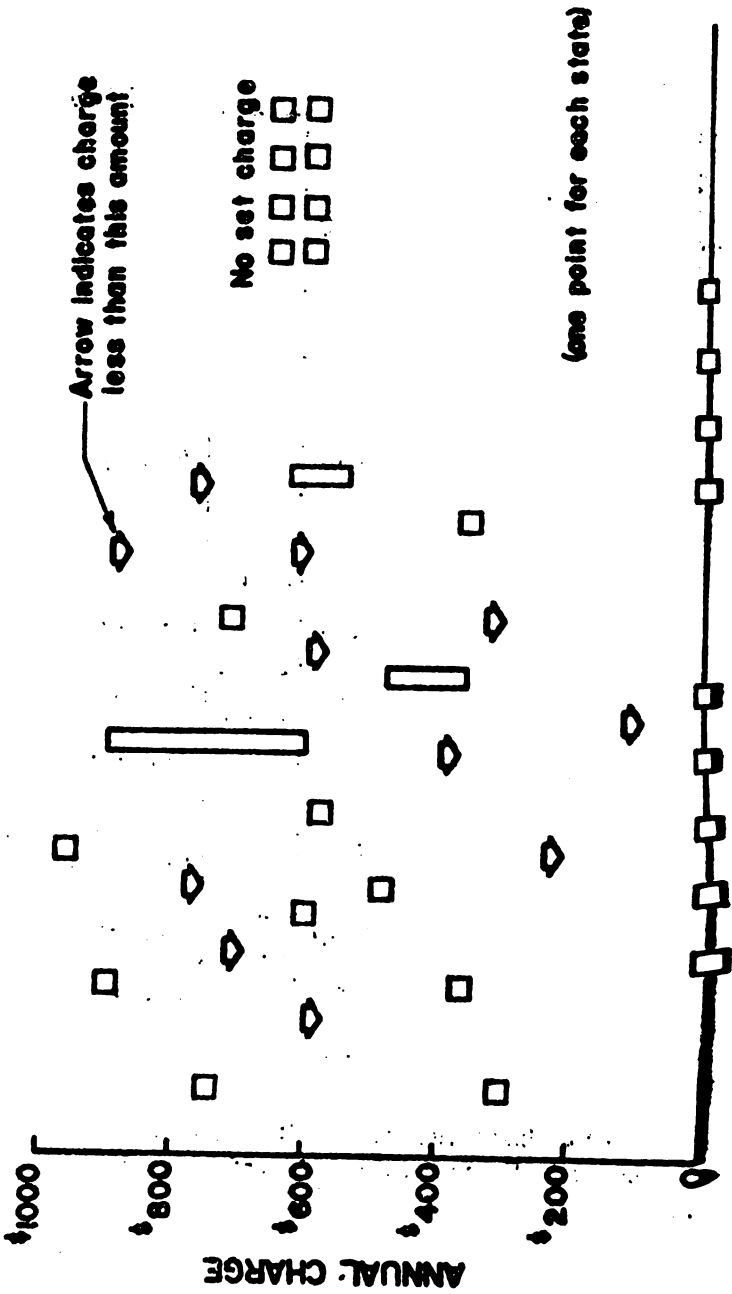


Figure 12.- The number of patients paying various charges in one high-charge state. Also shown are the amounts by which payments are in arrears for each group.

<u>PERSON OR AGENCY</u>	<u>NO. OF STATES</u>
Hospital or Superintendant	6
County or County Board	4
Court	9
Welfare Agency	6
Dept. of Mental Hygiene or Health or claims agency thereof	12
State Comptroller or Dept. of Revenue	3
No charge	3
No institution	2
No information	5

Figure 13.- The person or agency which performs ability-to-pay determinations in the various states.



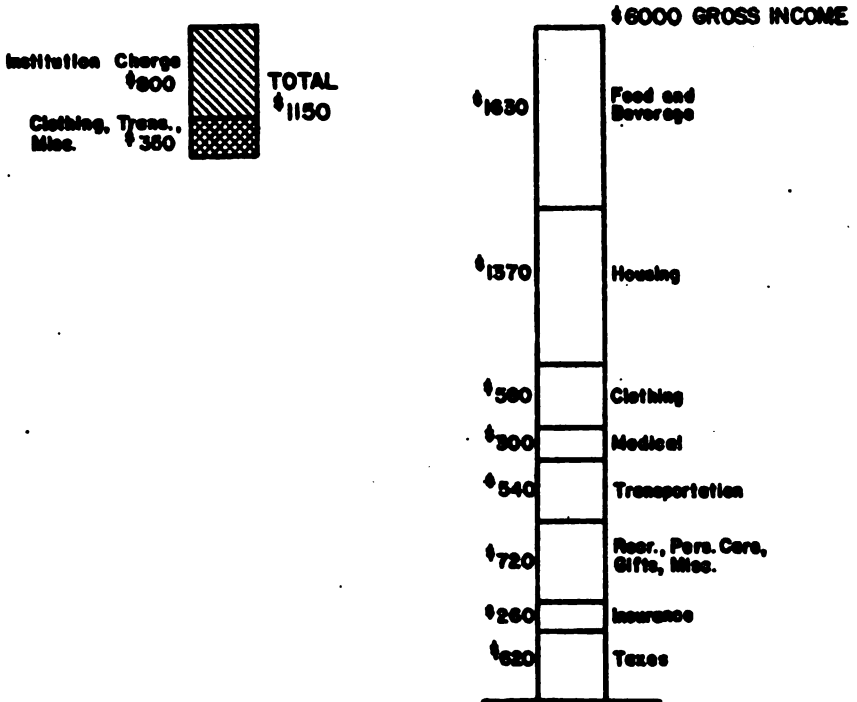


Figure 15.— Comparison of cost of institution care with family budget for a family of four with a \$6,000 gross income. Budget data from reference 5. Institution charge is for typical high-charge state.

QUESTION: ARE CHARTS, TABLES OR SCALES FOR DETERMINING ADJUSTED CHARGES PUBLISHED AND/OR AVAILABLE ?

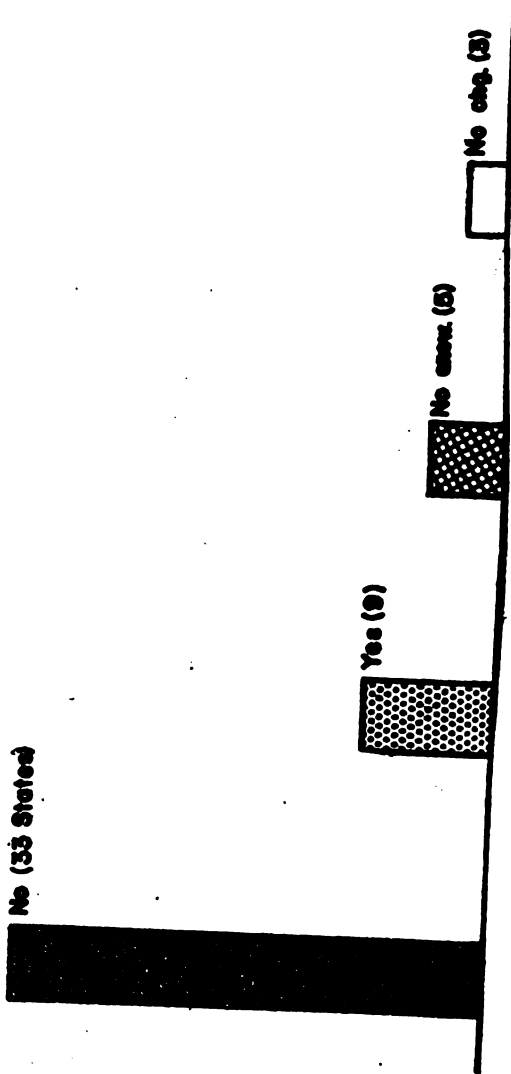


Figure 18.- Questionnaire answers regarding availability of charts or tables for determining charges.

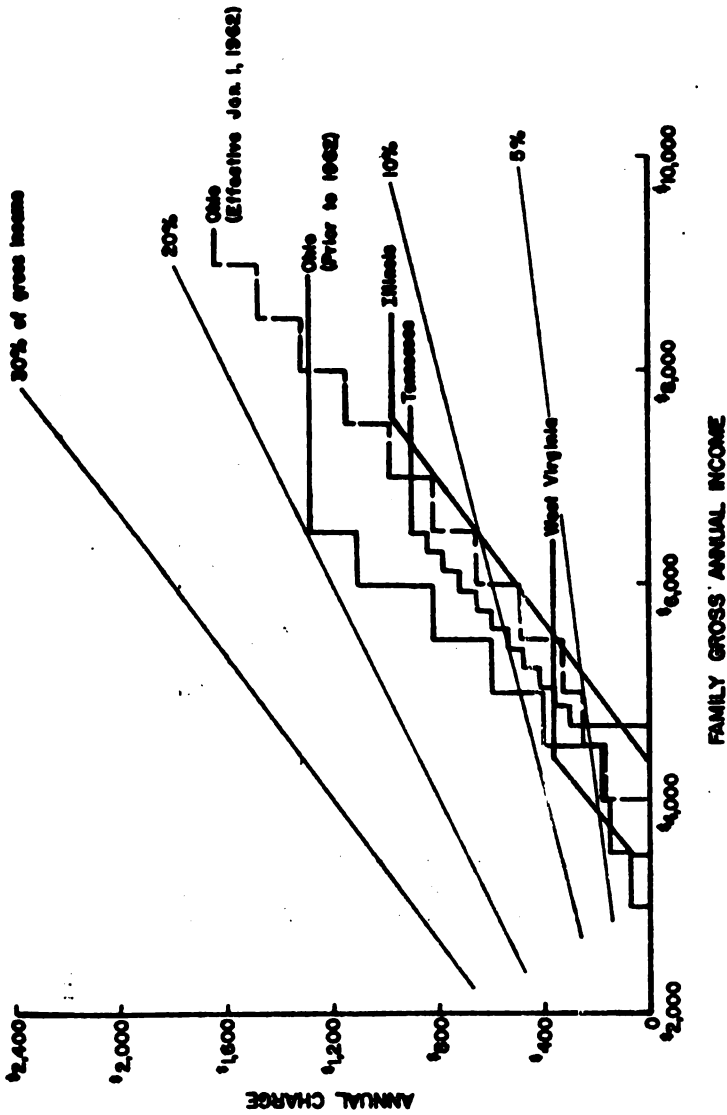


Figure 17.- Variation of charge with family gross income in nine states. Curves taken from schedule of charges, rate computation chart, responsibility scale, etc., supplied by these states. For family of four, including institution resident.

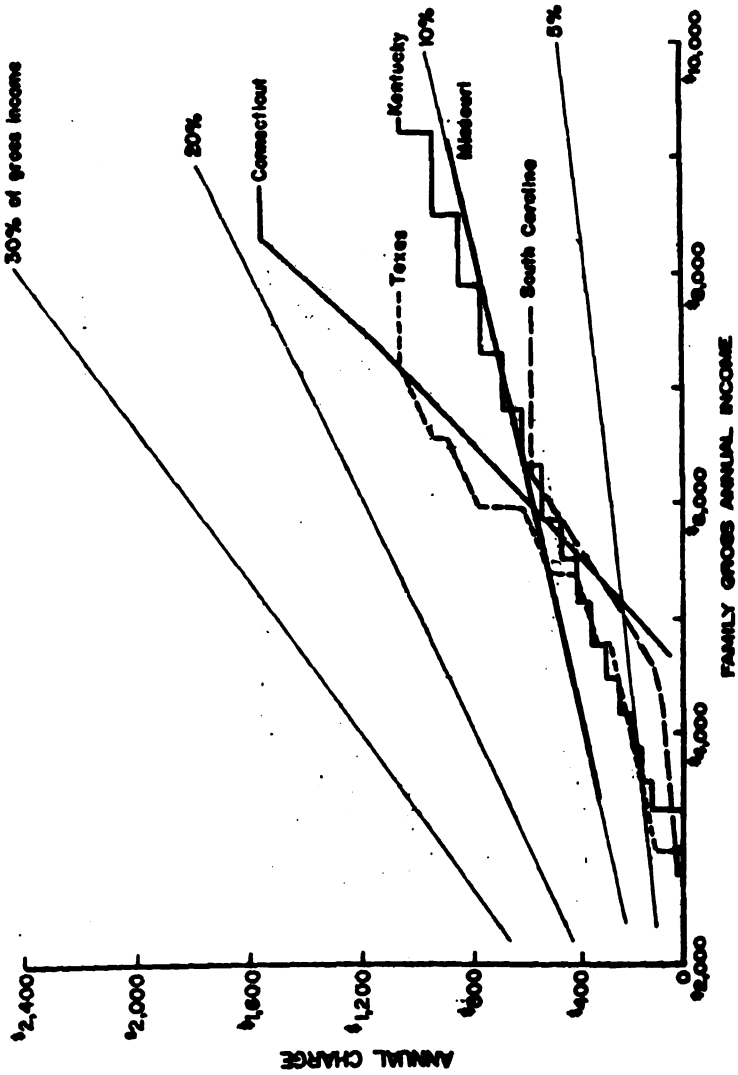


Figure 17.- Continued.

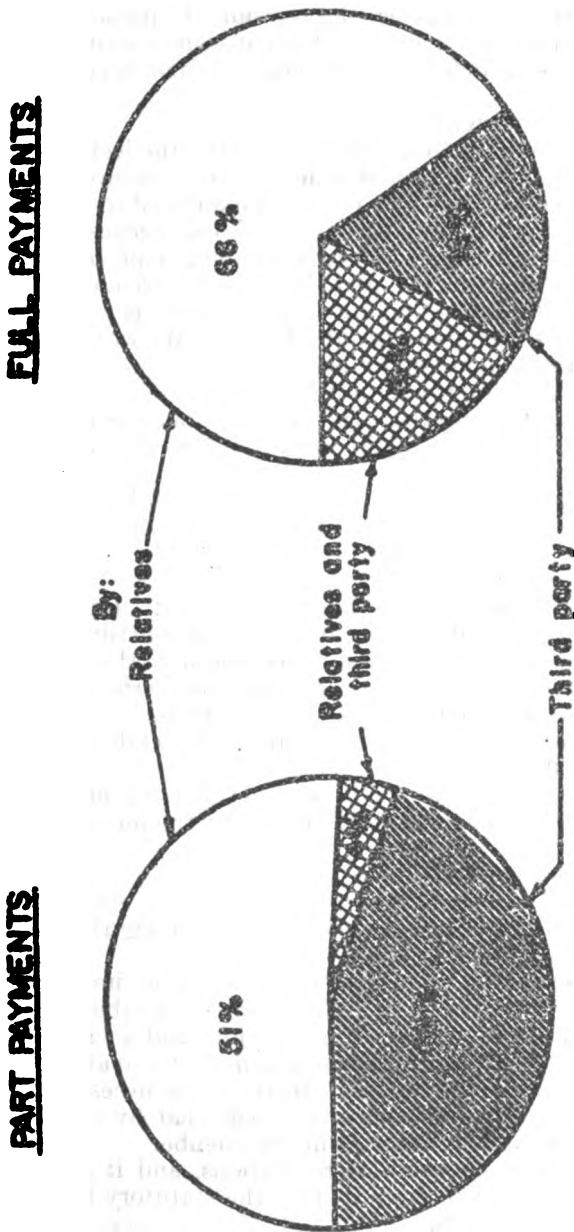


Figure 18.- Source of full and part payments in typical high-charge state.

Mr. HÉBERT. Mr. Pirnie.

Mr. PIRNIE. Mr. Chairman, I would like to make an observation in regard to the first proposal—that is, the revision of language. I am inclined to view it as an improvement, because it seems as though what you have attempted is to define the problem and not necessarily to make a diagnosis.

Mr. GETTINGS. That is right.

Mr. PIRNIE. I felt that that was the objective of the legislation, to try and deal with the situation, and unless we can improve on the language which you have submitted, I would be inclined to think that it was more appropriate than the language in the bill, because what we are attempting to recognize is that the serviceman has a problem which we believe is worthy of our sharing, and therefore we are not trying to be too technical about the language, but to define the need.

Mr. HÉBERT. I think you are right, Mr. Pirnie. We want to put as many people under the blanket as we can.

Mr. PIRNIE. Yes, providing there is that need.

Mr. HARDY. I think the approach the language takes is a desirable approach, but I would hope we might even be able to improve upon that.

Mr. PIRNIE. I share that thought with Congressman Hardy. I am not saying this is the ultimate, but it is moving in the direction that I would like to see the legislation take.

Mr. HÉBERT. Mr. Slatinshek.

Mr. SLATINSHEK. I have no questions on this but, if you would like, I would like to pursue this question about the contribution.

The members of the subcommittee are concerned with the possibility that the Federal Government might, by the inadvertence in this language, in some instances require the member to pay considerably more than one-quarter of the cost of maintaining his child in either a public or private institution.

My initial reaction to that would be perhaps putting in language that would place a ceiling on the contribution that the member would have to make.

Mr. HARDY. Percentagewise?

Mr. SLATINSHEK. Percentagewise, so that in no event shall his contribution exceed 25 percent of the cost of maintaining the child in a public or private institution.

This, too, of course would be subject to considerable implementation, because we have the problem of the possible availability of not only a public institution but a private institution, and an individual member might desire to have his child in a high cost private institution as opposed to a public institution. In that case necessarily the Department would have to somewhat discourage that by charging a little more, requiring a higher charge from the member.

This again would be in the area of regulations, and it would be unfortunate if we attempted to crank it into the statutory language.

I have no further observation.

Mr. HÉBERT. Thank you very much, sir. We appreciate your appearance and cooperation.

Mr. Slatinshek, call your next witness.

Mr. SLATINSHEK. The committee has invited the appearance of a number of other groups who are affected by the legislation. The committee has been advised that each of them are interested in sub-

mitting a statement for the record, but they are unable to be here today to testify, and these include the Health Insurance Association of America, who are the commercial underwriters for health insurance, the American Medical Association, the American Hospital Association which has submitted a statement for the record, the Blue Cross Plans which is represented here today by Mr. Tollefson, who would be available to the committee if they have questions. However, he, too, and his association do have a statement in preparation which will be submitted late this afternoon. Is that correct, Mr. Tollefson?

Mr. TOLLEFSON. Yes, sir.

Mr. SLATINSHEK. The National Association of Blue Shield Plans has also indicated they will have a statement for the record, as does the National Association of State Mental Health Program Directors.

We have received a statement for the record from the Association of Regular Army Sergeants and also the National Guard Association.

No other organizations have indicated a desire to be heard on this legislation. There are no other witnesses scheduled.

Mr. HÉBERT. In that case, we thank you gentlemen who have appeared—

Mr. HARDY. Mr. Chairman, in connection with these statements, have some of them already been submitted?

Mr. SLATINSHEK. The only ones that have been submitted are the American Hospital Association, the National Guard Association and the Association of Regular Army Sergeants.

Mr. HARDY. I don't know whether this will develop or not, but it has occurred to me in connection with some of these statements there might be some points raised that the committee would consider would require explanation. In such a situation, I think ordinarily we ought to put these statements in the record, but if such a situation should develop, I don't know whether they ought to go in the record unless we have an opportunity to discuss these points.

Mr. HÉBERT. What we will do in this case, Mr. Hardy, is put them in the record—they are submitted for the record—and in executive session we will have the opportunity to discuss them. That is about as far as I think we can go in the situation.

Mr. PIRNIE. Couldn't there possibly be another element involved, Mr. Chairman, that if counsel found them to include matter which had not been brought before the committee in our hearings that we would be advised of that, if there were new subject matter?

Mr. HÉBERT. If there were new subject matter, I think that would be proper.

Mr. HARDY. That wasn't exactly the point I had in mind, though I think that is valid, too. The point I have in mind is we have developed a considerable amount of discussion here this morning on some proposed language changes which I think has been very helpful to the committee and will help us, I believe, come up with a better bill.

It just occurred to me that in the course of examining the statements submitted by these other organizations there might be other points raised which would need clarification, and my thought was this, Mr. Chairman, that certainly if we don't have an opportunity to interrogate the people who present these statements, certainly if there are points developed in connection with them that need clarification, such clarification at least should be procured in writing if we are going to put the statements in the record.

Mr. HÉBERT. I believe this, Mr. Hardy, that after we have them before us, if there is anything else, it is perfectly within the realm of the power of the committee to bring them back and question them.

Mr. HARDY. My only thought was this. I personally would hesitate to give blanket approval to the inclusion of these statements in the record unless we have some assurance that if there are points they raise which need clarification, we will get the clarification either by further testimony or in writing.

Mr. HÉBERT. That is definitely understood, without objection, there will be included in the record at this point statements relative to this legislation.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 28, 1966.

HON. F. EDWARD HÉBERT,
Chairman, Subcommittee No. 2, Armed Services Committee,
Rayburn Building, Washington, D.C.

Dear Mr. CHAIRMAN: I regret that due to the fact that I must leave this afternoon for California I will be unable to appear before your committee to formally testify in support of H.R. 13582, H.R. 13583, and H.R. 9271.

I have read the testimony submitted by Assistant Secretary of Defense for Manpower, the Honorable Thomas D. Morris, and I agree with his statement entirely.

I am sure our committee feels very strongly that dependents of the uniformed services and military retired and their dependents should have their rights spelled out in writing such that they would know where they stand. The expenditures proposed under the subject bills are considerable, but the equitable distribution of the benefits and their need is not arguable.

I support also the provision in the third bill respecting the treatment of dependents afflicted with mental retardation or physical handicap. I know many members of the armed services who over a period of years have expended upwards of \$25,000 for the support of one retarded child. I personally would like to see the Department of Defense assume this responsibility with a minimal charge to the serviceman of \$25 irrespective of rate or rank.

I would appreciate your incorporating these views in your record.

Your many courtesies are appreciated.

Very truly yours,

ROBERT L. LEGGETT, *Member of Congress.*

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 18, 1966.

Re H.R. 9271.

HOUSE COMMITTEE ON ARMED SERVICES,
Rayburn House Office Building
(Attention: Mr. Frank Slatinshek).

DEAR FRANK: It is my understanding that Mr. Hébert's subcommittee will conduct hearings on H.R. 9271 within the next few days.

As you know from my previous conversations with Mr. Hébert and with you, this bill has my unqualified support. Its highly commendable objectives are, of course, well known to Mr. Hébert, to the other members of the subcommittee and to you.

I will be grateful if you will cause this letter to be made part of the record of the hearings.

Sincerely,

CHARLES M. TEAGUE,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 24, 1966.

Hon. MENDEL RIVERS,
Chairman, Armed Services Committee,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to give my full support to H.R. 13582, to amend chapter 55 of title 10, United States Code, to increase health benefits for dependents of members of the uniformed services, and H.R. 13583, to amend chapter 55 of title 10, United States Code, to authorize civilian health benefits program for retired members of the uniformed services and their dependents.

On March 15 of this year, I introduced two companion bills, H.R. 13648 and H.R. 13649, because of my great concern over what I feel is insufficient medical care for retired military personnel and dependents of military personnel.

Beginning in 1960, large numbers of military personnel who began their military careers prior to and during World War II became eligible for retirement by virtue of completing 20 years or more of active military service. The impact of these large-scale military retirements is, I am sure, of great concern in many areas. The need for a long-range solution became more urgent when in September 1962 the Department of Defense announced that, pending the development of an overall solution to the retired problem, no beds or other inpatient facilities for retired members or their dependents would be programed in new military hospital construction.

Enactment of the Dependents' Medical Care Act in 1956 gave specific statutory basis for the "space available" medical care which the military services had been providing as a matter of policy and moral obligation to servicemen who had been advised that this was one of the fringe benefits available to them for remaining in active service. This was one of the methods of enticing men into remaining in service until retirement. We are now told, however, that we have arrived at a period when traditional and promised military benefits will no longer be provided in military medical facilities.

The size of our military retiree population is rapidly increasing and has doubled in the last 4 years and will again double by fiscal year 1971.

In fiscal year 1960, the retired population of 275,000 increased to 475,000 and will go to 840,000 by fiscal year 1971. Retired dependent population now is over 1 million and will be 2.3 million by fiscal year 1971.

The total retired population by 1971 will be over 3 million and over 4 million in 1980.

The limited medical service that is now being provided in certain areas will rapidly diminish. Retirement records reflect that of all service retirees, 22 percent have located in southern California. I know that in my district there is a shortage of personnel, especially as far as the outpatient clinic of March Air Force Base, Calif.

The Los Angeles through Palm Springs area is serviced by the 150 bed facility at March AFB where dependents of retired personnel can be hospitalized. This hospital services a retiree population area equivalent to the entire State of Florida.

The retired population is doubling every $3\frac{1}{2}$ to 4 years. At the old March AFB hospital facility, there was an average daily inpatient load of about 100 inpatients. In the new hospital, there are about 145, a 50-percent increase. In 1964, 29 percent of the average daily patient load were retired families. In 1965 (January through October) 35 percent of the average daily patient load were retired families. The total effort expended by the medical staff at March Air Force Base on retired families is 60 to 75 percent of their efforts.

Our commitment in southeast Asia has taken a large percentage of our medical resources. I believe that the Department of Defense plans to draft some 1,500 physicians. These physicians will not be used to take care of retired personnel. More and more active-duty personnel are being sent overseas while their dependents remain in the area. Care of retired families is continuing but at a decreasing rate. The volume of retired personnel is so large in southern California that if the medical personnel devoted all their time to them, there would still be a shortage of staff, facilities, and funds to do an adequate job.

This is a strong moral obligation on the part of the Government to continue to provide medical care by some means for retired military population, including dependents.

There have been stated and implied promises of medical care following retirement as a standard part of personnel recruitment and retention efforts.

I favor the enactment of legislation which will guarantee retirees and their dependents medical care in civilian facilities if military facilities are not available.

The Secretary of Defense should be given discretionary authority to arrange for such care.

The Government is under a moral obligation to insure that retired military personnel and their dependents receive medical care. A promise was made to them and this promise must be kept.

Your consideration will be greatly appreciated.

Kindest regards,

JOHN V. TUNNEY,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 21, 1966.

Hon. L. MENDEL RIVERS,
*Chairman, Committee on Armed Services,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in support of your bill, H.R. 13583, to amend chapter 55 of title 10, United States Code, to authorize a civilian health benefits program for retired members of the uniformed services and their dependents.

I have received many, many letters from the retired military personnel in my congressional district due to an announcement of curtailment of medical services by the Department of the Air Force, 2796th USAF Dispensary (AFLC), Norton Air Force Base, Calif., dated January 21, 1966, copy of which is attached.

The general thought conveyed in the letters is that the military is not following through in its commitment to provide medical care for this group. I have a heavy concentration of retired personnel in my area and while a number of them are receiving limited medical services, available facilities cannot possibly provide the greater need for services.

I compliment you on filing remedial legislation and sincerely trust the Congress will take favorable action at the earliest moment.

Sincerely,

KEN W. DYAL,
Member of Congress.

DEPARTMENT OF THE AIR FORCE,
2796TH USAF DISPENSARY (AFLC),
Norton Air Force Base, Calif., January 21, 1966.

Subject: Curtailment of medical services.

To: All retired military personnel and their dependents.

1. Just about 6 months ago I sent a letter to each of you about the change in our status from a 60-bed general hospital to a 15-bed military dispensary with limited capabilities and no specialty services. At that time I explained that the time might come when it would be necessary to impose limitations upon the numbers of patients we could provide care for. I also pointed out that under title 10 United States Code (the laws governing the provision of medical care in U.S. military medical facilities) medical care may be provided to retired military personnel and their dependents only when space and facilities remain after all active duty personnel and their dependents have been provided needed medical care.

2. Due to excessive workload for the manning available, other military medical facilities in this area have had to reduce the quantity of care they have provided retired personnel in the past. As a result, larger and larger numbers of retired personnel and their dependents have sought medical care at the Norton AFB medical facility. Most of these have come to us without appointments. This has resulted in an excessive number of "walk-in" patients which has diluted our efforts so that the quality of care provided must inevitably suffer. It has become necessary, therefore, to establish the policy that beginning February 1, 1966, retired personnel and their dependents will be seen only by appointment at this medical facility.

3. At the same time I would like to point out that in April 1966 our manning document will be reduced 34 spaces and we will certainly no longer be able to provide inpatient care for female dependents and very probably no inpatient care at all.

4. During the summer months our professional staff will be reduced by transfers, separations and loss of authorizations to the point that we will very likely be

unable to provide any retired care at all between June 15 and September 1. During this period we may well be able to provide care to active duty military personnel only.

5. Because of the increasing workload and decreasing medical staff with the resulting fact that less medical care will be available at this facility for retired personnel and their dependents, I would strongly urge those of you who can qualify to make application for coverage under the Federal medicare bill which becomes law on July 1, 1966. Application must be made before March 31, 1966, or you may be ineligible for 2 years.

6. We desire to provide medical support to our retired military population and will always make available the maximum services possible. Within the limits of our budget and manning, we shall strive to provide at least needed medication and laboratory studies when we are unable to provide medical care ourselves.

WILLIAM H. BEHRENS, Jr.,
Major, MC, USAF, Commander.

NATIONAL HEADQUARTERS,
AIR FORCE SERGEANTS ASSOCIATION, INC.,
San Antonio, Tex., March 21, 1966.

MR. FRANK M. SLATINSHEK,
Counsel, House Armed Services Committee,
Rayburn House Office Building, Washington, D.C.

DEAR MR. SLATINSHEK: Reference my telephone conversation this date requesting permission to testify before the House Armed Services Committee on the 24th or 25th of March, relative to House bills H.R. 13582, 13583, and 9271, which proposals are to amend chapter 55, of title 10, United States Code, to authorize a civilian health care program for retired members of the uniformed services and their dependents.

Per your suggestion I have attached an item which I respectfully request its being published in the official record. This should adequately provide the council and other members of the House with the feelings of the airmen of the U.S. Air Force.

Thank you.

Yours in "Duty, Honor, and Country,"

BENNY W. MCGHEE,
Executive Director.

**TESTIMONY OF THE EXECUTIVE DIRECTOR, AIR FORCE SERGEANTS ASSOCIATION,
ON A PROPOSED CIVILIAN HEALTH CARE PROGRAM FOR RETIRED MEMBERS
AND THEIR DEPENDENTS**

Mr. Chairman, Members of the House Armed Services Committee, my name is Benny W. McGehee, I am the Executive Director of the Air Force Sergeants Association—an organization comprised of over 17,000 men and women in all enlisted grades of the U.S. Air Force; to include active, retired, Reserve, and Air National Guard personnel.

I am honored with this opportunity to testify on behalf of these enlisted men and women concerning House bills 13582, 13583, and 9271.

The relief now being offered retired military personnel, and their families to "bolster-up" the gradually disappearing medical care is most commendable. It covers medical care which they had been led to believe they had earned while serving their country at very low wages, plus certain fringe benefits of which earned medical care into retirement was considered. We, the military, fully expected this tradition to be carried on.

Although there is doubt that a promise was specifically made to any member of the uniformed services that he was to receive "free" medical services for himself and his dependents after retirement, it was one of the benefits which was considered as "paid for" or as having been earned due to its being a tradition of the military service to furnish medical service to its retired personnel.

This association is very much impressed with the legislative proposal by the Secretary of Defense to provide a "civilian health care program for retired members and their dependents."

This association objects, however, to allowing the Secretary of Defense authority to increase the charges for medical care at any later date as he may deem

appropriate—but instead—recommends that this authority be retained “always” by the Congress.

Realizing the growing retired lists, and the ever mushrooming costs of upkeep of our Nation's military, this association agrees that a fee for medical service “may” be necessary. However, we cannot overemphasize the fact that any charge made should apply only to those persons either entering the service after this proposal becomes law, or apply only to those who have served less than 10 years' service. This would allow the younger personnel to be knowledgeable of the “change of benefits” expected as part of their pay package when the all-important decision must be made, and that is—to reenlist or not; to make the service a career or get out.

In closing I wish to state that the enlisted men of the U.S. Air Force have nothing but praise for the work and efforts of this committee in providing equal representation to the citizens of our Nation, and for this, we must humbly thank you.

ASSOCIATION OF REGULAR ARMY SERGEANTS,
Yorktown, Va., March 23, 1966.

MR. FRANK M. SLATINSHEK,
Committee on Armed Services,
House of Representatives,
Washington, D.C.

DEAR SIR: Enclosed are 15 copies of the testimony of Sfc. Norman A. Davis of the association with whom you spoke earlier this week.

It concerns our feelings about the proposal of the administration on medical care for dependents and retirees.

Since it is not possible to be heard because of the crowded schedule of the hearings, we would appreciate consideration of its content and inclusion for the record.

Sincerely yours,

RICHARD F. IVY,
Sergeant First Class, Executive Director.

STATEMENT OF SFC. NORMAN A. DAVIS, FIRST VICE PRESIDENT AND DIRECTOR
FOR LEGISLATIVE AFFAIRS OF THE ASSOCIATION OF REGULAR ARMY SERGEANTS
ON THE MILITARY RETIREES MEDICAL CARE BILL

I am Sfc. Norman A. Davis, first vice president and director of legislative affairs for the Association of Regular Army Sergeants. Our association is a worldwide complex of career sergeants who enjoy the prestige of being representative of the cross section of Army sergeants who are dedicated to their careers, both on and off duty. The association is a nonprofit, noncommercial, and non-partisan personnel action seeking group, and our statement here is in keeping with our aims of moral leadership, career status, prestige, and assistance to Army sergeants.

Our association has discussed at some length Mr. McNamara's previous proposal on medicare at our eastern conference at Fort Totten, N.Y. in January. All of the members present, products of the Army's recruitment program following World War II, did not desire to participate in any deductible program inasmuch as they felt an entitlement existed. That is, official recruiting literature utilized by the armed services for the past 20 years has promised potential careerists free no-cost medical care for himself and family in his retirement years. Only recently has this promise been removed from such literature. Now, upon retirement these same career servicemen are being told that they will have to pay about 25 percent of the cost of treatment and hospitalization. This, we feel, is clearly a breach of promise. It is difficult for these dedicated servicemen and women and their families to understand how their Government can spend billions on foreign aid and Great Society programs and yet be penny-pinching with its service career veterans. Additionally, they doubt that the percentage will remain at 25-75. With the memory of other broken promises, they expect the percentages of cost to change over the years so that they will be paying more than 25 percent. We feel that there must be no dollar limit assigned to whatever is promised by the Government. Otherwise, the ratio may change in disfavor of the retiree in future years as the Government tightens its belt.

The Association is adamantly opposed to any program that eliminates dental care for active duty dependents and space-available dental care for retirees and dependents. It is our position that there should not be separate provisions for

medical and dental care. One is as important as another, and conversely, as expensive. I am personally aware of a master sergeant now serving in Korea with six children who required dental care in the amount of \$823. This amount represents one-sixth of his yearly income. This sergeant is a veteran of the Normandy invasion, the Korean war and possibly the Vietnam war.

The Association is against the provision that prorates the cost of care for handicapped children on a scale tied to grade. The master sergeant with six children, one of which could be handicapped, is less able to pay for his care than a private first class with one child. We believe the previous percentage charge of 10 percent but no more than \$25 monthly to be more equitable. However, we feel there should not be an additional charge at all.

Under the new provisions, the Secretaries of the service have power to program some beds for retirees in new hospital construction. We feel that the percentage of beds for retired personnel should be fixed as was stated in earlier proposals of 10 percent for regular hospitals and 20 percent for teaching program hospitals.

What an equitable deductible figure is for the plan, we do not propose to solve. On an enlisted grade E-7's retirement salary or mailed-home pay of \$180-\$200, 5 percent might even be too much. Abuse of the program is unlikely if any amount is deducted at all.

Finally, the Association of Regular Army Sergeants does not relinquish its support of the monthly contributory hospitalization plans such as the Navy Hospital Fund provided. Everyone would benefit by the general upgrading of all medical facilities under such a plan, and all personnel would continue to be entitled to care.

Moreover, we believe that servicemen who contribute to their own medical care in retirement will think twice before giving up their medical equity which will aid in needed retention of skilled personnel.

However, the Association of Regular Army Sergeants appreciates this opportunity to comment on the administration's proposal. Thank you gentlemen.

ARMED SERVICES COMMITTEE,
CHAMBER OF COMMERCE, VALLEJO AND SOLAND COUNTY, CALIF.,
Washington, D.C., March 21, 1966.

Chairman L. MENDEL RIVERS,
House Armed Services Committee,
Rayburn Office Building, Washington, D.C.

DEAR CONGRESSMAN RIVERS: I note that the DOD has recommended that the Federal Government help financially with the custodial care of handicapped children of active service people. Words cannot express how strongly I support such a program. This support is based upon my own experience covering 44 years. Perhaps a digest of it will be helpful to your committee.

My spastic son died in 1963 at age 44; hence I no longer have a personal interest in such legislation. My interest lies in what I believe to be the good of the service; and with an understanding of the virtually unsolvable problem faced by some of the parents of handicapped children. I smile when I hear the father of a normal child complaining about the high cost of a 4-year college course for his child. The father of a handicapped child cannot plan for a fixed term, such as 4 years. Additionally—and importantly—he must strive to provide financially for his child after his own death. Institutions for custodial care necessarily are costly.

My spastic son was born July 31, 1919, some 7 years after I had graduated from the Naval Academy. I was 28 years old, and was a wartime temporary lieutenant commander. Note that except for 6 months in 1922 when I reverted to lieutenant I never received less than the pay of a lieutenant commander during the lifetime of my son. I was 42 when I made commander—normal promotion for those days. There are certain to be many fathers of handicapped children serving in lower grades than I was. I know what a problem they must be having.

I was stationed in Los Angeles when his mother died suddenly in 1929. He was 9 years old. He continued as a day pupil at a hospital in Los Angeles, and lived at home with his sister and me. A year later I was ordered to sea and had to break up our home. I am a 1100 officer. My assumption that the hospital would accept him for custodial care proved to be incorrect because "I can get more for even a county patient than you can afford to pay." I had offered to pay \$100 per month. So I placed him in a spastic school in Burbank, Calif. My ship was based at Long Beach close by. Later he was a patient in three different private schools—two in Maryland and one in California—always at my

expense until he died in a cerebral palsy center in Santa Barbara, Calif., where he had been a patient since July 1947.

I made captain in 1939 and rear admiral in May 1942. When I was retired in November 1947 for 50 percent service-connected physical disability I was an O-8; then the highest base pay grade (the same as C.N.O. for retirement pay purposes) getting some \$733 base pay per month with 39½ years naval service.

However, immediately upon retirement from the Navy I entered upon my present employment; which for the first time enabled me to pay my son's tuition at a cerebral palsy hospital free from financial worry.

At the time of his sudden death he was a patient in the best cerebral palsy hospital I know—Hillside House in Santa Barbara, Calif. He had lived there since July 1947. He was happy there. Spastics are normally not happy in a household with normal children. Comparisons are too odious for them to accept. They seem to have a God-given compensation which makes them content when living among their own kind. Nor are normal children likely to be happy with a spastic in the home. Some parents through an understandable pity will favor the sick child too much.

At the time of his death I was paying \$325 per month for his basic tuition. Clothing, doctor bills, haircuts, and other incidentals were not covered by the \$325.

Though it was somewhat trying at times it is a satisfaction to me that always he was cared for by some of the top cerebral palsy doctors in the country.

In closing let me emphasize that many service fathers of handicapped children who will be helped by this bill are junior to lieutenant commander and hence much worse off than I was. They, the military services, and the children, need your help.

I devoutly hope that you will give it. Should you wish to see me at any time you know that I am always at your service. EM-2-9638.

With kindest regards.

Sincerely yours,

MAHLON S. TISDALE,
Vice Admiral, U.S.N. (retired).

[Information Bulletin No. 6-66]

ASSOCIATION OF THE UNITED STATES ARMY
Washington, D.C., March 28, 1966.

STATUS OF AUSA RESOLUTION No. 13, 1964—MEDICAL AND DENTAL CARE

The House Armed Services Committee opened hearings this week on three bills to expand the health benefits programs for dependents of active-duty members of the uniformed services, and for retired members and their dependents. All three bills would become effective July 1, 1967, and all have been endorsed by the Department of Defense.

DEPENDENTS OF ACTIVE DUTY PERSONNEL

H.R. 13582 would authorize for dependents of active-duty personnel health benefits comparable to those provided by the "high option" plan of the Federal employees health benefit program administered by Blue Cross-Blue Shield. The outstanding new feature of this authorization is civilian outpatient care which would cost the patient 20 percent of the charges involved.

All other benefits of H.R. 13582 are already provided for active-duty dependents. These include physical examinations, immunizations, maternity care, care of the newborn, routine dental care outside the United States and in remote areas within the United States where civilian facilities are not available, emergency dental care worldwide, care in civilian hospitals costing \$25 for each admission or \$1.75 a day for the number of hospitalization days, whichever is greater, and care in military medical facilities.

Also affecting only dependents of active-duty personnel is the second bill, H.R. 9271. As amended by the Defense Department, the bill proposes a comprehensive program for handicapped children of active duty personnel which would provide:

1. Diagnosis;
2. Inpatient, outpatient, and home treatment;
3. Training, rehabilitation, and special education necessitated by the child's mental or physical handicap, and

4. Institutional care in private nonprofit, public and State institutions and facilities and, when appropriate, transportation to and from such institutions and facilities. No military facilities would be involved.

The costs of such benefits would range from a minimum of \$25 a month paid by the parent in the lowest enlisted pay grade to a maximum of \$250 a month paid by the parent in the highest commissioned pay grade. Active-duty personnel with more than one child incurring expenses under the program in a given month would not be required to pay an amount greater than for one such child.

To overcome the effects of residence requirements imposed by some States in connection with child welfare and crippled children programs, the bill would require such States to waive residence requirements for the children of active duty personnel (and for a period of 1 year following the retirement of such personnel) in order to obtain Federal grants for the State's child welfare and crippled children programs.

RETIREES AND THEIR DEPENDENTS

The third bill, H.R. 13583, proposes a civilian inpatient and outpatient health benefits program for retired members of the uniformed services and their dependents. As is provided in the active duty dependents bill, H.R. 13583 also authorizes the Secretary of Defense to establish by contract a program of benefits which will not exceed those provided under the "high option" plan of the Federal employees health benefits program administered by Blue Cross-Blue Shield. In addition to retired personnel and their dependents, the dependents of personnel who died while on active duty and the dependents of deceased retired personnel are eligible. However, individuals who reach the age of 65 and are entitled to hospital insurance benefits under the Social Security Amendments of 1965 would not be eligible, but could continue to receive available benefits at military facilities.

Approximately 75 percent of the total costs of the benefits proposed in H.R. 13583 would be paid by the Government, and the balance of about 25 percent would be paid by the patient. As long as Government facilities continue to be available, eligible personnel could elect to receive benefits either in Government facilities as they now do on a space available basis, or in civilian facilities. When Government facilities are not available, the benefits would be received at civilian facilities.

In this connection, the bill amends to a limited extent the existing policy for programing accommodations only for active duty personnel and their dependents in future construction of medical facilities. The amending feature provides that facilities for inpatient and outpatient care of retired personnel and their dependents may be programed at the minimum level necessary to meet the teaching and training requirements of the active duty hospital staff members, and where there is a critical shortage of civilian hospital beds for a large concentration of retired personnel.

The bill also authorizes the Secretary of Defense to arrange with the Administrator of Veterans' Affairs for providing care for retired personnel (but not for their dependents) at facilities of the Veterans' Administration. The Administrator would determine what facilities are available for retirees and he would be reimbursed at rates approved by the Bureau of the Budget.

There can be little doubt that the provisions of these three bills are supported by AUSA resolutions concerned with providing adequate medical care for dependents of active duty personnel and eligible retired personnel. The proposed authorization in H.R. 13582 of civilian outpatient care for dependents of active duty personnel would relieve a serious existing deficiency. The optional plan proposed in H.R. 13583 would largely overcome the difficulties encountered in obtaining "space available" treatments. The purpose of the program in H.R. 9271 for handicapped children, as explained by the Defense Department, is to lighten for the serviceman "the heavy and at times unbearable burden of providing continuing care for such children."

However, the AUSA objective as set forth in Resolution No. 13 approved in 1964 and restated in 1965 requests the Defense Department to take action also to provide adequate dental care for departments of active duty and eligible retired personnel. These bills fail to propose any dental care benefits which respond favorably to the request contained in these resolutions.

ARTHUR SYMONS,
Colonel, AUS, Retired, Secretary.

STATEMENT OF THE CHIEF WARRANT AND WARRANT OFFICERS' ASSOCIATION,
U.S. COAST GUARD, BEFORE THE HOUSE COMMITTEE ON ARMED SERVICES

Mr. Chairman and members of the committee, I am Chief Ship's Clerk Lee R. Green, U.S. Coast Guard, president of the Chief Warrant & Warrant Officers' Association, U.S. Coast Guard.

I wish to point out at the outset that I am speaking only on behalf of the association.

Our association is composed of more than 2,100 members holding permanent commissioned warrant or warrant officer status, U.S. Coast Guard. Approximately 45 percent of our membership is on the retired lists.

The preponderance of communications received from retired members dealing with their "retired" status can be broadly grouped into three categories:

- (1) Complaints that retired pay is no longer tied to active duty pay;
- (2) Concern about the lack of adequate medical facilities for themselves and their dependents; and
- (3) Survivors benefits.

All three of the categories mentioned are contingent, one upon the other. However, the No. 2 category regarding inadequate medical facilities is the issue before this committee.

My remarks are made in the interest of warrant officers (W-1 through W-4). Warrant officers, by law, are required to retire upon completion of 30 years service. This is at a time in life when financial burdens are generally greatest. It is also a time when it is difficult, if not impossible, to begin a second career. Restrictions are placed upon warrant officer retirees as to the types of jobs they are allowed to hold (civil service employment requires reduction in retirement pay). They continue to be subject to the Uniform Code of Military Justice, and are subject to recall to active duty. Therefore, the retired status is in fact a continuation of the military career.

The association is aware that the administration has made pay proposals which the administration deems adequate but this association feels such proposals are inadequate for the warrant officer. It is the general consensus that this lack of pay comparability is alleviated by more generous retirement benefits such as early retirement, medical care, commissaries, exchanges, etc. These congruous advantages are somewhat phantom as the availability of medical care, commissaries and exchanges is contingent upon a member living in an area where such facilities are located. A member generally retires at a place where stationed at one time during his active career and Coast Guard units are inherently isolated to the extent that these advantages are not normally available. Where available, they are gradually being eliminated. Frequent moves and low rates of pay throughout their military service deprives a member the opportunity of building "an estate." His estate is the retired pay expected, fringe benefits such as free hospitalization for himself and dependents, adequate commissaries and post exchanges, and the insurance policies he has been able to obtain from the Government at a low cost. At this point the family budget is strained to purchase a home and educate college-age children.

It is important that the quality of our fighting men not be reduced. The head of a military family deserves the assurance that when his military career evolves to retired status his anticipated benefits are preserved.

Some personnel pick their retirement home in a locality where Government medical facilities are available. Now they find some of those facilities either closing or overcrowded to the extent that it is causing them great anxiety. They have reached the stage in life when more frequent utilization of medical facilities is a necessity, yet the free medical care they always thought they could obtain for themselves and their dependents, is now dwindling away. They are faced with the solution of either moving to a more favorable locality or bearing the costs of medical expenses themselves; either of which will cause a heavy financial burden they are unable to bear.

This association recommends that—

- (1) Facilities for inpatient and outpatient care be programed in uniformed services construction projects to provide medical care for active duty and retired personnel and their dependents residing near such facilities, and

- (2) Enact the provisions of the bills presently before this committee to assure medical treatment for active duty and retired personnel and their dependents that do not reside near or if residing near, do not have access to medical facilities of the military.

Thank you very much, Mr. Chairman, for the opportunity of presenting our views on this important subject to the committee.

STATEMENT OF BRIG. GEN. JAMES D. HITTLE, U.S. MARINE CORPS (RETIRED),
DIRECTOR, NATIONAL SECURITY AND FOREIGN AFFAIRS, VETERANS OF FOREIGN
WARS OF THE UNITED STATES

Mr. Chairman, my name is Brig. Gen. James D. Hittle, U.S. Marine Corps (retired), and I am making this statement before your committee in my position as director of national security and foreign affairs, Veterans of Foreign Wars of the United States and on behalf of the 1,300,000 overseas combat veterans who are members of the Veterans of Foreign Wars.

By way of preface to my remarks, Mr. Chairman, I would like to emphasize that this matter of medical facilities for retired members of the armed services and their dependents is of long standing and deep concern to the VFW. The opinions and recommendations in this statement are based upon the unanimously adopted resolutions of our 1965 national convention.

It is indicative of the VFW's interest in medical services for retired personnel and their dependents that provision of such adequate medical services was included among the key goals of the VFW for 1966.

The VFW believes that a very basic fact must be recognized as a starting point for any discussion concerning medical services for military personnel and their dependents: This basic and inescapable fact is that it is the obligation of the Government to provide such medical services. This obligation may not, according to some legal technicians, be a strictly legal one. However, it is a moral obligation. And the VFW submits, Mr. Chairman, the moral obligation is by far the most important. It may be said that there is no legal contract between the serviceman and the Government guaranteeing hospital care for retired personnel and their dependents. However, I can say, Mr. Chairman, upon the basis of my personal experience, and based upon my conversation with officers and enlisted men during their careers, and in a retired status, that it has long been clearly understood by the serviceman that he and his dependents would continue to receive hospital and other medical attention before and after retirement.

This was a recognized and well-understood feature of a military career. It was most certainly one of the important considerations upon which a decision to devote one's life to a military career was based.

To terminate, reduce, or impair the right of the military retiree and his dependents to hospitalization is wrong on many counts.

It is wrong because it is retroactive deprivation of something to which he and his dependents are entitled. It is wrong because it is a violation on the part of the Government of a moral contract. It is at least as important for the Government to fulfill its obligation as it is for the individual. And, the facts are self-evident that the man who reaches retired status has technically and morally discharged the obligation he assumed when entering into a military career.

It is wrong, also, because of its effect upon those contemplating a military career. When the potential career officer and the able young NCO see the breaking of the contract for medical service for retired personnel and dependents, they understandably have reason to reflect further upon the advantages and disadvantages of a military career. As serious and wrong as it is with respect to those who are retired, any default upon hospitalization for retirees and dependents has perhaps an even more serious and definitely more long range effect upon the military services as a whole. This effect cannot help but be damaging if doubts are created in the minds of young officers and NCO's as to the validity—even the trustworthiness—of the Government's obligation to them and their families. Such doubt could be translated into very meaningful and unfortunate terms of less able officers and NCO's deciding upon a military career.

Therefore, Mr. Chairman, the basic observation of the VFW with respect to medical services for military retirees and their dependents is this: It is the clear-cut obligation of the Government to provide such services. Certainly as to the manner in which the services may be provided—whether by U.S. military hospital installations or through a medicare program with civilian hospitals—it is the Government's obligation to provide this medical service, and not at the expense of the retiree concerned.

We should also come to grips with another issue, Mr. Chairman. It has been said that the increasing number of military retirees makes it necessary to change the system of providing medical services for retired personnel and their dependents. This is the equivalent, Mr. Chairman, of saying that the increasing number of military men fulfilling their obligation to the Government justifies the Government in evading its obligation to them. Obviously that would be neither logical or moral.

After all, the relationship between the career serviceman, who eventually becomes a retiree, and the Government is an intensely personal one. There was no suggestion or notice made by the Government to this individual who accepted the obligations of a military career that when more people accepted the same obligations the Government would be released from its obligations to them.

And now, Mr. Chairman, to specific provisions of the legislation now before this committee, I would like to comment with respect to section 2.

This would authorize admission of retired members of the uniformed services for care in hospitals operated by the Veterans' Administration on a reimbursable basis subject to agreement of the Administrator of Veterans Affairs. The Veterans of Foreign Wars of the United States firmly believes that with the increasing incidence of hospitalization of veterans caused by advancing age and the influx of eligibles accorded entitlement to VA hospital treatment by Public Law 89-358, the current capacity of the VA hospital system will prove to be inadequate for veterans now categorically eligible.

Now as to that portion of the legislation pertaining to "contracts for health benefits for certain members, former members, and their dependents":

First, there is a very fundamental issue here of whether or not the Department of Defense, and the retiree's respective military department secretary, are still responsible for military personnel.

The VFW is deeply concerned that the provisions of this portion of the legislation could provide the means by which the military retiree is cast adrift in a bureaucratic wilderness. Throughout large portions of this proposed legislation, the decision of what is to be done about this moral obligation for medical services for the retired military and their dependents is, in many degrees, made the responsibility of the Secretary of Health, Education, and Welfare. In some cases the Secretary of Defense must "consult" with the Secretary of Health, Education, and Welfare with respect to military retirees and their dependents. However, in other sections of the legislation, the determination of medical services for military retirees becomes the joint and dual function of the Secretary of Defense and the Secretary of Health, Education, and Welfare.

Thus, the Secretary of Health, Education, and Welfare would hold a veto as to what the military retiree and his dependents receive in the way of medical services.

It should be obvious, Mr. Chairman, that with all due respect to the Secretary of Health, Education, and Welfare, he and his staff are not as highly qualified either by experience or background, as is the Secretary of Defense in matters pertaining to military personnel, active or retired, and their dependents.

Nor is it reasonable, Mr. Chairman, to expect that those officials who, by the nature of their responsibilities and interests, are concerned primarily with nationwide health programs, would be sympathetic toward the preservation of the retired serviceman's entitlement to medical services for himself and his dependents, a medical service distinct from the general public medical programs.

Thus, this legislation could serve as the springboard, and point of departure, for the eventual complete abrogation of the contractual obligation which the Government has toward the military retiree and his dependents.

It is the opinion of the VFW, Mr. Chairman, that the provision of medical services for military retirees and their dependents is the clear-cut responsibility of the military departments within the Department of Defense. The military retiree most certainly does not deserve to have this responsibility on the part of the Secretary of Defense and military department Secretary shifted in part, or eventually in toto, to a nonmilitary agency of the Government.

This shift in responsibility, or division of the responsibility at the present time, must be recognized as a first step—and a long one—toward merging and submerging the medical care for retirees and their dependents in the mass medical assistance programs. If such is the intent of the proposed legislation, then it should be clearly set forth. At least the military retiree who has served his country loyally should be dealt with frankly—to know what is in store for him. If it is not the intent of the proposed legislation, then such provisions that could set the stage for such an eventuality must be removed and such possibility must be strictly prohibited by the provisions of the legislation.

Next, there is the matter of how much of hospitalization in any private hospital a retired serviceman, or his dependents, should pay.

The VFW believes that the provision of such medical facilities should be based primarily upon medical services provided in adequate amounts in military medical installations.

However, if a medicare program is provided for a military retiree and his dependents, then under no circumstances should the rates for retired persons

and their dependents exceed the rates prescribed for active duty personnel and their dependents.

To have a higher rate for retirees than that which is prescribed for active duty personnel and their dependents would mean placing added financial burdens upon a retiree when his income, through retirement, is less. This would further underline the abrogation of the Government's obligation for providing medical services for the retired serviceman and his dependents.

Also, with respect to rates for a medicare program, it is strongly recommended that whatever rates or standards are to be prescribed should be set forth in legislation. If this is not done, then the retired serviceman and his dependents are placed at the mercy of administrative decisions at some future date. Such rate-making authority could, in effect, eventually destroy even the semblance of the medical services which the retiree is entitled to expect for himself and his dependents.

Also, there is the matter of outpatient treatment. The proposed legislation is, at best, vague on this point. This, to the military retiree and his dependents, as in the case of the active-duty serviceman and his dependents, is a major item of medical care. It is recommended that legislation specifically provide for outpatient care such as treatment in doctors' offices or in clinics. Here again, under no circumstances should the rates paid by retirees and their dependents be higher than those paid by active-duty personnel and their dependents for medicare. The law should state this clearly.

That section of the legislation pertaining to programing beds in military hospitals for retirees and their dependents merits further consideration by this committee. It is noted that the pertinent section of the legislation states that the facilities for care for retirees and their dependents in the construction projects of the uniformed services will be programed only on "case-by-case" basis under joint regulations to be prescribed by the Secretary of Defense and the Secretary of Health, Education, and Welfare.

It is submitted, Mr. Chairman, that when it comes to building military hospitals and carrying out the obligation of the U.S. Government toward military retirees and their dependents, this is a matter that should come under the authority of Congress and the Secretary of Defense. To give the Secretary of Health, Education, and Welfare a joint responsibility in this matter of military hospital facilities is wrong from the standpoint of national defense requirements, orderly governmental procedures, and most certainly from the standpoint of preserving the minimum rights of the retiree who has given the most productive years of his life to the military services.

Furthermore, Mr. Chairman, that portion of the legislation relating to the programing of hospital beds for the retiree and his dependents by the Secretary of the military service concerned warrants further consideration by this committee. It says simply "the Secretary may also consider programing a reasonable number of beds for persons covered in this section in extreme cases," or under certain circumstances.

It is submitted, Mr. Chairman, that in view of the long struggle which this committee has been engaged in with respect to forcing the budget cutters to include dependent facilities in new military hospital construction, it would be reasonable to expect that if providing hospital beds for retirees and their dependents is made a matter of administrative option, then there will be far less beds than if Congress made construction of such facilities mandatory.

Thus, it is recommended that this legislation be amended to reflect the obligation on the part of the Government for providing medical services to the retiree and his dependents by making it mandatory that such facilities for retirees and their dependents, and the dependents of active duty personnel, be included in all future military hospital construction.

Another aspect of the retiree problem is apparently overlooked in this legislation. It pertains to the former serviceman retired for the reason of service-connected disability. This disability is incurred in the course of military service. Certainly there is an inescapable obligation here to provide the medical attention for that retiree. We are unable to find anything in this legislation which reflects the intention, on the part of the Government, to provide such medical service for those disabled in active duty, and retired as a result of that disability. There is, we believe, something legally wrong and morally insensitive if it is intended that the disabled retiree must pay for medical attention under any form of medicare.

And now, Mr. Chairman, a general observation with respect to providing care in military hospitals for retired servicemen.

As this committee is well aware, Mr. Chairman, in dealing with the matter of medical care for retirees, there comes a point where the sharp pencil, the budg-

eteer's ax, and the impersonal flicker of a computer don't provide all the answer where people are concerned. What you are concerned with, and rightfully so, is a matter of deep-seated emotion and laudable sentiment. These are no unusual things in connection with the subject before you, because emotion and sentiment are inescapable attributes of the average person who makes that very fundamental decision to undertake a military career, thus dedicating his useful life to his country.

As anyone who has served for any length of time recognizes, the military life—specifically the service in which a man serves—becomes, in varying degrees, his family and his home. There are a significant number to whom their military service—be it the Army, Navy, Air Force, Marine Corps, or Coast Guard—is the only home they have ever really known. Frequently, you will find these in the senior NCO and warrant ranks. They are persons of highest soldierly virtues. They know and want no other life but that of a military career. His family is his service. His home is his ship or his barracks.

It may well be easy for a cost-cutting budget official to say that hospital facilities are not required for such servicemen after they are retired. But it would not be so easy for anyone who has served with and has come to admire this type—this indispensable type—of fighting man to explain to him that he is not, as he had been led to believe, really entitled to military hospitalization in his old age. It would, indeed, be hard to tell him that although he, throughout his long career, made himself available for every and any duty to which he might be called in defense of his country, hospital construction costs have resulted in medical care not being available to him now.

It is not an easy matter for this kind of serviceman, whose life has been the service, to readjust in illness and ailment to the ways of civilians, as efficient as they might be.

And, it is not empty sentiment, but, rather, a question of justice and morality to urge that this serviceman, to whom the military was his life, his career, his family, and his home, when he stands his last muster, should have the privilege of dying in surroundings in which he served, and among those he knew and trusted.

The VFW, Mr. Chairman, urges and fully supports whatever legislative action is necessary to require the inclusion of rooms and facilities for military retirees and dependents in new military hospital construction.

The Veterans of Foreign Wars, Mr. Chairman, takes this opportunity to express to you and to this committee our appreciation and our admiration for what you are trying to do for the serviceman and his family. The mere fact that you are engaged in such hearings at this time demonstrates that if the just rights of the serviceman, active and retired, and their dependents, are to be assured, that assurance, as have so many similar assurances in history, will result from the action of this committee and the Congress.

ALEXANDRIA, VA., March 29, 1966.

Hon. F. E. HÉBERT,
Chairman, Subcommittee Number 2,
House Armed Service Committee.

DEAR MR. CHAIRMAN: I am grateful for the opportunity to offer some remarks of personal concern and historic application to your committee as you study the matter of extending medicare to dependents of retirees.

Ten years ago as the spokesman for Blue Shield before your predecessor committee, I expressed my conviction that the physicians of this country along with other providers of health services would support such a program as you were then devising. During all the years since then, sitting on the Advisory Committee to the Secretary of Defense, most of that time with my friend and colleague Van Steenwyk of Blue Cross (with whom I had shared many of those early creative moments), I saw the early promise fulfilled.

Under a succession of outstanding executives in the ODMC, uniformed service morale was enhanced as good medical care was given dependents in both civilian and service facilities. The cost was reasonable and the total performance proved that Government and private enterprise could work effectively toward a common objective—better health service. The wisdom of allowing broad administrative option under carefully devised legislation was established.

After 10 eventful years in developing improved methods of distributing health care and paying for it, we are all better able to assist in solving the problems to which your committee now addresses itself. With the options wisely offered

the Defense Department in the administration of the program, what we have learned can be best used.

Once again, and this time with more assurance, I express the belief that not only Blue Shield and Blue Cross but the rest of voluntary health insurance and of course the providers of services will continue the cooperative partnership with Government which will assure the success of your broadened program.

Respectfully yours,

DONALD STUBBS, M.D.

HEALTH INSURANCE ASSOCIATION OF AMERICA,
Washington, D.C., March 28, 1966.

HON. F. EDWARD HÉBERT,
Chairman, Subcommittee No. 2,
House Armed Services Committee,
House of Representatives, Washington, D.C.

DEAR REPRESENTATIVE HÉBERT: On behalf of the American Life Convention, the Health Insurance Association of America and the Life Insurance Association of America I submit the attached statement with regard to H.R. 13582 and H.R. 13583 now pending before your subcommittee. I respectfully request that this statement be made a part of the hearing record.

Very truly yours,

KENNETH D. ALLEN,
Assistant Counsel.

STATEMENT ON H.R. 9271, H.R. 13582, AND H.R. 13583 BY AMERICAN LIFE CONVENTION, HEALTH INSURANCE ASSOCIATION OF AMERICA, LIFE INSURANCE ASSOCIATION OF AMERICA

The American Life Convention, the Health Insurance Association of America and the Life Insurance Association of America, appreciate this opportunity to express our thoughts on the legislative proposals, H.R. 9271, H.R. 13582, and H.R. 13583. These bills are designed to improve health benefits for active duty dependents of members of the uniformed services; provide a health benefits program for retired members and their dependents, and provide resident care for mentally retarded children of members of the Armed Forces.

Member companies of these associations have in force over 90 percent of the voluntary health insurance underwritten by insurance companies in the United States today. Our experience and services have always been available to the Government on proposals of this nature and we believe cooperation between private enterprise and Government are necessary to accomplish the objectives intended by these measures. We feel that Congress representing the Government in an employer status in regard to existing military incentive programs is in the best position to make decisions with respect to the level of benefits for retirees and their dependents as well as active duty dependents. We therefore offer no comment in this regard.

However, if it is determined that there shall be an extension of the program to retirees and their dependents and that there shall be improvement of the present program for active duty dependents, we strongly recommend the method of administration as contemplated by Deputy Secretary of Defense, Cyrus R. Vance, in his letter of March 3, 1966, to the Honorable John W. McCormack, Speaker of the House of Representatives:

"* * * if the proposal is enacted, the retired group will be added to the civilian care segment of the existing dependents' medical care program, effective July 1, 1967, and that the program for retirees would be administered in the same manner and by the same organization that administers the present program, thus taking advantage of the low administrative costs and valuable experience obtained under the present program."

We believe that this approach is administratively sound and in the best interest of the beneficiaries.

The existing competition between the health insurance industry and the Blue Cross Association has provided an incentive to each of them to do their best. Mutual of Omaha, as fiscal agent for hospital charges in some States and for physicians' fees in others, has demonstrated its ability to meet efficiently and with low administrative cost the needs of the existing program. This same efficiency and economy of cost can be expected in the administration of the proposed legislation if adopted.

We suggest that Congress weigh carefully any proposal which would preempt existing health care coverage of retired military personnel. Many of these retirees now have private health coverage paid for in whole or in part by their present employers. Consideration should be given to the ability of these actively employed people to provide for themselves in this or other fashion. Section 1086(d) of H.R. 13583 is specifically designed to meet this problem and we recommend that this be included in any bill the committee may favorably report.

In closing, the experience and services of the insurance industry continue to be available to your subcommittee should you deem further discussion or information necessary.

**STATEMENT BY NATIONAL ASSOCIATION OF BLUE SHIELD PLANS REGARDING
H.R. 13583 PRESENTED BY RUSSELL B. CARSON, M.D., CHAIRMAN OF THE
BOARD**

The National Association of Blue Shield Plans appreciates the invitation extended by Subcommittee No. 2 of the House Committee on Armed Services to state the association's position on H.R. 13583.

In the past, this association has had the privilege of serving in an advisory and coordinating capacity to those of our member plans which have been commissioned to act as fiscal agents for the medical organizations which are prime contractors with the Department of Defense in implementing the program of medical services for dependents of active-duty personnel.

We are confident that our member Blue Shield plans will be interested in participating in the program contemplated in H.R. 13583, if they can serve in a fully responsible role, as they do in the Federal employee health benefit program.

We support the position of the Department of Defense that there is a significant distinction between the dependents of active-duty personnel on the one hand, and retirees from the uniformed services and their dependents on the other, which is the basis on which it is proposed that the beneficiaries of this extended program would be required to contribute toward its costs.

We believe that most serious consideration should be given the proposal to provide medical care protection for the retiree (and dependents) through a mechanism similar to the Federal employee health benefit program.

Through the use of prepayment, costs can be shared equally among the entire insured group; the expense to the Government and the beneficiary will be more stable and predictable than through any other mechanism; and the retiree, as a private citizen, will be protected through the same mechanisms and under the same patterns of protection as the rest of the civilian population.

The present health care program for dependents of personnel on active duty is appropriately designed to serve its original mission (now more important than ever) of maintaining the morale of the armed services. The new program has quite a different mission. Merely to expand the present "medicare" program for servicemen's dependents to cover the retirees and their dependents might damage the mission of the former program.

On the contrary, the purpose of the new program for retirees, who are essentially civilians, will clearly be best served by providing medical care protection according to the prepayment pattern now utilized by the entire civilian population.

The National Association of Blue Shield Plans will be glad to be of any possible service to your committee in its further consideration of this problem.

**BLUE CROSS ASSOCIATION, INC.,
Washington, D.C., March 28, 1966.**

HON. EDWARD HÉBERT,
*Chairman, Subcommittee No. 2, House Armed Services Committee,
Washington, D.C.*

DEAR CONGRESSMAN HÉBERT: This letter is written to express the views of the Blue Cross Association on H.R. 13582, a bill designed to expand certain health benefits for dependents of active members of the uniformed services, and H.R. 13583, a bill which authorizes establishment of a health benefits program for retired members of the uniformed services and their dependents.

The Blue Cross Association which serves the nonprofit Blue Cross plans of the United States and their 61.5 million subscribers in many national matters, has been proud to administer the largest part of the civilian care benefits provided to dependents of active members of the uniformed services, since that program

was established December 7, 1956. This dependents' medical care program was the first of the important series of Federal health benefits arrangements which have provided for care to be rendered in civilian facilities to important segments of the public at Government expense but under private administration. The Federal employee program and the medicare program, about to come into operation, are the other major examples of this Government-private industry joint approach to the prepayment of health care benefits.

Each of these approaches was slightly different in concept or in structure. Under the dependents' medical care program a broad inpatient hospital and medical care program on a full-service basis was established to serve the needs of these people, who are substantially under the protection of the Government during their period of active service, and are generally younger than average in age. The Federal employee program adopted the traditional employer-employee approach to benefits, by purchasing coverage in the marketplace, offering an historic series of choices to employees, and providing for careful Government influence on the selected programs. The medicare program has taken both approaches, using an intermediary administrative agency to handle the institutional aspects of the program provided as social insurance on a payroll tax base, and the "risk" approach for the voluntary medical care portion for which the elderly person pays a flat contribution and the Government essentially accepts the obligation of meeting the balance of whatever the cost is; i.e., the "risk."

We have reviewed H. R. 13582 and H. R. 13583 as well as recommendations from the Secretary of Defense for amending chapter 55 of title X, United States Code. It appears that the intention of the two proposals is essentially twofold: First, to move the scope of benefits available in the dependents' medical care program toward equivalents with the scope of benefits contained in the Federal employee program. And second, to assert as a matter of law the right of retired members of the uniformed services and their dependents to care at approximately the same scope of benefits in military or civilian facilities. We distinguish between "scope of benefits" and "extent of coverage" at this point. All of the groups involved might well have available to them the same scope and type of benefits, but be called upon to pay a different amount or on a different basis for those benefits and therefore have a different extent of coverage for them.

We endorse this basic approach. Expansion of the scope of benefits through H. R. 13582 primarily by making available the services of civilian sources for outpatient hospital and nonhospital medical care is, in our judgment, a wise and beneficial expansion of the dependents' medical care program. Establishment through H. R. 13583 of a program of the same type, plus four additional benefits, administered in the same manner and by the same organization that administers the program for dependents of active servicemen is commendable in our opinion.

However, there are some substantial differences between the retired military population and the active military population and these suggest to us the possibility of borrowing for the retiree program some of the organizational aspects of the Federal employee program as well as its major benefit pattern. In addition to the generally higher age level, the retired military population differs from the active primarily in that more than a third of the "retirees" are retired only from military service but not from the active labor market: they enter new civilian employment and, since most of this third rapidly acquires private health insurance substantially paid for by the employer or through labor-management agreements. While H. R. 13583 seeks to avoid doubling up on top of such benefits by providing that no benefits will be payable except as "secondary" to such private benefits, it is easier to adopt the principle than it is to administer the coordination-of-benefits arrangement necessary to implement it.

We suggest the possibility of an approach along these lines:

For retirees and their dependents aged 65 or more, a program to supplement medicare benefits up to the level of the most widely held Federal employee Government-wide program. Although no premium could be suggested at this time, this would not be an expensive program. The program could provide free choice of civilian or military facility, but not care in other Federal institutions such as Veterans' Administration facilities, and payment would be made by the program to the military facility on a fixed-rate basis. This program could be insured on a risk basis. To the extent that the Federal employee program follows the same pattern, these two programs would be identical in scope of benefits and form of administration.

For retirees and their dependents under age 65 a choice could be provided.

A. Enrollment in a private program at the scope of benefits of the most widely held Federal employee program, essentially as now proposed in H. R. 13583. This program could also be underwritten on a rate basis thus tending to fix the

Government's cost in advance as well as providing added incentive to the insuring agency for effective claims administration. The Government could pay up to 75 percent of the cost, or such other percentage as was desired by the Congress, and this could be done on a premium basis thus making it possible for the retiree to meet his share of the cost by small periodic payments in advance rather than running the risk of incurring a large obligation at the worst possible time—when care is received. This is the concept of prepayment as adopted by the Federal employee program, and by the voluntary medical care portion of medicare.

The retiree who elected this option would tend to be the one not remaining in the private labor market, and thus not likely to have other coverage paid for by law or as a result of employment. The retiree contribution should be large enough to encourage this result.

B. The retiree who did have private coverage paid for by law or as a result of employment could be offered a supplementary program along the lines of, or perhaps identical with, the scope of benefits offered to the 65-plus age group. For the sake of uniformity, this would "carve out" the medicare scope of benefits and would permit administration on a filed claim basis after care had been received, thus simplifying greatly the problem of benefit coordination between the private and the military retiree benefit.

The retiree who while still under age 65 did not choose to enroll in any of these programs would still be assured of access to military facilities on the identical basis as for care of dependents of active members of the uniformed services. If the Secretary of Defense prescribed regulations which required certain military retirees to seek care in military facilities because of residence proximity to military facilities, these retirees would also be included in this unenrolled group. It would be possible to treat them in other ways as similar to the dependents of active members of the uniformed services, also, by institution of a permit system of authorization to obtain emergency care in civilian facilities. Whatever payment was required of actives could also be required of retirees, under this approach. In effect, these members and their dependents would be added to the existing dependents' medical care program, as amended by H.R. 13582 or other legislation from time to time.

We would be happy to work with this committee or Defense Department officials involved in considering these or other alternatives. In substance we continue to support the testimony submitted to this committee on July 2, 1964, in which we said, in part:

"To the greatest possible extent Blue Cross continues to believe it is in the public interest to plan for the health needs of retirees from the uniformed services, many of whom are much younger than normal 'retirees' from business or industry within the context of the civilian community into which they have moved."

Blue Cross has demonstrated its willingness to be of public service in the administration of such benefits during the last decade by accepting responsibility in two-thirds of the States for handling claims as fiscal agent in the original dependents' program and is preparing at this time for major intermediary functions under medicare.

We would appreciate your making this statement a part of the record of the hearings on these bills.

Sincerely,

ANTONE SINGSEN,
Vice President.

AMERICAN HOSPITAL ASSOCIATION,
WASHINGTON SERVICE BUREAU,
Washington, D.C., March 22, 1966.

HON. EDWARD HÉBERT,
Chairman, Subcommittee No. 2,
House Armed Services Committee,
Washington, D.C.

DEAR CONGRESSMAN HÉBERT: This letter is written to you to express the views of the American Hospital Association on H.R. 13582, a bill "to amend chapter 55 of title X, United States Code, to increase health benefits for dependents of members of the uniformed services," and H.R. 13583, a bill "to authorize a civilian health benefits program for retired members of the uniformed services and their dependents."

This association strongly supported the legislation which created the program to provide health benefits for dependents of active duty personnel. We believe the amendments proposed in H.R. 13582 will serve to clarify the benefits to which such dependents will be eligible and will place them in conformity with the benefits which are provided to civilian employees under the high-option contract contracted for by the Civil Service Commission. It appears to us, therefore, that these provisions will in various respects broaden the benefits which can be provided to these dependents. The conformity with the civilian health care program is in itself, we feel, a desirable move.

Also, the bill provides for additional benefits in respect to physical examinations, immunizations, and care of the newborn.

We have continued to follow the program under which active duty dependents are provided care, and we feel this program has been very well administered and has accomplished in every way the purpose intended by the Congress when it passed the original legislation. There is ample evidence, we feel, to indicate that the civilian hospitals of the Nation have bent every effort to cooperate in assuring the success of the program. The detailed administration of the program by the voluntary health insurance field has contributed immeasurably to the program's success.

We wish to take this opportunity to commend most highly the military administrators of the program at the federal level.

One of the provisions of the bill would amend section 1074(b) of title X, United States Code, to permit retirees of the uniformed services to use available facilities and services of the Veterans' Administration. There is, of course, no question involved here as to the right of retirees to use such facilities in connection with a service-connected illness. However, in respect to a non-service-connected illness, such retirees should be in no different position than any other veteran. The amendment creates two classes of veterans; those who enter for non-service-connected treatment as a right, and the rest who must show financial need. We have long been concerned with the development of the veterans' hospital and medical care system. As we look to the future, we believe it is reasonable to expect a greatly increased use of such facilities because of present military activities. The amendment proposed here will serve to further increase the demands upon such facilities and may well lead to overcrowding and pressures for further expansion of the veterans' system. We urge that the Veterans' Administration's system be kept to its primary mission and that no special status be provided for certain veterans in retirement or for the use of such facilities.

Section 1086. Contracts for health benefits for certain members, former members, and their dependents: We understand this section is intended to provide for health services to retirees and their dependents as a matter of right and to, therefore, clarify the existing situation which has caused a good deal of confusion and unequal availability of care to such retirees and their dependents. We note that the language contained here directs the Secretary of Defense to contract for health benefits. The language is identical to that used under section 1079 of the law pertaining to health benefits for dependents of active duty members.

The policy forming bodies of this association in considering the possible development of such a program urged that in the event that the Congress establishes a health program for retired members of the uniformed services and their dependents, the Federal Government utilize fully the mechanism of voluntary health insurance to provide the health services in any program and to provide that any such voluntary health insurance be on an underwriting basis similar to that of the program provided for Federal civil service employees.

There is no assurance under the existing language that the program of benefits will be established on an underwriting basis, and we would urge that the language be amended to so provide.

We note that the bill limits the Government's share of the costs of benefits provided under a plan to 75 percent of the total. We would urge that the Government accomplish this objective by purchasing insurance protection which is underwritten by a plan or carrier and that the Government's participation be applied in the form of a percent of the premium. This approach has the advantage of placing the retired member of the uniformed services and his dependents in

the same position as retired civil service employees and their dependents, it adheres to the insurance principle; and it makes it easier to determine the Federal contribution as well as the payment required of the insured. However, we wish to raise the fundamental question as to the amount of the Government's participation in the program to be offered. The bill purports to authorize a "civilian health benefits program" and to relate the benefits to be provided to the presently existing plan which the Government is assisting in providing to its civilian employees. Under this civilian plan the Government is not providing 75 percent of the premium, and we fail to see the justification of this legislation providing a far greater share of the premium of retired members of the uniformed services and their dependents than the Government is providing for retired civilian employees and their dependents. We would urge that this bill be amended so as to require that the beneficiaries under the legislation contribute toward their coverage in an amount equal to that applicable to civil service retirees and their dependents.

Section 1087. Programing facilities for certain members, former members, and their dependents in construction projects of the uniformed services: We note that the Secretary may, under certain conditions, build new facilities as additions to the facilities of the uniformed services expressly to provide care to retirees and their dependents. The Secretary, in considering the possible addition of hospital beds to uniformed services hospitals, must first consider the ability of facilities available in communities to provide such services. He must also consider indications as to whether the civilian facilities are planning for the additions that would be needed to serve retirees and their dependents.

This association is opposed to the addition of new hospital beds, facilities or personnel in Federal facilities expressly for the care of retirees from the uniformed services and their dependents.

We can see no justification whatever in the Federal Government drafting physicians whose services will be directed toward the care of retirees and their civilian dependents.

We would appreciate your making this statement a part of the record of hearings on these bills.

Sincerely yours,

KENNETH WILLIAMSON,
Associate Director.

STATEMENT OF V. EUGENE MCCRARY, O.D., PRESIDENT OF THE AMERICAN
OPTOMETRIC ASSOCIATION

Mr. Chairman and members of the subcommittee, my name is V. Eugene McCrary. I am an optometrist engaged in private practice in College Park, Md. As president of the American Optometric Association, I am privileged to submit the views of our association concerning the three bills now under consideration: namely, H.R. 9271 to provide resident care for mentally retarded children of members of the Armed Forces; H.R. 13582 to increase health benefits for dependents of members of the uniformed services; and, H.R. 13583 to authorize a civilian health benefits program for retired members of the uniformed services and their dependents.

The American Optometric Association is a voluntary organization with a membership of more than 13,500, composed of optometrists practicing in 1 or more of the 50 States and the District of Columbia. There are approximately 450 optometrists on active duty with the Armed Forces who hold ranks ranging from second lieutenant to colonel in the Army and Air Force and ensign to captain in the Navy.

We believe that all three of these bills, if, as, and when enacted into law, will serve three purposes; first, to make a military career more attractive to men in service; second, to give military retirees health benefits which they deserve by reason of their patriotic service; and third, to provide mentally retarded children of members of the armed services with care comparable to that provided children with similar afflictions whose parents are civilian residents of the United States. We are concerned not only with passage of these bills but particularly with their wording and that the committee report indicate clearly that optometric services on an outpatient basis will be available to the beneficiaries who desire to use them.

There are approximately 17,000 optometrists engaged in active practice in the United States. They provide approximately three-fourths of the vision care

of our civilian population. They are located in many rural areas, frequently in areas where there are no medical practitioners.

The Reader's Digest for March 1966 contained an article concerning mentally retarded children. It estimated that there were over 1 million children whose cause of mental retardation was incorrectly diagnosed. It did not contain an estimate as to how many of these children had defective vision. It did point out three specific cases where after the child's vision problem was discovered and corrected, the child was not considered mentally retarded but was able to take his place with contemporaries who were normal. The article pointed out that most of the errors in diagnoses involved sensory problems and the probabilities are that the greatest number of errors involved the child's ability to see properly.

Vision, which is essential to education as well as to the safety of the individual, is certainly of such importance that it should be included in any health program—not only for children of those on active duty but also for the retirees.

Over 90 percent of the retired personnel of the uniformed services have a vision problem. Most of them had optometric care when they were in the service and would like to continue it. But, in order to do so, they must remain close to a military installation where such services are available. It is our understanding these facilities are already overburdened. It has been estimated that military optometrists provide more than 90 percent of the vision care of the uniformed personnel.

The American Optometric Association believes that the language of the bill should be so specific that there will be no question as to the availability of optometric services regardless of where the retiree and his dependents reside.

Since 1950, optometric services have been available to those who are beneficiaries of the aid to the blind program known as title X of the social security law. Recent amendments to the social security law also included optometric services specifically. By congressional action, optometric services were made available to veterans entitled to outpatient vision care.

The Aid to Health Education and the Medical Libraries Acts likewise provided aid to optometric schools and to optometry students so that we would have more of the professional manpower needed to serve such people as those retired from military service and their dependents.

The need for the best possible vision for people in all walks of life and for all ages is of the greatest importance. Mr. Chairman and members of the committee, we strongly recommend that the language of the bills and the reports clearly indicate that the beneficiaries shall be able to obtain the services of optometrists when they need them.

NATIONAL ASSOCIATION OF STATE MENTAL HEALTH PROGRAM DIRECTORS,
Washington, D.C., March 28, 1966.

Hon. F. EDWARD HÉBERT,
Chairman, Subcommittee No. 2, Committee on Armed Services, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: We regret that because of the shortness of notice we were unable to provide your committee with expert testimony from the States in regard to the Defense Department proposal to have the States care for and treat the mentally retarded dependents of active duty military personnel (H.R. 9271 as amended).

Since this is a matter affecting almost exclusively the States (virtually all public institutional programs for the retarded are under State administration) and since the proposed legislation involves a possible cutoff of HEW grants to the States, we felt it only proper that the States have an opportunity to at least see the Defense Department proposal.

After the States have examined the proposal we will probably want to furnish your committee (and the Senate Armed Services Committee) with a statement.

I can assure you in advance, however, that our members will support with genuine sympathy any practical and workable plan for full and convenient care and treatment of the mentally retarded dependents of the military. This is a problem with which our members have long been concerned, and have long worked with the military toward a solution.

For the information of your committee the members of this association are responsible for the administration of 110 public training schools and hospitals in

51 States and territories, treating 131,277 institutionalized mentally retarded persons.

In addition, there are 55 other State institutions, in 21 States, caring for 29,377 mentally retarded persons (these institutional programs are not represented in this association).

The expenditures by the States for care and treatment of the mentally retarded for the 10-year fiscal period 1953-62 were as follows:

Capital expenditures.....	\$393, 200. 000
Operating expenditures.....	1, 947, 900. 000
Total.....	2, 341, 100, 000

As you will recall, a question was raised Friday with HEW witnesses, about State expenditures, but no answer was furnished you at the time. The foregoing data is provided for your files. Information on State expenditures for mental retardation was furnished by this association to the House Interstate Commerce Committee in 1963 and is contained in House Report 694, 88th Congress, pages 67-69, a copy of which is enclosed.

Respectfully yours,

HARRY C. SCHNIBBE,
Executive Director.

APPENDIX D

Expenditures by States over past 10 years to combat mental illness and retardation—compiled August 1963 (data furnished by mental health departments in each State; table prepared by National Association of State Mental Health Program Directors)

State (time period)	Expenditures on mental illness		Expenditures on retardation		Total expenditures		Total, all mental disorders	Explanatory notes
	Capital	Operating	Capital	Operating	Mental illness	Retardation		
Alabama (see total)							\$82,366,063	No breakdown available.
Alaska: 1968; estimate fiscal year 1968.	(1)	(1)	(1)	(1)	(1)	(1)	12,161,692	
Arizona	(2)						57,822,918	Breakdown not exact because "retardation" statistics reflect only treatment of children and not retarded adults who are treated with mentally ill.
Arkansas: 1959-63 "last 10 years" ("last 10 years" mental illness and retardation not separated).	\$3,337,441	\$49,574,366	\$2,752,315	\$2,188,775	\$52,911,827	\$4,911,001		Includes only hospital expenditures.
California: Fiscal year 1953-54 through fiscal year 1962-63 (estimated).	80,189,812	786,614,216	40,560,281	217,786,068	866,804,028	238,346,349	1,125,150,377	Includes matching funds to clinics under operating costs.
Colorado: Fiscal year 1953-54 through fiscal year 1962-63 (estimated).	19,868,521	102,690,711	6,474,938	24,642,267	122,559,232	31,117,206	163,676,437	Does not include cost of community services for mental illness.
Connecticut: 1953-62	43,192,520	183,835,635	16,420,583	63,963,438	227,028,155	79,393,021	306,421,176	No statistics available prior to 1959-60 fiscal year.
Delaware: "Last 10 years"	3,864,758	21,844,082	1,402,387	8,578,781	25,249,440	9,841,168	35,230,608	Statistics before 1959 not available because of recent statehood of Hawaii.
Florida: Fiscal year 1952-53 through fiscal year 1961-62	34,209,710	102,096,657	11,712,083	31,673,161	136,246,367	43,385,244	179,631,611	
Georgia: Fiscal year 1959-60 through fiscal year 1961-62	772,486	40,225,476	796,961	5,257,083	40,997,962	6,054,044	47,052,006	
Hawaii: Fiscal year 1959-60 through fiscal year 1961-62	754,711	8,872,065	367,376	6,372,257	9,626,796	5,739,633	15,366,429	
Idaho: Fiscal year 1952-63 through fiscal year 1961-62	2,114,196	18,821,754	2,204,045	10,628,090	20,935,950	12,832,135	33,768,085	
Illinois: Fiscal year 1952-53 through fiscal year 1961-62	48,472,357	529,490,559	5,473,306	97,044,975	577,962,916	102,518,262	680,481,198	
Indiana: "Last 10 years"	28,554,044	162,543,774	8,431,585	60,497,905	191,097,818	68,929,490	260,027,308	
Iowa	7,939,973	72,533,428	3,640,294	35,429,816	80,473,401	39,070,110	119,543,511	
Kansas: Fiscal year 1954 to fiscal year 1963.	21,361,320	113,227,061	8,633,052	45,893,476	134,588,401	54,526,528	189,114,929	Mental illness operating expenditure includes State office operating costs of \$2,226,089.

See footnotes at end of table, p. 5987.

Expenditures by States over past 10 years to combat mental illness and retardation—compiled August 1963 (data furnished by mental health departments in each State; table prepared by National Association of State Mental Health Program Directors)—continued

State (time period)	Expenditures on mental illness		Expenditures on retardation		Total expenditures		Total, all mental disorders	Explanatory notes
	Capital	Operating	Capital	Operating	Mental illness	Retardation		
Kentucky: July 1, 1952-June 30, 1962.	\$3,472,568	\$74,567,130	\$1,239,727	\$8,016,749	\$78,039,698	\$9,256,476	\$87,296,174	
Louisiana: Fiscal year 1953-54 through fiscal year 1962-63.	12,500,000	95,200,052	3,500,000	21,658,979	107,700,052	25,158,979	132,859,031	
Maine: "Past 10 years"	6,651,729	39,373,213	3,911,970	18,043,397	46,024,942	21,955,367	67,980,309	
Maryland: Fiscal year 1953 to fiscal year 1962.	12,948,573	159,979,022	4,158,850	32,246,500	172,927,595	36,405,850	209,332,945	
Massachusetts: "Past 10 years"	58,317,165	388,222,302	11,100,350	111,399,647	446,539,467	122,499,997	569,039,464	
Michigan: Fiscal year 1953 to fiscal year 1962.	42,051,500	363,069,937	33,947,700	175,213,437	405,151,437	209,161,137	614,312,574	
Minnesota: Fiscal year 1952-53 through fiscal year 1961-62.	27,302,750	156,017,229	31,707,373	64,146,571	183,319,979	95,853,944	279,173,923	Expenditures for research, training, central office administration, and mental health centers included in mental illness operating expenditure (\$3,647,864).
Mississippi: "Past 10 years"	7,620,000	49,071,543	2,594,169	7,498,615	56,691,543	10,092,784	66,784,327	
Missouri: "Past 10 years"	(¹)	(¹)	(¹)	(¹)	180,831,710	44,313,152	225,194,862	
Montana: 1953-62.	3,273,275	23,577,854	2,816,459	6,540,810	28,251,128	9,357,269	36,208,398	
Nebraska	(¹)	(¹)	(¹)	(¹)	10,222,513	(¹)	94,188,778	
Nevada: "Past 10 years"	2,489,903	7,732,010					10,222,513	No separate programs for retardation.
New Hampshire: "Past 10 Years."	1,692,522	40,841,007	1,771,660	11,345,715	42,533,529	13,117,375	55,650,904	No breakdown available.
New Jersey: 1954-63 (see total)	(¹)	(¹)	(¹)	(¹)			541,347,357	
New Mexico	236,966,813	1,527,076,383		292,868,911	1,794,043,196	292,868,911	2,086,942,107	Capital expenditures on mental illness also includes capital expenditure on retardation.
North Carolina: 1952-53 through 1961-62.	42,841,448	127,830,545	21,892,858	32,124,924	170,671,993	53,967,782	224,639,775	
North Dakota: 10 years.	(¹)	(¹)	2,145,100	5,483,861	29,822,222	7,628,961	37,451,183	Total for retardation includes some mental illness and services for retardation.
Ohio	67,287,327	406,785,959	14,559,468	95,924,760	474,073,286	110,484,258	584,557,544	Total for retardation includes some mental illness and services for retardation. Includes \$29,804,627 in non-institutional care in mental illness operating expenditure.

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES,
Washington, D.C., March 25, 1968.

Hon. F. EDWARD HÉBERT,
*Chairman, Subcommittee No. 2, House Armed Services Committee,
 House Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN. We note with great interest the introduction and hearings on H.R. 9271, H.R. 13582, and H.R. 13583 which would expand medicare for retirees of the uniformed services and we firmly endorse the general philosophy enunciated in these important measures.

It is apparent from the interest expressed by committee members in the various provisions of the proposed legislation which would permit arbitrary determinations by the Secretary of Defense, and those relating to the contributions applicable to retirees and their dependents, that these areas will receive the detailed consideration which they warrant.

Our principal interest lies in that part of the legislation which, if not amended, would continue a needless inequity incorporated into the Dependents Medicare Act of 1956. In that act there was inserted a provision denying medicare to retirees under chapter 67 of title 10, United States Code, who performed less than 8 years of active duty (other than for training).

We have long questioned this criteria for medicare benefits which arbitrarily and without apparent sound basis makes a distinction between persons with 8 or more years of active duty and those with a lesser amount. We fail to find any magic in the number "8" as a qualifying factor. Indeed its inclusion in the basic act appears to have been capricious and without reasonable rationale.

Retirees most vitally affected by the fictional 8-year criteria are those who have rendered the longest and most faithful service. Such individuals could have served on active duty in World War II, the Korean conflict and the Berlin crisis without attaining this required 8 years of active duty.

We believe, Mr. Chairman, that the present hearings before your subcommittee present an excellent opportunity to correct this long-standing inequity and we respectfully urge that the 8-year, active-duty criteria be eliminated from the law.

Sincerely,

JAMES F. CANTWELL,
Major General, NJARNG, President.

GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE,
Washington, D.C., March 31, 1966.

HON. L. MENDEL RIVERS,
*Chairman, Armed Services Committee,
 House of Representatives, Washington, D.C.*

DEAR MR. RIVERS: This letter is in reply to your request for the views of the Department with respect to H.R. 9271, H.R. 13582, and H.R. 13583, bills—

To amend title 10, United States Code, to provide resident care for mentally retarded children of members of the Armed Forces under certain conditions, and for other purposes;

To amend chapter 55 of title 10, United States Code, to increase health benefits for dependents of members of the uniformed services; and

To amend chapter 55 of title 10, United States Code, to authorize a civilian health benefits program for retired members of the uniformed services and their dependents, respectively.

This Department recommends enactment of H.R. 13582, H.R. 13583, and favors the intent of H.R. 9271. However, as submitted, H.R. 9271 does not include dependent children of commissioned officers of the Environmental Science Service Administration. The suggested amendments submitted by the Department of Defense would, if incorporated into the bill, remedy this situation and provide coverage consistent with other health benefits provided in title 10. The Department of Commerce concurs in and strongly supports the recommendations of the Department of Defense regarding this bill.

Enactment of this legislation would not involve the expenditure of any funds by this Department.

We have been advised by the Bureau of the Budget that there would be no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

ROBERT E. GILES,
General Counsel.

We thank you gentlemen for your cooperation.

The committee will now go into executive session.

(Whereupon, at 11 a.m., the subcommittee proceeded in executive session.)



UNIDENTIFIED FLYING OBJECTS

HEARING

BY

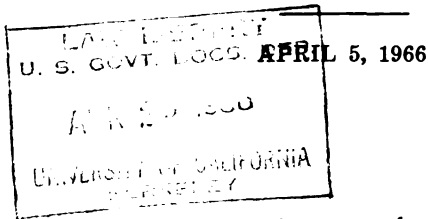
COMMITTEE ON ARMED SERVICES

OF THE

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH CONGRESS

SECOND SESSION



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HOUSE COMMITTEE ON ARMED SERVICES

2D SESSION, 89TH CONGRESS

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[No. 55]

UNIDENTIFIED FLYING OBJECTS

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., Tuesday, April 5, 1966.

The committee met, pursuant to call, at 10:35 a.m., the Honorable L. Mendel Rivers (chairman of the committee), presiding.

The CHAIRMAN. Let the committee come to order.

Members of the committee, Secretary Brown and General McConnell are back this morning for the purpose of responding to questions.

At the end of our last hearing I asked that Secretary Brown give us some information with respect to unidentified flying objects. I understand that he is prepared to do that this morning and I also understand that he has with him Dr. J. Allen Hynek, consultant to Project Blue Book, which is the group charged with responsibility with respect to UFO's. Also present this morning is Maj. Hector Quintanilla, Jr., UFO project officer.

I think it would be well to get the UFO business out of the way first. So I will ask Dr. Brown to give us his report at this time.

Mr. Secretary, see if you can shed some light on these highly illuminated objects.

We can't just write them off. There are too many responsible people who are concerned.

Mr. Ford has come out, he has a pretty good size stature in the Congress, and so tell me what you know, Mr. Secretary, and let's see if we can have some answers.

Go ahead, Mr. Secretary.

Secretary BROWN. Mr. Chairman, I have a letter here which is addressed to you, and I signed it. Let me run through it quickly, because it summarizes pretty well what our views are on unidentified flying objects.

Following that, if there are some questions, I can try to answer them, or the Chief, or Dr. Hynek, or Major Quintanilla.

The CHAIRMAN. Why don't we have the doctor come up to the table now, because when we start asking questions we will have him there, and we will just go all over the board.

Sit at the end of the table, Doctor.

Go ahead, sir.

STATEMENT OF HON. HAROLD BROWN, SECRETARY OF AIR FORCE

Secretary BROWN. This is in response of your recent request for information concerning Air Force activities in the area of reported unidentified flying objects.

Within the Department of Defense the Air Force has the responsibility of investigating reports on unidentified flying objects and of

evaluating any possible threat to our national security that such objects might pose. In carrying out this responsibility let me assure you that the Air Force is both objective and thorough in its treatment of all reports of unusual aerial objects over the United States.

Under the name "Project Blue Book," the Air Force carries on a three-phase program. We (1) make an initial investigation of a report received; (2) make a more detailed analysis of reports not explained; and (3) disseminate information on sightings, findings and statistics.

In order to evaluate this subject as thoroughly as possible, the capabilities of the Air Force Scientific Advisory Board have recently been focused upon the subject of UFO's. This Board has just completed a detailed review of this subject and concluded that the UFO phenomena presents no threat to the security of the United States and that the present Air Force program dealing with UFO sightings has been well organized. Recommendations by the Board are presently under study and are expected to lead to even stronger emphasis on the scientific aspects of investigating the sightings that warrant extensive analysis.

Based upon 10,147 reported sightings from 1947 through 1965, a summary of which is attached, I believe it significant that the Air Force has succeeded in identifying 9,501 of these objects. Virtually all of these sightings were derived from subjective human observations and interpretations. The most common of these were astronomical sightings that included such things as bright stars and planets, comets and meteors, and fireballs and auroral streamers.

Other major sources of reported sightings include such objects as satellites, mirages, and spurious radar indications. The remaining 646 reported sightings are those in which the information available does not provide an adequate basis for analysis, or for which the information suggests an hypothesis but the object or phenomenon explaining it cannot be proven to have been here or taken place at the time.

In evaluating these sightings, the Air Force has used carefully selected and highly qualified scientists, engineers, technicians, and consultants. These personnel have utilized the finest Air Force laboratories, test centers, scientific instrumentation, and technical equipment for this purpose.

Although the past 18 years of investigating unidentified flying objects have not identified any threat to our national security, or evidence that the unidentified objects represent developments or principles beyond present-day scientific knowledge, or any evidence of extraterrestrial vehicles, the Air Force will continue to investigate such phenomena with an open mind and with the finest technical equipment available.

I am attaching a special report of the USAF Scientific Advisory Board Ad Hoc Committee To Review Project "Blue Book," the latest edition of Project Blue Book, dated February 1, 1966, and an Air Force statement regarding the UFO sightings at Dexter, Mich., on March 20, 1966, and at Hillsdale, Mich., on March 21, 1966.

I trust that the above information will be of assistance to you. If I can help you further in any way, please do not hesitate to let me know.

(The information referred to is as follows:)

Sightings of unidentified flying objects

Year	Total sightings	Unidentified	Year	Total sightings	Unidentified
17.....	122	12	1958.....	627	10
18.....	156	7	1959.....	390	12
19.....	186	22	1960.....	557	14
20.....	210	27	1961.....	591	13
21.....	169	22	1962.....	474	15
22.....	1,501	303	1963.....	399	14
23.....	509	42	1964.....	562	19
24.....	487	46	1965.....	886	16
25.....	545	24			
26.....	670	14			
27.....	1,006	14	Total.....	10,147	646

IR FORCE STATEMENT REGARDING THE UFO SIGHTINGS AT DEXTER, MICH., ON MARCH 20, 1966, AND HILLSDALE, MICH., ON MARCH 21, 1966

The investigation of these two sightings was conducted by Dr. J. Allen Hynek, scientific consultant to Project Blue Book; personnel from Selfridge Air Force Base, Mich.; and personnel from the Project Blue Book office at Wright-Patterson Air Force Base, Ohio.

In addition to these two specific cases, there has been a flood of reports from this area both before and after March 20 and 21. The investigating personnel have not had the time to investigate all of these. It has been determined, however, that in Hillsdale, over and above the sincere and honest reporting by the young ladies at Hillsdale College, certain young men have played pranks with ares. It has also been determined that the photographs released yesterday through the press was taken on March 17 just before sunrise near Milan, Mich., and have nothing to do with the cases in question. The photograph clearly shows trails made as a result of a time exposure of the rising crescent moon and the planet Venus.

The majority of observers in both the Dexter and Hillsdale cases have reported only silent glowing lights near the ground—red, yellow, and blue-green. They have not described an object. The only two observers who did describe an object have stated that they were no closer than 500 yards—better than a quarter of a mile away—a distance which does not allow details to be determined. Witnesses have described glowing lights—lights that seem to move but never far from a definite place or lights which suddenly disappeared and popped up at another place. The locale in both cases was a swamp. In both cases, the location of the glow was pinpointed—in Dexter it was seen between two distant groups of people and at Hillsdale it was seen in a swampy depression between the girls and the distant trees. It was in both cases a very localized phenomena. The swampy location is most significant.

A swamp is a place of rotting vegetation and decomposition. Swamps are not a province of astronomers. Yet, the famous Dutch astronomer, Minnaert, in his book, "Light and Colour in the Open Air," describes lights that have been seen in swamps by the astronomer, Bessel, and other excellent observers. The lights resemble tiny flames sometimes seen right on the ground and sometimes rising and floating above it. The flames go out in one place and suddenly appear in another, giving the illusion of motion. The colors are sometimes yellow, sometimes red, and sometimes blue-green. No heat is felt, and the lights do not burn or char the ground. They can appear for hours at a stretch and sometimes for a whole night. Generally, there is no smell and no sound except for the popping sound of little explosions such as when a gas burner ignites.

The rotting vegetation produces marsh gas which can be trapped during the winter by ice. When the spring thaw occurs, the gas may be released in some quantity. The flame, Minnaert says, is a form of chemical luminescence, and its low temperature is one of its peculiar features. Exactly how it occurs is not known and could well be the subject of further investigation.

The glowing lights over the swamps near Dexter and Hillsdale were observed for 2 or 3 hours, and they were red, green, and yellow. They appeared to move sideways and to rise a short distance. No sound was heard except a popping sound.

It seems entirely likely that as the present spring thaw came, the trigases, CH_4 , H_2S , and PH_3 , resulting from decomposition of organic matter, were released. The chemistry book by Sienko and Plane has this to say: "air, Phosphine PH_3 , usually bursts into flame apparently because it is ignited by a spontaneous oxidation of the impure P_2H_4 . The will-of-the-wisp, sometimes observed in marshes, may be due to spontaneous ignition of impure PH_3 , which might be formed by reduction of naturally occurring phosphorus compounds."

It has been pointed out to the investigating personnel by other scientists in this area that in swamps the formation of H_2S and CH_4 from rotting vegetation is common. These could be ignited by the spontaneous burning of PH_3 .

The association of the sightings with swamps in this particular instance is more than coincidence. No group of witnesses observed any craft coming or going away from the swamp. The glow was localized, and Deputy Fitzpatrick described the glow from beyond a rise adjacent to the swamp as visible through the trees. He stated that the light brightened and dimmed such as stage lights—smoothly and slowly—and this description exactly fits the Hillsdale sightings also. The brightening and dimming could have been due to the release of variable quantities of marsh gas.

The disappearance of the lights when people got close with flashlights or other lights would indicate that the glow seemed bright to dark-adapted eyes. The night was dark and there was no moon. The Hillsdale girls kept their eyes averted in order to see the swamp lights.

It appears very likely that the combination of the conditions of this particular winter (an unusually mild one in that area) and the particular weather conditions of that night—it was clear and there was little wind at either location—were such as to have produced this unusual and puzzling display.

SPECIAL REPORT OF THE USAF SCIENTIFIC ADVISORY BOARD AD HOC COMMITTEE TO REVIEW PROJECT BLUE BOOK

I. INTRODUCTION

As requested in a memorandum from Maj. Gen. E. B. LeBailly, Secretary of the Air Force Officer of Information, dated September 28, 1965 (tab A), the Scientific Advisory Board Ad Hoc Committee met on February 3, 1966, to review Project Blue Book. The objectives of the committee are to review the resources and methods of investigation prescribed by Project Blue Book and to advise the Air Force of any improvements that can be made in the program to enhance the Air Force's capability in carrying out its responsibility.

In order to bring themselves up to date, the members of the committee initially reviewed the findings of previous scientific panels charged with looking into the UFO problem. Particular attention was given to the report of the Robertson panel which was rendered in January 1953. The committee next heard briefings from the AFSC Foreign Technology Division, which is the cognizant Air Force agency that collates information on UFO sightings and monitors investigations of individual cases. Finally, the committee reviewed selected case histories of UFO sightings with particular emphasis on those that have not been identified.

II. DISCUSSION

Although about 6 percent (646) of all sightings (10,147) in the years 1947 through 1965 are listed by the Air Force as "Unidentified," it appears to the committee that most of the cases so listed are simply those in which the information available does not provide an adequate basis for analysis. In this connection it is important also to note that no unidentified objects other than those of an astronomical nature have ever been observed during routine astronomical studies, in spite of the large number of observing hours which have been devoted to the sky. As examples of this the Palomar Observatory Sky Atlas contains some 5,000 plates made with large instruments with wide field of view; the Harvard meteor project of 1954-58 provided some 3,300 hours of observation; the Smithsonian visual prairie network provided 2,500 observing hours. Yet a single unidentified object has been reported as appearing on any of these plates or been sighted visually in all these observations.

The committee concluded that in the 19 years since the first UFO was sighted there has been no evidence that unidentified flying objects are a threat to national security. Having arrived at this conclusion the committee then turned its attention to considering how the Air Force should handle the scientific aspect

of the UFO problem. Unavoidably these are also related to Air Force public relations, a subject on which the committee is not expert. Thus the recommendations which follow are made simply from the scientific point of view.

III. CONCLUSIONS AND RECOMMENDATIONS

It is the opinion of the committee that the present Air Force program dealing with UFO sightings has been well organized, although the resources assigned to it (only one officer, a sergeant, and secretary) have been quite limited. In 19 years and more than 10,000 sightings recorded and classified, there appears to be no verified and fully satisfactory evidence of any case that is clearly outside the framework of presently known science and technology. Nevertheless, there is always the possibility that analysis of new sightings may provide some additions to scientific knowledge of value to the Air Force. Moreover, some of the case records which the committee looked that were listed as "identified" were sightings where the evidence collected was too meager or too indefinite to permit positive listing in the identified category. Because of this the committee recommends that the present program be strengthened to provide opportunity for scientific investigation of selected sightings in more detail and depth than has been possible to date.

To accomplish this it is recommended that—

(a) Contracts be negotiated with a few selected universities to provide scientific teams to investigate promptly and in depth certain selected sightings of UFO's. Each team should include at least one psychologist, preferably one interested in clinical psychology, and at least one physical scientist, preferably an astronomer or geophysicist familiar with atmospheric physics. The universities should be chosen to provide good geographical distribution, and should be within convenient distance of a base of the Air Force Systems Command (AFSC).

(b) At each AFSC base an officer skilled in investigation (but not necessarily with scientific training) should be designated to work with the corresponding university team for that geographical section. The local representative of the Air Force Office of Special Investigations (OSI) might be a logical choice for this.

(c) One university or one not-for-profit organization should be selected to coordinate the work of the teams mentioned under (a) above, and also to make certain of very close communication and coordination with the Office of Project Blue Book.

It is thought that perhaps 100 sightings a year might be subjected to this close study, and that possibly an average of 10 man-days might be required per sighting so studied. The information provided by such a program might bring to light new facts of scientific value, and would almost certainly provide a far better basis than we have today for decision on a long-term UFO program.

The scientific reports on these selected sightings, supplementing the present program of the Project Blue Book office, should strengthen the public position of the Air Force on UFO's. It is, therefore, recommended that—

(a) These reports be printed in full and be available on request.

(b) Suitable abstracts or condensed versions be printed and included in, or as supplements to, the published reports of Project Blue Book.

(c) The form of report (as typified by Project Blue Book dated February 1, 1966) be expanded, and anything which might suggest that information is being withheld (such as the wording on page 5 of the above cited reference) be deleted. The form of this report can be of great importance in securing public understanding and should be given detailed study by an appropriate Air Force office.

(d) The reports Project Blue Book should be given wide unsolicited circulation among prominent Members of the Congress and other public persons as a further aid to public understanding of the scientific approach being taken by the Air Force in attacking the UFO problem.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE SECRETARY,
Washington, D.C., September 28, 1965.

Memorandum for military director, scientific advisory board
Subject: Unidentified flying objects (UFO's)

In keeping with its air defense role, the Air Force has the responsibility for the investigation of unidentified flying objects reported over the United States.

The name of this project is Blue Book (attachment 1). Procedures for conducting this program are established by Air Force regulation 200-2 (attachment 2).

The Air Force has conducted Project Blue Book since 1948. As of June 1965, a total of 9,267 reports had been investigated by the Air Force. Of the 9,267 reports, 663 cannot be explained.

It has been determined by the Assistant Deputy Chief of Staff/Plans and Operations that Project Blue Book is a worthwhile program which deserves the support of all staff agencies and major commands and that the Air Force should continue to investigate and analyze all UFO reports in order to assure that such objects do not present a threat to our national security. The Assistant Deputy Chief of Staff/Plans and Operations has determined also that the Foreign Technology Division (FTD) at Wright-Patterson Air Force Base should continue to exercise its presently assigned responsibilities concerning UFOs.

To date, the Air Force has found no evidence that any of the UFO reports reflects a threat to our national security. However, many of the reports cannot be explained have come from intelligent and technically well qualified individuals whose integrity cannot be doubted. In addition, the reports received officially by the Air Force include only a fraction of the spectacular reports which are publicized by any private UFO organizations.

Accordingly, it is requested that a working scientific panel composed of both physical and social scientists be organized to review Project Blue Book—its resources, methods, and findings—and to advise the Air Force as to any improvements that should be made in the program in order to carry out the Air Force's assigned responsibility.

Dr. J. Allen Hynek who is the chairman of the Dearborn Observatory at Northwestern University is the scientific consultant to Project Blue Book. He has indicated a willingness to work with such a panel in order to place the problem in its proper perspective.

Dr. Hynek has discussed this problem with Dr. Winston R. Markley, the former Air Force Chief Scientist.

E. B. LeBAILLY,

Major General, USAF, Director of Information

AD HOC COMMITTEE ON UNIDENTIFIED FLYING OBJECTS (UFO's)

AGENDA

Thursday, 3 February 1966

- 0800 Welcoming remarks: Commander or vice commander, FTD.
- 0805 Introduction: Dr. O'Brien, SAB.
- 0810 The Air Force problem: Lieutenant Colonel Spaulding, SAFOL.
- 0830 Briefing on Project Blue Book: Major Quintanilla, FTD.
- 1000 Break.
- 1015 Review of selected case histories: FTD Staff.
- 1145 Lunch.
- 1315 Executive and writing session.

SPECIAL REPORT OF THE USAF SCIENTIFIC ADVISORY BOARD AD HOC COMMITTEE TO REVIEW PROJECT BLUE BOOK

Distribution

	Symbol	Copies
Secretary of the Air Force Office of Information.....	SAFOL.....	1
Military Director, DCS/R. & D.....	AFRDC.....	
Committee members (1 each): Dr. Brian O'Brien (chairman), Dr. Lauron F. Carter, Mr. Jesse Orlansky, Dr. Richard Porter, Dr. Carl Sagan, Dr. Willis H. Ware.....		
Commander, Foreign Technology Division.....	SCF.....	
DCS/Foreign Technology (AFSC).....	AFBSA.....	
Chairman, SAB.....	AFBSA.....	
SAB secretariat.....	AFBSA.....	

Meeting statistics bearing on this report including all times, dates, places, listing of persons in attendance and purposes therefor, together with their assignments.

tions and material reviewed and discussed, are available in the SAB secretariat offices for review by authorized persons or agencies.

Approved by:

HAROLD A. STEINER,
Lieutenant Colonel, USAF,
Assistant Secretary, USAF Scientific Advisory Board.

PROJECT BLUE BOOK

The U.S. Air Force has the responsibility under the Department of Defense for the investigation of unidentified flying objects (UFO's). The name of this program, which has been in operation since 1948, is Project Blue Book. It has been identified in the past as Project Sign and Project Grudge.

Air Force interest in unidentified flying objects is related directly to the Air Force responsibility for the air defense of the United States. Procedures for conducting this program are established by Air Force Regulation 200-2.

The objectives of the Project Blue Book are twofold: first, to determine whether UFO's pose a threat to the security of the United States; and, second, to determine whether UFO's exhibit any unique scientific information or advanced technology which could contribute to scientific or technical research. In the course of accomplishing these objectives, Project Blue Book strives to identify and explain all UFO sightings reported to the Air Force.

HOW THE PROGRAM IS CONDUCTED

The program is conducted in three phases. The first phase includes receipt of UFO reports and initial investigation of the reports. The Air Force base nearest the location of a reported sighting is charged with the responsibility of investigating the sighting and forwarding the information to the Project Blue Book Office at Wright-Patterson Air Force Base, Ohio.

If the initial investigation does not reveal a positive identification or explanation, a second phase of more intensive analysis is conducted by the Project Blue Book Office. Each case is objectively and scientifically analyzed and, if necessary, all of the scientific facilities available to the Air Force can be used to assist in arriving at an identification or explanation. All personnel associated with the investigation, analysis, and evaluation efforts of the project view each report with a scientific approach and an open mind.

The third phase of the program is dissemination of information concerning UFO sightings, evaluations, and statistics. This is accomplished by the Secretary of the Air Force, Office of Information.

The Air Force defines an unidentified flying object as any aerial object which the observer is unable to identify.

Reports of unfamiliar objects in the sky are submitted to the Air Force from many sources. These sources include military and civilian pilots, weather observers, amateur astronomers, business and professional men and women, and housewives, etc.

Frequently such objects as missiles, balloons, birds, kites, searchlights, aircraft navigation and anticollision beacons, jet engine exhaust, condensation trails, astronomical bodies and meteorological phenomena are mistakenly reported as unidentified flying objects.

The Air Force groups its evaluations of UFO reports under three general headings: (1) identified, (2) insufficient data, and (3) unidentified.

Identified reports are those for which sufficient specific information has been accumulated and evaluated to permit a positive identification or explanation of the object.

Reports categorized as "Insufficient Data" are those for which one or more elements of information essential for evaluation are missing. Some examples are the omission of the duration of the sighting, date, time, location, position in the sky, weather conditions, and the manner of appearance or disappearance. If the element is missing and there is an indication that the sighting may be of a security, scientific, technical, or public interest value, the Project Blue Book Office conducts an additional investigation and every attempt is made to obtain the information necessary for identification. However, in some instances, essential information cannot be obtained, and no further action can be taken.

The third and by far the smallest group of evaluations is categorized "Unidentified." A sighting is considered unidentified when a report appears to contain all pertinent data necessary to suggest a valid hypothesis concerning cause or explanation of the report but the description of the object or its motion cannot be correlated with any known object or phenomena.

TYPES OF UFO IDENTIFICATIONS AND EVALUATIONS

There are various types of UFO sightings. Most common are reports of astronomical sightings, which include bright stars, planets, comets, fireballs, meteors, auroral streamers, and other celestial bodies. When observed through haze, light fog, moving clouds, or other obscurations or unusual conditions, the planets, including Venus, Jupiter, and Mars have been reported as unidentified flying objects. Stellar mirages are also a source of reports.

Satellites are another major source of UFO reports. An increase in satellites reported as UFO's has come about because of two factors. The first is the increase of interest on the part of the public; the second is the increasing number of satellites in the skies. Positive knowledge of the location of all satellites at all times enables rapid identification of satellite sightings. Keeping track of manmade objects in orbit about the earth is the responsibility of the North American Air Defense Command space detection and tracking system. This sophisticated electronic system gathers complex space traffic data instantly from tracking stations all over the world.

Other space surveillance activities include the use of ballistic tracking and large telescopic cameras. ECHO schedules are prepared by the NASA Goddard Space Flight Center at Greenbelt, Md., and schedules of the south-north Equator crossings are prepared by the Smithsonian Institution at Cambridge, Mass. From the data produced by these agencies, satellites mistakenly reported as UFO's can be quickly identified. Some of these are visible to the naked eye.

Aircraft account for another major source of UFO reports, particularly during adverse weather conditions. When observed at high altitudes and at some distance, aircraft can have appearances ranging from disc to rocket shapes due to the reflection of the sun on their bright surfaces. Vapor or condensation trails from jet aircraft will sometimes appear to glow fiery red or orange when reflecting sunlight. Afterburners from jet aircraft are often reported as UFO's since they can be seen from great distances when the aircraft cannot be seen.

The Project Blue Book Office has direct contact with all elements of the Air Force and the Federal Aviation Agency civil air control centers. All aerial refueling operations and special training flights can be checked immediately. Air traffic of commercial airlines and flights of military aircraft are checked with the nearest control center, enabling an immediate evaluation of aircraft mistakenly reported as UFO's. However, since many local flights are not carried, these flights are probable causes of some reports.

Balloons continue to be reported as UFO's. Several thousand balloons are released each day from military and civilian airports, weather stations, and research activities. There are several types of balloons—weather balloons, rawinsondes, radiosondes, and the large research balloons which have diameters up to 300 feet. At night, balloons carry running lights which cause an unusual appearance when observed. Reflection of the sun on balloons at dawn and sunset sometimes produce strange effects. This usually occurs when the balloon, because of its altitudes, is exposed to the sun. Large balloons can move at speeds of over 100 miles per hour when moving in high altitude jet windstreams. These balloons sometimes appear to be flattened on top. At other times, they appear to be saucer-shaped and to have lights mounted inside the bag itself due to the sun's rays reflecting through the material of the balloon. The Balloon Control Center at Holloman Air Force Base, N. Mex., maintains a plot on all military upper air research balloons.

Another category of UFO evaluations labeled "Other" includes missiles, reflections, mirages, searchlights, birds, kites, spurious radar indications, hoaxes, fireworks, and flares.

Aircraft, satellites, balloons, and the like should not be reported since they do not fall within the definition of an unidentified flying object.

CONCLUSIONS

To date, the firm conclusions of Project Blue Book are: (1) no unidentified flying object reported, investigated, and evaluated by the Air Force has ever

en any indication of threat to our national security; (2) there has been no evidence submitted to or discovered by the Air Force that sightings categorized as unidentified represent technological developments or principles beyond the range of present-day scientific knowledge; and (3) there has been no evidence indicating that sightings categorized as unidentified are extra terrestrial vehicles. The Air Force will continue to investigate all reports of unusual aerial phenomena over the United States. The services of qualified scientists and technicians will continue to be used to investigate and analyze these reports, and periodic reports on the subject will be made.

The former chairman of the House Armed Services Committee, Mr. Carl Vinson, recently commented on the conduct of the UFO program by the Air Force and stated that congressional hearings on this subject are unnecessary.

The Air Force does not deny the possibility that some form of life may exist on other planets in the universe. However, to date, the Air Force has neither received nor discovered any evidence which proves the existence and intraspaceability of extra terrestrial life. The Air Force continues to extend an open invitation to anyone who feels that he possesses any evidence of extra terrestrial vehicles operating within the earth's near space envelope to submit his evidence for analysis. Initial contact for this purpose is through the following address: Project Blue Book Information Office, SAFOI, Washington, D.C.

Anyone observing what he considers to be an unidentified flying object should report it to the nearest Air Force base. Persons submitting a UFO report to the Air Force are free to discuss any aspect of the report with anyone. The Air Force does not seek to limit discussion on such reports and does not withhold or censor any information pertaining to this unclassified program.

NONAVAILABILITY OF MATERIALS

The following items are for internal use only and are not available for distribution to the public. These concern internal management and procedures for forwarding UFO reports to the appropriate agency:

1. Air Force Regulation 200-2.

2. JANAP 146.

The Air Force has no films, photographs, maps, charts, or graphs of unidentified flying objects. Photographs that have been submitted for evaluation in conjunction with UFO reports have been determined to be a misinterpretation of natural or conventional objects. These objects have a positive identification. The Air Force no longer possesses, and thus does not have for distribution, outdated reports on Project Sign, Project Grudge, Blue Book Special Report No. 1, and outdated Project Blue Book press releases. Nonmilitary UFO publications should be requested from the publisher, not the Air Force.

SUGGESTED READING MATERIAL

Books listed below deal with facts and theories about our solar universe, the moon, planets, comets, meteorites, the universe, stars, constellations, and galaxies; telescopes, the computation of time as it relates to astronomy, star maps and charts, and the history of astronomy.

"Sky and Telescope," by Sky Publishing Corp., Harvard College Observatory, Cambridge, Mass. Monthly magazine, 60 cents per copy.

"Weather Elements," by Blair, published Prentice Hall. Has an excellent chapter on often misidentified weather phenomena.

"Planets, Stars, and Space," by Chamberlain, Joseph M., and Nicholson, Thomas D. An illustrated, untechnical explanation of the earth, planets, stars, and the universe. Prepared in cooperation with the American Museum of Natural History.

"Junior Science Book of Stars," by Crosby, Phoebe. An easy to read, exciting story of what scientists know about the stars, planets, the Moon, and the Milky Way.

"Challenge of the Universe," by Hynek, J. Allen and Anderson, Norman. Discusses the nature of the universe; astronomy and cosmology, published by Scholastic Press.

"The Story of the Stars," by Maloney, Terry. An introduction to the universe; our solar system, our galaxy, and other galaxies. Many interesting illustrated analogies help build concepts of size and distance. Includes reference to the Van Allen radiation belts and zodiacal light observation of 1960.

"The World of Flying Saucers," by Menzel and Roy. A scientific examination of the classic UFO reports.

"The Moon, Meteorites, and Comets," Dated 1963, by Middlehurst and Kuiper. Continuous analysis of Soviet moon photos. Chapter on Siberian meteorites and photos or comets computation of various comet orbital photos.

"The Nature of Light and color in the Open Air," by Minnaert, Dover Publications. This is an excellent paperback written in understandable lay language.

"Meteors," by Oliver. Standard text by foremost authority on meteors.

"Photographic History of Mars," 1905-61, by Slipher, E. C., published by Lowell Observatory.

"Anatomy of a Phenomenon," by Valle, Jacques.

"First Man to the Moon," by Von Braun, Wernher.

Total UFO (object) sightings¹

Year	Total sightings	Unidentified	Source
1947.....	122	12	Case files.
1948.....	156	7	Do.
1949.....	186	22	Blue book, page 108.
1950.....	210	27	Case files.
1951.....	169	22	Do.
1952.....	1,501	303	Blue book, page 108.
1953.....	509	42	Case files.
1954.....	487	46	Do.
1955.....	545	24	Do.
1956.....	670	14	Do.
1957.....	1,006	14	Do.
1958.....	627	10	Do.
1959.....	390	12	Do.
1960.....	557	14	Do.
1961.....	591	13	Do.
1962.....	474	15	Do.
1963.....	399	14	Do.
1964.....	562	19	Do.
1965.....	886	16	Do.
Total.....	10, 147	646	

¹ Compiled Jan. 17, 1966.

Statistical data for years 1953-64¹

TOTAL CASES BY CATEGORY		1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	Total
Astronomical		175	137	135	222	341	221	144	235	203	136	85	123	2,167
Aircraft		73	80	124	148	210	104	63	66	77	68	73	71	1,167
Balloon		78	69	102	93	114	50	31	22	37	19	23	20	1,665
Insufficient data		79	102	95	132	191	111	65	105	115	94	59	99	1,240
Other		83	58	65	61	120	93	75	94	77	65	50	88	916
Satellite		0	0	0	0	6	13	0	21	69	77	82	143	417
Unidentified		42	46	24	14	14	10	12	14	13	15	14	19	237
Total		505	437	545	670	1,006	827	390	557	591	474	399	562	6,817
ASTRONOMICAL SIGHTINGS														
Meteors		70	92	79	88	179	168	100	187	119	95	57	61	1,295
Stars and planets		101	44	52	131	144	56	40	45	78	36	23	55	805
Other		4	1	4	3	18	7	4	3	6	5	5	7	67
Total		175	137	135	222	341	231	144	235	203	136	85	123	2,167
OTHER CASES														
Hoaxes, hallucinations, unreliable reports and psychological causes		15	6	18	16	37	29	14	13	17	11	16	34	226
Missiles and rockets		2	1	1	3	2	6	14	12	13	9	13	7	83
Reflections		4	6	4	3	2	7	11	9	3	3	10	2	54
Flares and fireworks		1	4	8	6	8	3	5	7	4	3	3	7	59
Mirages and inversions		3	3	4	1	5	2	4	5	6	3	0	2	37
Search and groundlights		8	6	14	9	12	8	5	6	1	3	2	6	81
Clouds and contrails		6	3	2	1	9	5	3	4	5	4	2	0	47
Chaff		0	0	0	1	2	6	1	4	3	5	2	1	27
Birds		4	7	3	6	1	1	0	3	2	2	2	4	34
Radar analysis		15	7	1	3	27	3	8	6	9	0	1	2	87
Photo analysis		1	1	2	4	1	7	4	6	3	2	3	5	40
Physical specimens		1	6	5	3	5	10	3	7	4	15	3	3	70
Satellite decay		0	0	0	0	0	1	0	6	3	3	4	3	23
Other		1	7	4	0	9	5	3	3	4	2	4	6	48
Total		62	59	65	61	120	93	75	94	77	65	58	83	916

¹ Compiled Nov. 1, 1965.

Statistics for 1965¹

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Astronomical.....	10	8	11	4	2	10	27	82	30	27	22	12	246
Aircraft.....	11	8	14	11	14	7	32	61	20	12	14	5	210
Balloon.....	3	2	1	3	0	3	7	6	2	7	0	2	5
Insufficient data.....	5	4	2	4	4	2	16	24	15	5	3	1	66
Other.....	11	8	7	8	5	6	42	7	7	9	11	3	122
Satellite.....	4	5	5	5	15	5	42	41	24	3	0	3	152
Unidentified.....	1	0	2	1	1	0	2	4	4	0	1	0	16
Pending.....	0	0	1	0	0	0	0	2	2	6	4	2	17
Total.....	45	35	43	36	41	33	135	292	104	70	55	28	667
ASTRONOMICAL CASES													
Meteors.....	6	6	8	2	2	4	14	26	13	6	9	5	101
Stars and planets.....	3	1	3	2	0	5	10	55	16	20	13	7	135
Other.....	2	1	0	0	0	4	3	4	1	7	1	0	9
Total.....	10	8	11	4	2	10	27	82	30	27	22	12	245
OTHER CATEGORY													
Hoaxes, hallucinations, unreliable reports, and psychological causes.....	5	3	4	1	2	1	2	12	1	3	0	0	34
Missiles and rockets.....					1			3	1	1	3	1	10
Reflections.....						1	1	2	1	1	1	1	7
Flares and fireworks.....					1		1	1	1	1	1		4
Mirages and inversions.....							2	3					5
Search and ground lights.....	2	1	0	1	0	0	1	3	0	0	2	0	9
Clouds and contrails.....	1							1	1				3
Chaff.....												1	1
Birds.....	1	2		2				3		1	1		11
Physical specimens.....		1						9	10				3
Radar analysis.....				1		1		13	13	1			6
Photo analysis.....			1	1	1	1	1	17	17	1			12
Satellite decay.....	0	1	1	1	0	1	0	2	0	1	0	1	8
Miscellaneous.....	19	20	2	20	2	2		20	4	2	14	3	13
Total.....	11	8	7	8	5	6	9	42	7	9	11	3	126

¹ Compiled Jan. 18, 1966.

² Solar image.

³ Moon.

⁴ Reflected moonlight, meteors, moon.

⁵ Meteorite, meteorite.

⁶ Metal ball.

⁷ Plastic bags.

⁸ Clear.

⁹ Continuous propagation.

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FIREBALL REPORT

Persons observing a fireball or meteor should report the information to the American Meteor Society. The information desired is contained below.

A very brilliant meteor or fireball is reported to have passed in your vicinity on ---- at the hour of ----. Will you please answer as fully as possible the following questions, which are asked on behalf of the American Meteor Society in order that permanent records of such phenomena may be obtained. When these reports are published each contributor whose report is fairly complete will be mentioned, if possible, and due credit given. It is only by the help of those who can give personal information that data can be secured for the computation of the orbits of meteors. These data are of great scientific value and all reasonable efforts should be made to obtain them. You will be unable probably to answer all questions below, but answer those you can, as they may be of the greatest importance.

- (1) Give your name and address.
- (2) Where were you when you saw the meteor? (If the town is small please give county as well.)
- (3) Give the date, hour, and minute when the meteor appeared; also kind of time used.
- (4) In what direction did it appear (or in what direction was it first seen)? This is not asking in what direction it was going.
- (5) In what direction did it disappear (or in what direction was it last seen)? For questions (4) and (5), simply N, E, S, or W is not accurate enough, unless those were the exact directions. If compass is used, state it; also if magnetic correction has been applied to compass reading.
- (6) At what height did it appear? (Use degrees in answering.)
- (7) At what height did it disappear? (Use degrees in answering.)
- (8) Did it pass directly overhead (i.e., through the zenith)?
- (9) If not, to which side of the zenith did it go, and how far from it? (Use degrees in answering.)
- (10) Did it appear to reach the horizon? What sort of a horizon have you?
- (11) What angle did the path of the meteor make with the horizon and in which direction was it then going?
- (12) If you are familiar with constellations describe the path of the meteor through the sky with reference to stars.
- (13) Did the meteor appear to explode?
- (14) What was the duration of its flight in seconds?
- (15) Describe the train if one was left. If it lasted long enough to show drift, most carefully tell in what direction train drifted. Give sketch, if possible, showing this with regard to horizon.
- (16) What was the duration of the train in seconds?
- (17) Did you hear any sound?
How long after seeing the meteor was it before you heard this sound?
Did you hear an actual explosion?
How long after seeing the explosion was it before you heard it?
- (18) Of what color was the meteor?
- (19) What was the size of the meteor? (Compare it with the moon or with a planet or star.)
- (20) Was more than one body seen before the explosion (if any)?
- (21) What was condition of sky at time?
- (22) Give names and addresses of others who saw the meteor.
- (23) Please mail this reply to: Charles P. Oliver, American Meteor Society, 521 North Wynnewood Avenue, Narberth, Pa., 19072.

The CHAIRMAN. Mr. Secretary, let me ask you this. Should this be an executive session?

Secretary BROWN. No, nothing I have said so far has been classified, and nothing I will say.

The CHAIRMAN. Is there any reason to keep this executive? I think we have a lot of people outside of the door. Let them come in.

Mr. PRICE. In view of the reason you are having it, I see no objection.

The CHAIRMAN. I don't either. Why not open the door?

Mr. BRAY. I would like to make this observation off the record.

(Discussion off the record.)

The CHAIRMAN. We are going to decide what the future is going to be. I am talking about this testimony now. If there is no reason for them not being here, let them in here.

Secretary BROWN. This letter is unclassified. Some of the questions you ask may lead to classified material.

Mr. SCHWEIKER. Are all the files unclassified?

The CHAIRMAN. Let them come in and listen to the testimony. When we get into the questions we will decide.

Open the doors.

Mr. Secretary, we will let you start.

You gentlemen who have come in, the Secretary is explaining a letter he is sending to the committee.

You gentlemen of the press, TV, and radio, whatever you represent, listen. That is the best way to find out.

Go ahead.

(Secretary Brown repeats his statement previously read to the committee.)

The CHAIRMAN. Mr. Secretary, I have before me some pages from Life magazine. I don't know what the date is, but it is recent.

Mr. KELLEHER. Two weeks ago, I think.

The CHAIRMAN. Two weeks ago.

It mentioned 10,000-odd sightings of these mysterious objects. I note it has a picture.

Have you seen this? I will pass it on to you.

Secretary BROWN. Yes, I have seen the picture.

The CHAIRMAN. Here are two pictures. One taken in Oregon in 1950 and the other taken 4 years later in France. They both look very much alike. Actually it looks something like a battleship.

Then here is something on another page here that is alleged to have been seen in Michigan, and it is even sketched here with an antenna and all that goes with it.

Here is my question: Responsible, well-trained people, like pilots—I think some B-52 people, Mr. Kelleher?

Mr. KELLEHER. I don't recall that. I do remember sightings by commercial pilots.

The CHAIRMAN. Certainly commercial pilots have reported all kinds of things.

How do you explain away these clearly defined mysterious things that these responsible people allege having seen.

How do your experts reconcile this?

Secretary BROWN. I will turn this over to my experts in a moment. Mr. Chairman.

However, I should like to say this: We haven't explained all of the reported sightings which we have investigated. We have explained 95 percent of them, but are not sure about the other 5 percent. There are possible explanations for the other 5 percent in most cases. However, since we can't prove that our findings are the correct explanations they are regarded as sightings which have not been completely accounted for.

The CHAIRMAN. Well, now, does anybody, in authority or of stature, allege that these things, whatever they may be, have come from other planets or from somewhere outside of this universe?

Secretary BROWN. To the best of my knowledge, no one in the Air Force, and no one in the executive branch has expressed such a belief. Nor have I ever heard a Member of Congress make such a statement. I know of no one of scientific standing or executive standing, or with a detailed knowledge of this, in our organization who believes that they come from extraterrestrial sources.

The **CHAIRMAN.** But you have found parts of meteors and things of this character that have been continuing to hit the earth forever?

Secretary BROWN. Meteors, of course, are of extraterrestrial origin. I am talking about extraterrestrial flying craft.

The **CHAIRMAN.** Objects that are made for the purpose of coming to earth?

Secretary BROWN. That is right.

The **CHAIRMAN.** That is what I have in mind.

Secretary BROWN. That is right.

The **CHAIRMAN.** So then your testimony, or your answer in response to my letter in effect is that there are things caused by various phenomena, reflection of radar waves, the northern lights, somebody has said marsh gases.

Secretary BROWN. Yes; that is another explanation of some of the phenomena.

The **CHAIRMAN.** As well as meteors?

Secretary BROWN. Yes, sir.

The **CHAIRMAN.** What else?

Secretary BROWN. Some of them turn out to be balloons. Some of them turn out to be aircraft seen under peculiar circumstances, and so on.

And we can explain 95 percent of them this way. This does not imply that a large part of the remaining 5 percent, the unexplained ones, are not also of this character, but we simply have not been able to confirm this because we don't have enough information about these sightings.

It may also be that there are phenomena, the details of which we don't understand, which are natural phenomena, and which account for some of the sightings we have not identified. In certain instances, I think a further scientific explanation is a possibility. Therefore, we will continue to develop this approach.

The **CHAIRMAN.** Now, we have here Dr. Hynek, and Major Quintanilla.

We have these two gentlemen who are authorities on the Blue Book. One is a scientist, the other is the UFO project officer.

Now, we have asked that you gentlemen come. Dr. Hynek, is there anything you would like to say to us?

Dr. HYNEK. Mr. Chairman, the press has recently treated me rather unkindly.

The **CHAIRMAN.** You ought to be chairman of this committee.

Dr. HYNEK. The press has described me as "a puppet of the Air Force," and has stated that I say only what the Air Force tells me to say. I would like to do something which may be a little daring, and read to the committee a statement I have prepared which has certainly not been dictated by the Air Force.

The **CHAIRMAN.** At this point, I want you to turn the loud speaker up.

Now, Doctor, before you give us this, would you give your background for the record?

Dr. HYNEK. Yes, sir. This information is included in my statement.

STATEMENT OF DR. J. ALLEN HYNEK, SCIENTIFIC CONSULTANT TO THE AIR FORCE

Dr. HYNEK. My name is J. Allen Hynek, and I reside at 2623 Ridge Avenue, Evanston, Ill. I am director of the Dearborn Observatory and of the Lindheimer Astronomical Research Center, and Chairman of the Department of Astronomy at Northwestern University. Since 1948 I have acted as a frequent scientific consultant to the Air Force on the problem of the UFO (Unidentified Flying Objects) phenomenon.

The UFO phenomenon might be defined as (1) the persistent reporting by a wide cross section of the public, in this and in other countries, of alleged aerial objects which, to the observer, seem to defy explanation because of their appearance and behavior, and (2) the widespread and growing interest in these matters by segments of the public which, in some cases, has led to the formation of civilian organizations dedicated to the investigation of the said reports, often accompanied by vilification of the Air Force for their handling of the problem, a matter not beneficial to the Air Force image. Such people generally charge either (a) that UFO's are in reality secret devices of the Air Force, whose existence is kept from the public, or (b) that the Air Force knows all about visitors from space and is deliberately withholding information to prevent panic.

A third aspect of the UFO phenomenon has been the association of the terms UFO or "flying saucer" with the idea of visitation of intelligences from outer space, an association which is not warranted either by the data on hand, or by logical inference. It is entirely conceivable that there might be unidentified aerial phenomena about us which have no connection with extraterrestrial visitation.

Thus, the phenomenon should essentially be viewed in its entirety: The fact that the recent sightings in Michigan caused a reaction far out of proportion to the original sightings, the fact that my press conference in Detroit the week before last was the largest in the history of the Detroit Press Club, the fact that I receive many letters from schoolchildren who are writing class reports on UFO's and indeed the fact that I am speaking here before you, are all parts of the UFO phenomenon.

In this context, the kind of activity that the press has reported in Michigan is not unusual. It only happened that the Dexter and Hillsdale incidents, although of little scientific significance, have attracted national interest. Now, similar incidents, and some considerably more intriguing, have been occurring for many years, without such treatment on the part of the news media. While such glamorous attention is quick to wane, the underlying concern about UFO's, fed by a continuous trickle of reports, is indeed growing in the mind and sight of the public.

During this entire period of nearly 20 years I have attempted to remain as openminded on this subject as circumstances permitted, this despite the fact that the whole subject seemed utterly ridiculous, and

many of us firmly believed that, like some fad or craze, it would subside in a matter of months. Yet in the last 5 years, more reports were submitted to the Air Force than in the first 5 years.

Despite the seeming inanity of the subject, I felt that I would be derelict in my scientific responsibility to the Air Force if I did not point out that the whole UFO phenomenon might have aspects to it worthy of scientific attention. What we have here is a signal-to-noise ratio problem: There is indeed a fantastic amount of noise, represented by the many misidentifications of familiar objects seen under unusual or surprising circumstances—balloons, birds, satellites, meteors, aircraft, stars—yet, in all scientific honesty, one is led to ask whether there might not indeed be a signal somewhere in the noise.

As a scientist, I must be mindful of the lessons of the past; all too often it has happened that matters of great value to science were overlooked because the new phenomenon simply did not fit the accepted scientific outlook of the time. Thus, the evidence of fossils for biological evolution was overlooked; X-rays were overlooked, meteorites were overlooked as astronomers steadfastly refused to accept stories of stones which fell from the sky.

Therefore, I have set aside for further study some 20 particularly well-reported UFO cases which, despite the character, technical competence and number of the witnesses, I have not been able to explain. I have done this to illustrate that neither I nor the Air Force hide the fact there are unexplained reports, and to illustrate also that the Air Force does not maintain, contrary to some public opinion, that reporters of UFO's are lacking in intelligence or are objects fit only for ridicule.

For of these reports, 10 are from scientists and highly trained individuals, 5 are from members of the Armed Forces, and members of the police force, and 5 are reports made by reliable American civilians. In my view, the reliability of the observers was above average in all 20 cases. The recent cases in Michigan have not been included in this particular collection since I feel that they are subject to simple, albeit somewhat unusual, explanation.

I cannot prove beyond doubt that this is the case, but these two now famous reports illustrate the method the Air Force has used with great success in finding logical explanations for the great majority of the reports.

We have used as a working hypothesis, when first confronted with a report, that a conventional explanation existed, either as a misidentification or an otherwise well-known object or phenomenon, a hallucination, or a hoax. This has been a very successful and productive hypothesis. One must be aware, however, that complete adherence to one hypothesis may turn out to be a roadblock in the pursuit of research endeavors.

As the saying goes, "If one digs too intently for coal he is apt to miss diamonds." Scientists should never be guilty of poverty of hypotheses. And in dealing with the truly puzzling cases, we have tended either to say that, if an investigation had been pursued long enough, the misidentified object would have been recognized, or that the sighting had no validity to begin with.

The UFO public, on the other hand, is equally prone to poverty of hypotheses: Either UFO's mean utter bilge and nonsense, or they

jump to the far-out conclusion that the earth is host to space visitors. Surely, in scientific fairness, we must examine other hypotheses.

As early as 1952, in a paper written for the journal of the Optical Society of America, I called for scientific attention to the problem, pointing out that "ridicule is not a part of the scientific method and the public should not be taught that it is."

In 1953, I had further recommendations to make, when I wrote a report to the Air Force:

It occurs to me that the public interest in "flying saucers" may be dormant but can be excited with small provocation. I would recommend that: (1) selected "unknowns" continue to be worked upon and due publicity be given them when a satisfactory solution is reached; (2) an announcement be made that the Air Force is interested in the phenomena which cause reports on a scientific basis; (3) use of a small civilian scientific panel to examine a few selected "unknowns."

And this, I repeat, was my recommendation in 1953. In 1965, in my capacity as scientific consultant, I again advised that the reports be studied by a civilian scientific group, in a letter to the Office of the Secretary of the Air Force:

If there be any potential scientific value in the fragmentary UFO reports, as a scientific consultant it is clearly my duty to point this out. I have done so, in the past on a less formal basis, in private conversation with, and informal reports to, Air Force officials—I feel it is my responsibility to point out that enough puzzling sightings have been reported by intelligent and often technically competent people, to warrant closer attention than Project Blue Book can possibly encompass at the present time. * * * If the preliminary survey of the problem should bear me out; namely, that there exists the possibility of new scientific information in the UFO phenomenon, then definitely let the recommendation be made to have the National Academy of Sciences, or some other civilian group of recognized stature, undertake a longer study of the reported phenomena.

I am happy that my appearance before this committee affords me a chance to once again reiterate my recommendations.

Specifically, it is my opinion that the body of data accumulated since 1948 through the Air Force investigations deserves close scrutiny by a civilian panel of physical and social scientists, and that this panel should be asked to examine the UFO problem critically for the express purpose of determining whether a major problem really exists.

I would, of course, be willing to assist such a panel in whatever way I might and would even be willing to take a short leave of absence from my university if it would help place this problem in its proper perspective.

Thank you.

The CHAIRMAN. You say you can't write these reports off. You can't ridicule those who have made them. They are highly responsible people, in various walks of life, that have reported them. And that sometime in the past you recommended that a panel be set up to clear these things, a civilian panel, to obviate the accusation that the Air Force is or has been hiding their reports.

Now, are you saying to us this morning that there should be a panel set up of scientists authorized by the Air Force before whom these things may be brought, and from whom a report could come?

Dr. HYNEK. Yes, sir. I am saying that. This would be the gist of my statement.

However, I have been scooped by Secretary Brown who has mentioned that the Scientific Advisory Board has recommended the same thing.

The CHAIRMAN. What you have recommended is being done now?

Dr. HYNEK. It is about to be done, I believe.

The CHAIRMAN. Is about to be done?

Dr. HYNEK. Yes. I should like to make one comment:

The puzzling thing is that one would think many more people would see these flying objects than do. There should be many more witnesses. We should see a craft, if it actually exists as a tangible thing, and we should see it go from point to point. This doesn't seem to happen. Also, there should be far more radar sightings. During the international geophysical year, I was in charge of the optical satellite tracking program, and you would think with the surveillance that the astronomers placed on the sky, if these objects existed as tangible objects, surely these astronomers would have seen more than they did. It is a dilemma. It is a puzzle, as you say, as to how responsible people can report such objects, and that they are not obvious to scientists.

The CHAIRMAN. And then they see them and they disappear and they don't know where they go, and they land in these remote places where there is no intelligence to procure?

Dr. HYNEK. I would say so, yes, sir.

The CHAIRMAN. We don't know where they go, who they have on board, we see them a few moments, and then they are gone. This is the end of that.

This is what puzzles me. I am not going to ask further questions, because I am not knowledgeable with respect to the varying reports that have been made.

So I will turn it over to some of the experts, and I will start with Mr. Bates.

Mr. BATES. Mr. Chairman, I don't know—if I have to qualify on that basis.

But, Secretary Brown, you indicated no one of scientific knowledge in your organization has concluded these phenomena come from extraterrestrial sources?

Secretary BROWN. That is correct. We know of no phenomena or vehicles, intelligently guided, which have come from extraterrestrial sources. I excluded meteors, which do come from extraterrestrial sources.

Mr. BATES. Is this your conclusion, Doctor?

Dr. HYNEK. This is also my conclusion. I know of no competent scientist today who would argue the sightings which do puzzle intelligent people. Puzzling cases exist, but I know of no competent scientist who would say that there objects come from outer space.

Mr. BATES. Then what you are looking for is an explanation in natural phenomena, thus far you have not determined the factors involved in it?

Dr. HYNEK. Yes.

Mr. BATES. But the interesting thing, of course, is we have so many prominent people in the scientific world here who have taken a position, a rather strong position—I have here a letter from a constituent of mine. He is a project administrator or engineer in the MINUTEMAN program. That is a responsible position, would we say?

General McCONNELL. Yes.

Mr. BATES. On the basis of scientific ability he has been given a rather important position toward the security of this country; is that correct?

Secretary BROWN. I would like to know who he is and what his responsibilities are before I comment on this, Mr. Bates. Certainly, from the information contained in the letter that you quote, he appears to occupy a position of some responsibility.

Mr. BATES. It does seem to be. And as I read the letter which he has written to me, it is certainly written by a well-educated person. And of course, we here all kinds of comments on the other side of the issue now, with this Lunar II excursion around the moon, people say I suppose the people up there are making the same kind of reports as the doctor has just made to us. They are making these kinds of statements.

Doctor, to be more specific, the paper which I have—Mr. Chairman. I would like to get unanimous consent to insert in the record the information which has been provided to me.

The CHAIRMAN. Without objection.

(The letter to Congressman Bates is as follows:)

WENHAM, MASS., April 1, 1966.

CONGRESS OF THE UNITED STATES,
House of Representatives,
Washington, D.C.

(Attention, Speaker John W. McCormack).

DEAR SIR: My name is Raymond E. Fowler. I am employed as a project administrative engineer in the Minuteman Program Office for Sylvania Electric Products, Waltham, Mass. I am presently serving as chairman of a Technical Investigating Subcommittee for the National Investigations Committee on Aerial Phenomena, Wash., D.C.

The reasons for my writing are twofold, firstly—I have been asked by NICAP to submit to you our subcommittee's complete file covering our investigation of the Exeter, New Hampshire UFO sighting witnessed at close range by local citizens and police officers on September 3, 1965. I am sure that you are aware of this sighting as it gained nationwide publicity recently through NICAP-backed articles in the Saturday Review and Look magazines. Secondly, I do want to put myself on record as supporting the claims and views of NICAP and others which indicate that congressional hearings on the matter of UFO's are long overdue.

I feel that the American people are capable of understanding the problems and implications that will arise if the true facts about UFO's are made known officially. The USAF public information program and policy, as directed by the Pentagon, of underrating the significance of UFO's and not releasing true, pertinent facts about UFO's, is not only a disservice to the American people now but in the long run could prove to have been a foolish policy to follow. After years of study, I am certain that there is more than ample high-quality observational evidence from highly trained and reliable witnesses to indicate that there are machinelike solid objects under intelligent control operating in our atmosphere. The aerodynamic performance and characteristics of the true UFO rule out manmade or natural phenomena. Such observational evidence has been well supported in many instances by reliable instruments such as cameras, radar, geiger-counters, variometers, electrical interference, physical indentations in soil and scorched areas at landing sites, etc.

I am reasonably sure that if qualified civilian scientists and investigators are able to come to this conclusion, that the USAF, supported by the tremendous facilities at its disposal, have come to the same conclusion long ago. However, present official policy deliberately attempts to discredit the validity of UFO's and a wealth of data and facts are not being released to the public.

I trust that you will examine the attached UFO report and related correspondence in detail. Sightings such as the Exeter, N.H., sighting have and are occurring throughout the world at night and in the daytime. It is high time that the real facts about UFO's are released. A public information program should

be inaugurated that presents facts. I am urging you to support a full congressional open inquiry on the UFO problem.

Sincerely,

RAYMOND E. FOWLER,
Chairman NICAP Massachusetts Subcommittee.

(The attachments to the previous letter are as follows:)

[Excerpt from Manchester (N.H.) Union Leader, Sept. 6, 1965]

POLICE, CIVILIANS SIGHT UFO IN EXETER AREA

EXETER.—At least five people here, including two police officers, have reported seeing a flying saucer in this area.

The incidents occurred early Friday morning. According to those who saw the unidentified flying object, it was about the size of a house and had a red glow around it, and moved silently through the night.

When Exeter police investigated a parked car on the Exeter-Hampton bypass at about 12:30 investigating officer Eugene Bertrand, who approach the car and found two women in a state of near shock. They told that they had been chased along Route 101 all the way from Epping, about 12 miles, by flying object which glowed with a brilliant halo of red. According to the women, the "thing" followed their car until they stopped.

As the one woman told their story one of them sighted the object once more, about 2 miles away, which Bertrand thought was a star low on the horizon.

REPORTS CHASE

At 12 a.m., Norman J. Muscarello, 18, of 205½ Front Street, Exeter, came into the police station with a hair-raising report of having been chased by a flying object as he was hitchhiking toward Exeter on Route 150 in Kensington.

Muscarello told Desk Officer Reginald Toland that as he walked along the highway, a large, brilliant object began making passes on an adjacent field and house and along the highway. Not knowing what it was and being understandably shaken, he crouched in a ditch along the road as the object, so brilliantly red that its shape could not be determined in the glow, made what seemed to him to be searching passes at him.

Shortly thereafter the "thing" disappeared silently, as quickly as it had appeared. Muscarello then hitched a ride to the police station and related what he had seen.

Although Muscarello's story was extraordinary, Patrolman Bertrand drove him back to the scene of the incident in the police cruiser. When they arrived, nothing was there.

POLICE SEE UFO

Officer Bertrand suggested that they walk into the field where the flying object was last seen, and they were joined there by Exeter Patrolman David Hunt, who also drove to the scene. Bertrand was talking reassuringly when Muscarello shouted "Look, there it is, rising up from behind those trees." The officers spun around and looked.

From behind a stand of trees in the black of the night, a huge blinding glow of brilliant red light surrounding it, the object rose, not fast but waveringly.

It traveled slowly and yawed slightly from side to side. They were stunned by the blinding red light as it moved toward them across the field. The object seemed to be coming toward them and Bertrand made a move toward his police service revolver but thought better of it. Then the three men ran to the police cruisers. When questioned on the size of the object, Officer Bertrand estimated it to be "about the size of a house."

Usually, when incidents such as this are reported, the sightings take place over a period of a few seconds, but in this instance, the men observed the object for 15 or 20 minutes at what appeared to be a relatively short distance.

One of the most amazing points which Officer Bertrand made while being interviewed was the complete absence of sound as the flying object hovered over

a nearby farm building, casting a brilliant glow over the dwelling, while the farm animals in the barn caused a tremendous commotion. Horses whinnied and kicked the walls of their stalls. Then the object disappeared rapidly in the distance.

ANOTHER SIGHTING

Officer Eugene Bertrand's report on the trio's sighting of the strange object was made to Officer Toland, desk man at the Exeter police station, at 2:55 a.m.

Then at 3:30 p.m. Officer Hunt reported from his cruiser that he had sighted the UFO, while he was at the intersection of the Route 101 bypass in Exeter and Route 87 to Newfields from Exeter.

Topping the strange activities, Exeter police reported that a telephone call from an unidentified pay station in Hampton had been made by a hysterical man, but that the line had gone dead before the call could be completed or the pay phone station identified. The man had dialed the operator and cried "Get me the police" and said he had been chased by a flying saucer.

Hampton police were notified, but nothing was determined about the point from which the call was made, what had frightened the man—or why the call was abruptly broken off.

NATIONAL INVESTIGATIONS COMMITTEE ON AERIAL PHENOMENA, *Washington, D.C., September 15, 1965.*

RAYMOND FOWLER,
Wenham, Mass.

DEAR RAY: Your excellent report on the September 3 New Hampshire sightings has been received. You certainly are to be commended for a prompt and thorough investigation. The information is most interesting and will be of great value. We are very fortunate to have people of your ability donating their services to us.

Mr. John Fuller of Saturday Review may be getting in touch with you about these sightings. He is doing a straightforward column (he writes "Trade Winds") on the recent wave of sightings, and has long had a sincere interest in the subject. We are cooperating fully, and I have given him a lot of specific information.

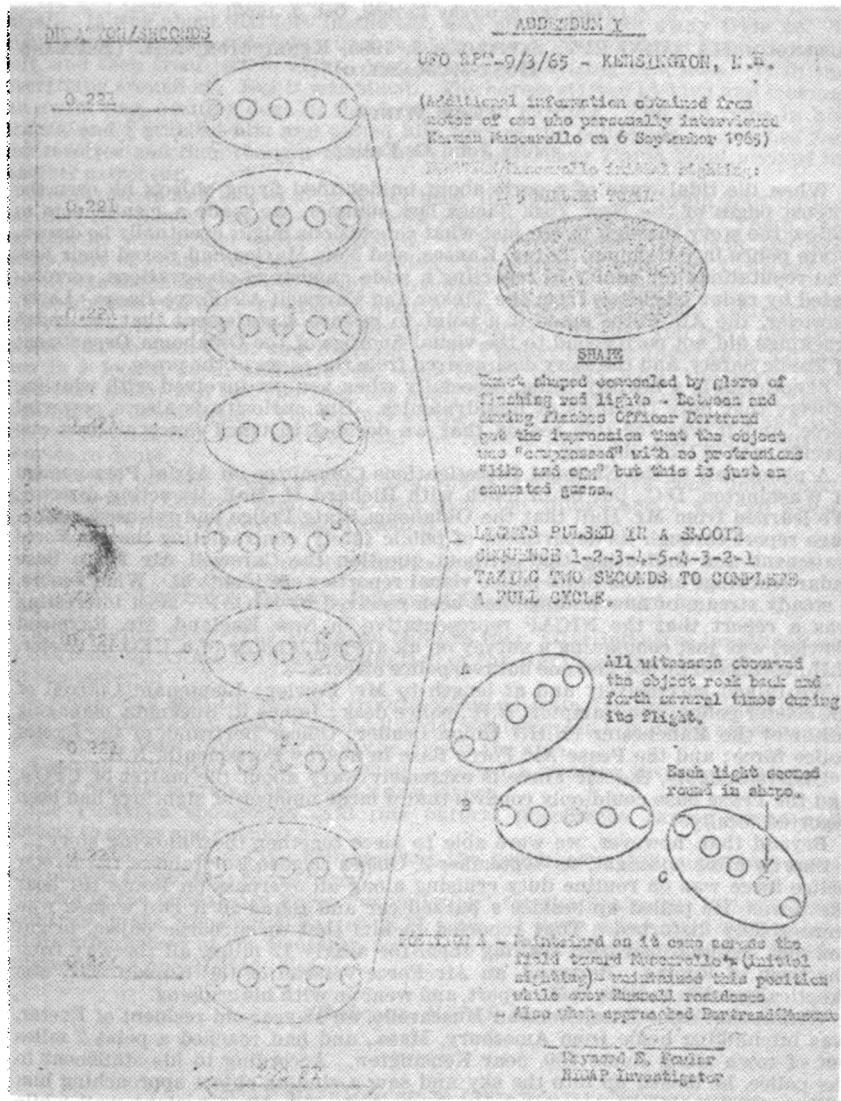
Our New York No. 2 Subcommittee in Chautauqua County (western New York.) and an intelligent young member have been investigating a landing report near Buffalo (Cherry Creek) August 19. It appears to be a solid case, and caused several E-M effects.

On the same night as the New Hampshire sightings, two police officers near Angleton, Tex. (Between Houston and gulf coast) saw a reddish UFO on the ground in a field, started to investigate until the object moved toward them—whereupon they fled in panic. Sounds very similar to New Hampshire, but we may not be able to get much details.

Thanks again for your hard work on our behalf.

Sincerely,

DICK HALL

**ADDENDUM II**

(UFO Report, September 3, 1965, Kensington, N.H. (Bertrand-Hunt-Muscarello))

Subject: Weather, September 3, 1965, a.m.

To: NICAP, Washington, D.C.

From: Raymond E. Fowler, chairman: NICAP Massachusetts Investigating Subcommittee.

U.S. Weather Forecast: Skies: Clear. Wind direction: Northwest, Wind velocity: 5 miles per hour. Temperature: Lower fifties.

Respectfully submitted.

RAYMOND E. FOWLER,
NICAP Investigator.

[From the Saturday Review, Oct. 2, 1965]

ADDENDUM IIA (UFO RPT, SEPTEMBER 3, 1965, KENSINGTON, N.H. (BERTRAND HUNT-MUSCARELLO))

TRADE WINDS

(By John G. Fuller)

When the tidal wave of reports about unidentified flying objects hit even the august pages of the New York Times last summer, we made a mental note to follow the story through to see just what conclusions might eventually be drawn. State police in Oklahoma, Texas, Kansas, and New Mexico had risked their jobs and reputations for sanity in reporting a wide number of observations, corroborated by radar trackings from the Tinker and Carswell Air Force Bases. Later, however, the Air Force made it a point to release a statement that the radar trackings did not correspond to the visual findings of the Oklahoma Department of Public Safety, and the story disappeared from the pages of the press.

Skepticism is a healthy thing, especially when you get involved with whirling saucers that defy the laws of aerodynamics. But curiosity is also a powerful force, and it was for this reason that we decided to track down at least one specific case of UFO chasing.

A phone call to the National Investigations Committee on Aerial Phenomena in Washington, D.C., put us in touch with Richard H. Hall, its acting director. We learned from Mr. Hall that the Oklahoma State Police had released a nine-page report through its department of public safety, contradicting the Air Force statement and indicating that without question the Carswell Air Force Base radar trackings and the State police visual reports were identical. What's more, a steady stream of new findings had been received by NICAP. Most interesting was a report that the NICAP representative in New England, Mr. Raymond Fowler, was just completing a survey on an alleged landing of a UFO in Exeter, N.H., witnessed by not just one but two police officers.

We talked successively and at length to Mr. Fowler; Lieutenant Cottrell of the Exeter police; the Hampton, N.H., police desk; James R. Bucknam, managing editor of the Manchester (N.H.) Union Leader; Officer Bertrand, of the Exeter police force; and the Pease Air Force Base in nearby Portsmouth, N.H.

Understandably, the Air Force is extremely wary about the matter of UFO's and the Pease base could only confirm that a large number of sightings had been reported locally.

Beyond that, however, we were able to piece together the following story:

Shortly after midnight, on September 3, Officer Eugene Bertrand of the Exeter police force was on routine duty cruising along an overpass on Route 101 near the town. He pulled up besides a parked car and found in it two women who were visibly disturbed. They reported to him that an airborne object, bright red and flashing, had been trailing them for nearly 12 miles, all the way from the town of Epping. Bertrand, an Air Force veteran of the Korean war, was skeptical, made a routine radio report, and went on with his cruising.

Within that same hour, Norman Muscarello, an 18-year-old resident of Exeter, was hitchhiking home from Amesbury, Mass., and had reached a point 2 miles out of town along Route 150, near Kensington. According to his statement to the police, he looked up into the sky and saw a similar object approaching him with a yawing, kitelike motion. He threw himself against a stone wall while the object hovered over a nearby farmhouse, lighting up the entire area. He finally made a run for the farmhouse as the object sailed out of sight. Unable to make sense of his hysterical story, the farmer took no further action and the boy hitchhiked into town. Here he reported the story to the police, even though he was in a state bordering on shock.

It was now about 2 a.m., Officer Bertrand was called on his car radio and instructed to take the boy back to the farm area to investigate.

"I was sure that these women and this kid had seen a helicopter, or something like that," Officer Bertrand told us. "But we went out to the spot, and I parked the cruiser. It was a clear night. No wind. No fog. We walked about a hundred yards out on the field, near a barn where a lot of horses were kept. Then, the kid yelled, 'There it is!'"

"He was right. It was coming up over a row of trees. There was no noise at all. It was about 100 feet in the air, and about 200 feet away from us. I could see five bright red lights in a straight row. They dimmed from right to left, and then from left to right—just like an advertising sign does. It lit up everything around us. But it was silent. The horses started kicking and making an awful fuss, and the dogs in the farm started barking. The kid froze in his tracks, and I grabbed him and pulled him toward the police car. I reached for my revolver and then thought better of it. Then Officer David Hunt arrived in another patrol car.

"We sat there and looked at it for at least 10 minutes. My brain kept telling me that this doesn't happen—but it was, right in front of my eyes. There was no tail, no wings, and again no sound. It hovered there, still about 100 feet away, sort of floated and wobbled. I don't know what it was. All I can say is that it was there, and three of us saw it together."

Nobody else can tell you exactly what it was, either. Lieutenant Cottrell will tell you that the whole story is on the police blotter, and that you can't find two better officers than Hunt and Bertrand. "If I didn't believe these guys, I'd put 'em in a locked room and give 'em some blocks to play with," he says. The Hampton police will tell you that too many reliable people have reported these sightings to doubt them. The editors at the Manchester Union Leader and the Exeter News-Letter will tell you that the reports are from too many reliable sources to doubt.

Moreover, officials suspect other local UFO landings have gone unreported. As Lieutenant Cottrell said, "If I had seen that thing—and I was all alone, nobody else would have ever heard about it."

[From the Haverhill Gazette, Oct. 27, 1965]

PENTAGON DOESN'T BELIEVE UFO EXETER SIGHTINGS

WASHINGTON, D.C.—The Pentagon believes that, after intensive investigation, it has come up with a natural explanation of the UFO sightings in Exeter, N.H., on September 3.

A spokesman said the several reports stemmed from "multiple objects in the area," by which they mean a high-altitude Strategic Air Command exercise out of Westover, Mass., was going on at the time in the area.

A second important factor was what is called a weather inversion wherein a layer of cold air is trapped between warm layers.

The Pentagon spokesman said this natural phenomena causes "stars and planets to dance and twinkle."

The spokesman said "We believe what the people saw that night was stars and planets in unusual formations."

(This is the official Air Force "explanation" for the September 3, 1965, UFO sightings in the Kensington-Exeter, N.H. area. I have asked the USAF public information officer at the Pentagon for a copy of their official evaluation for the subcommittee and NICAP files.)

RAYMOND E. FOWLER,
Chairman, NICAP Massachusetts Subcommittee.

NICAP MASSACHUSETTS INVESTIGATING SUBCOMMITTEE, Wenham, Mass.

Subject: Addendum IV, UFO report, September 3, 1965 (Kensington, N.H.)
(Bertraund-Hunt-Muscarello).

Date: October 10, 1965.

From: Raymond E. Fowler, chairman, NICAP Massachusetts Subcommittee.

To: NICAP.

This newsclip identifying UFO reports in the southern New Hampshire area is misleading. At the time of the September 3, 1965 UFO sighting I checked with the manager of "Sky-Lite Aerial Advertising Co." and its aircraft was not flying on this night. On October 9 I went over the advertising plane's flight paths between August and October 8. The plane was not even airborne between August 21 and September 10.

¹ See later USAF letter in file which reverses their position.

Joseph Rodina also informed me that his aircraft rarely flies into southern New Hampshire and when it does it is usually in the Salem and Manchester area, miles away from the Exeter area. He told me that he had told the Amesbury News that perhaps some UFO's reported in New Hampshire could have been his aircraft. Unfortunately, this newspaper used his statement to explain the sightings in the Seabrook area which borders Kensington, N.H.

The "Sky-Lite" aircraft* does not carry red flashing lights. It carries a rectangular sign carrying white flashing lights. It was not airborne during the southeast New Hampshire UFO flap. I have notified the Amesbury News of the true facts and have asked them to set the record straight. I am issuing this addendum to avoid further confusion.

RAYMOND E. FOWLER,
Chairman, NICAP Massachusetts Subcommittee

[From the Amesbury (Mass.) News, Oct. 6, 1965]

UFO IDENTIFIED AS AD GIMMICK

The unidentified flying object spotted in this area by many residents has finally been identified.

It's a flying billboard which contains 500 high-intensity lights that spell out an advertising message.

The electronic billboard is towed by a specially rigged light aircraft owned by Sky-Lite Aerial Advertising Agency of Boston and piloted by Daniel C. Vale of Londonderry, N.H.

Recently the rig has been flown over the Amesbury, Seabrook, and southern New Hampshire area carrying the advertising message, "Put a Tiger in Your Tank—See Your Esso Dealer."

However, when spotted from an angle not directly below the aircraft, it gives the appearance of a flying saucer, quite like the "UFO's" described by the area residents.

A spokesman for the firm said the sign is 10 feet wide and 40 feet long. "The plane can turn on a dime, and when it turns, it gives the appearance of being stationary," the spokesman said.

Earlier flights of the night-flying billboard south of Boston also prompted a flash to UFO reports before the "secret" was discovered.

UFO SUMMARY SHEET

UFO reports—Sept. 3, 1966

Number	Witness—Name and address	Age	Location of UFO sighting	Time a.d.t.
1.....	Unidentified woman motorist.....	(1)	Route 10L, Epping to Exeter, N.H.	—12:30 a.m.
2 and 3...	Norinan J. Muscarelle, 205½ Front St., Exeter, N.H.	18	Route 150, Kensington, N.H. Russell and Dining properties.	±1:00 a.m. ±2:25 a.m.
3.....	Officer Eugene F. Bertrand (Exeter Police Department) Pickpocket Road, Exeter, N.H.	32	do.....	Do.
3.....	Officer David R. Hunt, 11 Charles St., Exeter, N.H. (Exeter Police Department)	26	do.....	±2:35 a.m.
4.....	Officer David R. Hunt.....		Route 85/101 Bypass, Exeter, N.H.	3:30 a.m.
5.....	Unidentified man.....		Hampton, N.H.....	Early a.m.

(1) Not available.

BACKGROUND

I received news of the sighting through newspaper clippings and from a friend whose niece is a policewoman for the Exeter, N.H., Police Department. I arrived at the Exeter police station at 6:40 a.m., on September 11, and interviewed Officer

*NOTE.—This aircraft flies out of Beverly Airport, Beverly, Mass. Usually the aircraft flies along the coast to Boston and back. It rarely is airborne after 11 p.m.

Hunt who filled out and signed an eight-page UFO questionnaire and later gave permission to use his name in connection with the report. I proceeded to the residence of Norman Muscarello and discovered that he was out of State until September 14. Arrangements have been made for a personal interview upon his return. I then drove out to the sighting area of sightings two and three, and interviewed residents in the general area. Next, I went to the home of Officer Bertrand and drove him back to the area of sighting two and three where he filled out a UFO questionnaire, signed it and gave NICAP permission to use his name in connection with his sighting. While at the sighting area he gave me a detailed description of the sightings and related information. I interviewed others in the area who had related information and arrived back home at 2:45 p.m. My brother, Richard A. Fowler, and I returned to the area and took photographs. We walked several miles along some powerlines near the sighting area examining this area for any signs of a UFO landing. We feel that the UFO might have been attracted to the area by these powerlines. We found nothing.

SIGHTING ACCOUNT NO. 1

At approximately 12:30 a.m., e.d.t., Officer Bertrand came upon one woman (not two as reported by newspapers) parked in an automobile on route 101 just outside Exeter. When asked if she needed help she said excitedly that she had been chased along Route 101 between Epping and Exeter for 12 miles by a flying object which was encircled with a brilliant red glow. She stated that the object dived at her moving automobile several times. When Bertrand asked where the object was, she pointed to what he thought was a bright star on the horizon. He dismissed the incident and after watching the light source for a few minutes to reassure the woman he proceeded on in the cruiser. He dismissed the incident and did not attach enough importance to the woman's account to warrant obtaining her name.

SIGHTING ACCOUNT NO. 2 (MORE DETAILS FORTHCOMING PENDING
PERSONAL INTERVIEW)

At approximately 1 a.m., e.d.t., Norman Muscarello was walking along Route 150 in Kensington, N.H., about 2 miles from Exeter. He had been visiting in Amesbury, Mass., and had been thumbing rides home to Exeter. As he approached the Clyde Russell residence he was alarmed to see an object carrying at least four extremely bright red pulsating lights emerge from nearby woods and maneuver over the field adjoining the road which belongs to Carl Dining. It moved over the Clyde Russell home and hovered there. The house was only 20 to 30 feet from where Muscarello stood and the object appeared to be just a matter of several feet from the roof. Frightened thoroughly he crouched down beside the stone wall which runs along the field. Several times it seemed to move closer to him. Its lights were so bright that the Russell home was bathed with a red glow. The size of the object seemed to be much larger than the Russell home and Muscarello later told the police it was 80 to 90 feet long. The object was completely silent. Then it moved back over the Carl Dining field and disappeared over the trees. Muscarello pounded on the door of the Clyde Russell home shouting that he had seen a "flying saucer." The Russells woke up but refused to answer the door thinking that the boy was drunk or something. Muscarello finally gave up and started down the road toward Exeter. He flagged down a passing automobile and received a ride to the Exeter police station.

(The above account is based upon information received from Officers Hunt and Bertrand. I hope to receive more detailed information from Norman Muscarello personally as soon as he returns from Rhode Island.)

SIGHTING ACCOUNT NO. 3

Muscarello reported the incident to Desk Officer Reginald Towland at about 1:45 a.m., e.d.t. He was white with fear and hardly able to talk. A radio call was made to Officer Bertrand asking him to return to the station, pick up Muscarello and investigate at the scene of the sighting which he did. Upon arriving at the Carl Dining field the object was nowhere to be seen. After waiting and looking from the cruiser for several minutes, Bertrand radioed headquarters that there was nothing there and that the boy must have been imagining things. It was then suggested that he examine the field before

returning, so Bertrand and Muscarello advanced into the field. As the police officer played his flashlight beam back and forth over the field, Muscarello sighted the object rising slowly from behind some nearby trees and shouted. Bertrand swung around and saw a large dark object carrying a straight row of four extraordinarily bright red pulsating lights coming into the field at tree top level. It swung around toward them just clearing a 60- to 70-foot tree and seemingly only 100 feet away from them. Instinctively Officer Bertrand drew his service revolver. (He stated that Muscarello said that he shouted "I'll shoot it!") but thinking this unwise replaced it and yelled to Muscarello to take cover in the cruiser. He told me that he was afraid that they both would be burned by the blinding lights closing in on them. They ran to the cruiser where Bertrand immediately put in a radio call to headquarters for assistance. Officer Hunt arrived within minutes and the trio observed the object move away over and below the tree line.

Data (sighting No. 3)—Based on signed questionnaires and interviews with Officers Bertrand and Hunt.

There is confusion concerning the exact times of the sighting. The police stated that the newspaper account stated that Muscarello arrived at the station at 12 a.m. is incorrect and that it was probably close to 2 a.m., e.d.t. I have arbitrarily assigned the time as being 1:45 a.m., e.d.t., after taking everything into consideration. Muscarello's mother also thought it was closer to 2 a.m. Perhaps after my interview with Muscarello, I will be able to pinpoint the time more exactly. Based upon the 1:45 a.m. time and the fact that when the trio returned to headquarters and reported the sighting No. 3 to Desk Officer Towland at exactly 2:55 a.m., I figure that sighting No. 3 took place approximately between 2:25 and 2:40 a.m.

Sighting No. 3 took place over the field of Carl Dining in Kensington, N.H., on Route 150 about 3 miles south of Exeter, N.H. The duration of the observation was about 10 minutes by Officer Bertrand and Norman Muscarello and about 5 minutes by Officer Hunt when he joined the pair at the field. There was no trace of daylight at the sighting time. The weather was dry and cool with a slight breeze. Observing conditions were excellent. The moon had set at 11:35 p.m., e.d.t., and the sky was studded with stars. The exact shape of the object could not be seen by either police officer although Bertrand told me that it seemed compressed as if it were round or egg-shaped with definitely no protrusions like wings, rudder or stabilizer. I hope to obtain more details from Muscarello concerning the shape, size, and so forth of the object.

The object carried at least four extremely brilliant pulsating red lights which appeared to flash in a steady sequence. They were arranged in a fixed straight line position. Officer Bertrand said that they were brighter than any light he had ever seen and at close range he found that he could not look directly at them. He had the impression that he and Muscarello might have been burned if they did not run from the object as it approached them. He compared their brightness to that of automobile headlights shining directly in one's face at less than several yards away. The manner in which they pulsated gave Bertrand the distinct impression that this was an intelligently constructed vehicle and definitely not some natural phenomenon. The lights were definitely seen to be part of a large dark solid object. The reflection off the object's body caused a halo effect around it. Both officers had eyeglasses on when viewing the object. Neither officer would give an estimate of how large the object itself was although Bertrand was quoted to have said that it was as "big as a house." Bertrand told me that it was very large but the lights obscured it preventing him from seeing enough of it to know how large. When Officer Hunt arrived the object had moved off so what he thinks he only saw two of the lights. I was, however, able to obtain a statement from Bertrand concerning the apparent size of the object. He stated that when the object was at its closest that it was almost the apparent size of a "grapefruit" held at arm's length. When he first sighted it the size seemed to be that of a "baseball" held at arm's length. He estimated that it was 200 yards away when he first spotted it after Muscarello shouted. He said that at its closest approach it just cleared a nearby 60- to 70-foot tree. He said the object was very close and that it appeared to be about 100 feet away. While viewing it from the cruiser it maneuvered over the field at about 500 yards away before moving out over the tree line. As it moved the object seemed to tilt back and forth from side to side.

The sighting area was open countryside with farms, fields, and woods. The object was first seen in the northeast and last seen in the north moving in an east

to west flight pattern in a straight line with an elevation of about 10° above the tree-line. Both officers had read a little an UFO's. Neither would venture an opinion as to what the object was but Officer Bertrand stated that it was definitely not an airplane or helicopter and that in his opinion that it was an intelligently constructed and operated vehicle. No sound was heard by the witnesses, even at close range but apparently the animals in the nearby barn of Carl Dining could hear or sense something that frightened them as during sighting No. 2 and No. 3 they whinnied and kicked their stalls. The dog which belonged to people across the road was barking furiously. No interference was noticed on the police radio nor were the lights and ignition of the cruiser affected. Neither officer would estimate the object's speed but stated it was very slow. No scorched marks or indentations were found in the field. Both officers agreed that their signed statements and names could be used by NICAP in connection with the report.

SIGHTING ACCOUNT NO. 4

At 3:30 a.m. e.d.t., Officer Hunt sighted what appeared to be the same object hovering in the distance while at the Route 85-100 bypass in Exeter. He radioed Officer Bertrand who told him it was probably a star. Shortly after this he looked for it again but it had disappeared. Since there was little detail in this sighting I did not bother to probe for details.

SIGHTING ACCOUNT NO. 5

To add to the excitement the police and others told me that an unidentified hysterical man tried to call the police during these early morning hours to report a UFO. He dialed the operator from a pay station in Hampton, N.H., and excitedly asked the operator to connect him with the police as he had been chased by a "flying saucer." Before the call could be put through to the police, the telephone connection went dead. Neither the man or the particular Hampton pay station could be traced.

MILITARY INVESTIGATION

Officer Bertrand informed me that soon after they made their report of sighting No. 3 to Desk Officer Towland they notified Pease AFB, Portsmouth, N.H., of the sighting by phone. Later Pease AFB phoned back and arranged for the police officers to be interviewed. At around 9 a.m. that same morning, a USAF major and lieutenant in uniforms arrived, questioned them and drove both Bertrand and Hunt out to the Carl Dining field where they had sighted the UFO. They asked more questions and returned with the police officers to the station. The USAF officers asked the police to try to keep the sighting from the press so as to avoid alarming the local people. The police told the USAF officers that it was too late for this as several reporters already had the story. (One had driven from Manchester on a motorcycle complete with black jacket, helmet, and goggles. I heard privately that he gave the police quite a start when he came into the station looking like a man from outer space.)

Bertrand told me that most of the questions asked were the same as I had asked. The USAF team were particularly interested in the size and shape of the object. One question that stuck in Bertrand's mind was that they wanted to know if the chickens on the Carl Russell residence next to the field were awakened and alarmed during the sighting. (Apparently they were not disturbed as they were not heard during the sighting although they may have and just were not heard as the chicken house is probably 300-400 yards, at least from where Muscarello and Bertrand were standing in the field.)

Three interesting items told to the police were that (1) that a USAF check had revealed no aircraft in the area during the time sighting No. 3 occurred; (2) that Pease AFB had been receiving other UFO reports in the New Hampshire area almost nightly during the previous week; (3) they mentioned a sighting which took place in late July concerning an automobile coming upon a UFO hovering over the road in front of them. I have the details and hope to look into it.

After returning Officers Bertrand and Hunt to headquarters, both the major and lieutenant returned to the sighting area and questioned residents living near the field. Mrs. Muscarello told me that two USAF officers had questioned her son at length and that a U.S. Navy officer also came to the house and asked several questions about the sighting.

INTERESTING SIDELIGHTS

1. Mr. and Mrs. Chase of Kensington who live a few miles down Route 150 told me that:

(a) An Air Force officer had gone around to all the stores selling newspapers in Exeter and purchased all copies of the Manchester, N.H., Union Leader newspaper which carried a detailed account of these sightings and a posed photo of Herman Muscarello and Officers Bertrand, Hunt, and Towland. The police had not heard of this and I did not check further.

(a) Mrs. Chase, a nurse, was on duty at the Exeter Hospital during the sightings and told me that the Hampton, N.H., police phoned the hospital to see if a man was brought into the hospital suffering a heart attack or shock. This was in relation to the hysterical man who tried to reach the police by phone about being chased by a UFO. Reference sighting No. 5.

(c) Mrs. Chase also told me that a friend of hers, a Mrs. Parker Blodgett, works as a correspondent for the "Haverhill (Mass.) Gazette" newspaper and was asked by the USAF not to publish UFO reports. (However, she did, as I have a copy of her article dated September 7, 1965.)

2. A Mrs. St. Laurente of Kingston Road, Kensington, N.H., told a church minister friend of mine that her brother, who usually cuts the hay on the Carl Dining field, refuses to do so because he has heard that the hay has been contaminated by radiation.

3. The police told me that for the past few weeks previous to the sightings they have received reports from people, some of them personal friends, of their whole house suddenly being momentarily illuminated by a bright reddish glow after they had gone to bed. No objects were seen.

4. Mr. and Mrs. DeMarco, N. Hampton Road (Route 88), Hampton, N.H., observed a star-like object blinking red which alternately hovered and moved in the western sky between 9 and 9:30 p.m. on September 5, 1965. Since Venus had set and Mr. DeMarco was a former USAF control tower operator who assured me that it was not an aircraft, I thought the report was worth mentioning.

5. A Mr. Rice, who owns a CB radio told me that he was talking over his radio with a Portsmouth, N.H., police cruiser on September 7, 1965, about 8:00 p.m. e.d.t. The officer told him that he was out investigating a UFO report and asked Mr. Rice to give him a call if he spotted it. He said the UFO was supposed to be over the Hampton Falls area near where Mr. Rice lives on Route 88. No UFO was seen by Mr. Rice. The cruiser used call letters KMA-8616 and used both channel No. 2 and No. 6.

6. Since the UFO sighting at the Carl Dining field, many cars pull up and watch for the object at night. Mr. Dining had to rope off the entrance to his field and post it as people were littering his property.

7. Mrs. Muscarello thinks the USAF Lieutenant's name was Brant.

8. On my first two visits to the Carl Dining field on the morning of September 11, 1965, I saw a low-flying C-119 Flying Boxcar pass over the area on both occasions.

9. Other civilian UFO Investigators were given the brushoff by the police. I was very fortunate to have received such a good response from them.

EVALUATION

Characters of witnesses

Muscarello: Comes from twice-broken home—has had problems with police and is well-known by them—usually a cool, calm boy. Until my personal interview with him I can say no more.

Bertrand and Hunt: Credible witnesses, good observers with a keen desire to relate only facts—I could not even persuade them to guess at estimates of the object's real size and speed.

The sightings

Sighting No. 1: There is enough similarity between the unidentified woman's report and the detailed sightings No. 2 and No. 3 to warrant its probable authenticity. The chances of a similar report occurring the same morning, unless it were authentic, is astronomical. It is possible that the object she pointed out to Officer Bertrand was Jupiter and not the object that had chased her.

Sightings No. 2 and No. 3: The credibility of the witnessing police officers coupled with the sightings of Muscarello; the many typical UFO characteristics

exhibited by the object; the other correlated UFO reports and the military's interest and actions concerning the UFO reports, rate these as first-class UFO sightings by this investigator.

Sighting No. 4: Insufficient information but interesting.

Sighting No. 5: Again, the chances are astronomical that several people entirely independent of one another should report that they were "chased by a flying saucer" in the same general area. It is possible concerning sighting No. 5 that someone could have been monitoring the police radio conversations about the UFO reports and decided to play a little joke but this seems unlikely. Not many people, other than responsible law enforcement officers are up tuning the police radio and at these wee hours of the morning. Thus, the report is probably genuine. Why the unidentified man did not or could not complete his call to the police will have to remain on open question unless he steps forward and relates what happened.

I was able to talk to many people during my investigation. The great majority did not appear to be frightened about the incident. This is contrary to what the USAF team thought would occur if the story got in the newspapers. Instead of fear, I found a tremendous curiosity on the part of people to know more about UFO's. Strangely enough many openly voiced the interplanetary origin theory without any encouragement from me. Several years ago very few people other than those who have read widely about UFO's would talk like this. Slowly but surely over the years the public has been becoming UFO-conscious: Reports like this one coupled with wide publication will help much in informing the public-at-large of the reality and problem of UFO's.

U. O DATA SHEET

Page one

This questionnaire has been prepared so that you can give as much information as possible concerning the "Unidentified Flying Object" that you have observed. Please try to answer as many questions as you possibly can. The information that you give will be used for research purposes. Your name will not be used in connection with any statements, conclusions, or publications without your permission. Thank you very much for your cooperation in this matter.

Investigator: National Investigation Committee on Aerial Phenomena
 Raymond E. Fowler
 13 Friend Court
 Wrentham, Massachusetts

*Time he reported sighting
 to Dark Officer: 1225 AM
 WAS SIGHTING TIME*

1. When did you see the object?
3 9 1965
 DAY MONTH YEAR

2. Time of day: 2 55
 HOUR MINUTES
 (Circle One): A.M. or P.M.

3. Time zone: (Circle One): a Eastern (Circle One): a Daylight Saving Time
 b. Central
 c. Mountain
 d. Pacific
 e. Other _____
 b. Standard Time

4. Where were you when you saw the object?
KENSINGTON RFD KENSINGTON N.H.
 Nearest Postal Address City or Town State or Country

Additional remarks: _____

5. Estimate how long you saw the object. 10
 HOURS MINUTES SECONDS

5.1 Circle one of the following to indicate how certain you are of your answer to Question 5.

- a. Certain
b. Fairly certain
 c. Not very sure
 d. Just a guess

6. What was the condition of the sky?
 (Circle One): a. Bright daylight d. Just a trace of daylight
 b. Dull daylight e. 30 trace of daylight
 c. Bright twilight f. Don't remember

7. If you saw the object during DAYLIGHT, TWILIGHT, or DAWN, where was the SUN located as you looked at the object?

- N/A a. In front of you c. To your right e. Overhead
 b. In back of you d. To your left f. Don't remember

8. If you saw the object at NIGHT, TWILIGHT, or DAWN, what did you notice concerning the STARS and MOON?

8.1 STARS (circle one): a. None
b. A few
c. Many
d. Don't remember

8.2 MOON (circle one):
a. Bright moonlight
b. Dull moonlight
c. No moonlight - dark
d. Don't remember

9. Was the object brighter than the background of the sky?

(Circle one): a. YES b. NO c. DON'T REMEMBER

10. If it was BRIGHTER THAN the sky background, was the brightness like that of an automobile headlight appearing to be? (CIRCLE ONE BELOW):

a. A mile or more away? (a distant car)
b. Several blocks away?
c. A block away?
d. Several yards away?
e. Other? BRIGHTER THAN HEADLIGHT AT
CLOSE RANGE

11. Did the object: (Circle One for each question)

a. Appear to stand still at any time?	YES	<u>NO</u>	DON'T KNOW
b. Suddenly speed up and rush away at any time?	YES	<u>NO</u>	DON'T KNOW
c. Break up into parts or explode?	YES	<u>NO</u>	DON'T KNOW
d. Give off smoke?	YES	<u>NO</u>	DON'T KNOW
e. Change brightness?	<u>YES</u>	<u>NO</u>	DON'T KNOW
f. Change shape?	<u>YES</u>	<u>NO</u>	DON'T KNOW
g. Flicker, throb, or pulsate?	<u>YES</u>	<u>NO</u>	DON'T KNOW

12. Did the object move behind something at any time, particularly a cloud?

(Circle One): YES NO DON'T KNOW If you answered yes, then tell what it moved behind: _____

13. Did the object move in front of something at any time, particularly a cloud?

YES NO DON'T KNOW (Circle One)
If you answered yes, then tell what it moved in front of: _____

14. Did the object appear (Circle One): SOLID TRANSPARENT? DON'T KNOW

15. Did you observe the object through any of the following?

a. Eyeglasses	<u>YES</u>	NO	d. Window glass	YES	NO	g. Other	_____
b. Sun glasses	YES	NO	e. Binoculars	YES	NO	_____	_____
c. Windshield	YES	NO	f. Telescope	YES	NO	_____	_____

16. Tell in a few words the following things about the object.

a. SOUND ALONE

b. COLOR RED

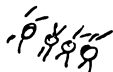
17. Draw a picture that will show the shape of the object or objects. Label and include in your sketch any details of the object that you saw such as wings, protrusions, etc., and especially exhaust trails or vapour trails. Place an arrow beside the drawing to show the direction the object was moving.

← WEST — EAST →



RED LIGHTS
FLASHING

← WEST — EAST →



RED LIGHTS
FLASHING

18. The edges of the object were:

(Circle One): a. Fuzzy or blurred

b. Like a bright star

c. Sharply outlined

e. Other LIGHTS WERE

SO BRIGHT THEY

CREATED A HAZE

19. If there was MORE THAN ONE object, then how many were there?

Draw a picture of how they were arranged, and put an arrow to show the direction that they were travelling.

N/A

20. Draw a picture that will show the motion that the object or objects made. Place a "A" at the beginning of the path; a "B" at the end of the path; and, show a y direction in direction during the course.



21. IF POSSIBLE, try to guess or estimate what the real size of the object was in its longest dimension. N/A Feet.

22. How large did the object or objects appear as compared with one of the following objects "held" in the hand at about arm's length?

(Circle One): a. Head of a pin
b. Pea
c. Dime
d. Nickel
2 - Quarter
f. Half-dollar

g. Silver dollar
1 - Baseball
h. Grapefruit or like fruit H
i. Basketball
k. Other _____

- 22.1 CIRCLE ONE of the following to indicate how certain you are of your answer to Question 22.

While over field when hit seen
a. Certain
While over tree
b. Fairly certain
boundary field
1 - 200 yards #

c. Not very sure
d. Uncertain

~~2 - 500 yards #~~
2 - 500 yards #

23. How did the object or objects disappear from view? _____

DROPPED BELOW TREE LINE

24. In order that you can give as clear a picture as possible of what you saw, we would like for you to imagine that you could construct the object that you saw. Of what type MATERIAL would you make it? How LARGE would it be, and what SHAPE would it have? Describe in your own words a common object or objects which when placed up in the sky would give the same appearance as the object which you saw.

N/A

25. Where were you located when you saw the object? (Circle One):

- a. Inside a building
- b. In a car
- ☒ c. Outdoors
- d. In an airplane
- e. At sea
- f. Other _____

26. Were you (Circle One):

- a. In the business section of city?
- b. In the residential section of a city?
- ☒ c. In open countryside?
- d. Flying near an airfield?
- e. Flying over a city?
- f. Flying over open country?
- g. Other _____

27. What were you doing at the time you saw the object, and how did you happen to notice it?

Went To ASSIST 18 year old boy

28. If you were MOVING IN AN AUTOMOBILE or other vehicle at the time, then complete the following questions:

28.1 What direction were you moving? (Circle One):

- a. North c. East e. South g. West
- b. Northeast d. Southeast f. Southwest h. Northwest

28.2 How fast were you moving? _____ miles per hour

28.3 Did you stop at any time while observing object?

(Circle One): YES NO

29. What direction were you looking when you FIRST SAW the object? (Circle One):

- a. North c. East e. South g. West
- ☒ b. Northeast d. Southeast f. Southwest h. Northwest

30. What direction were you looking when you LAST SAW the object? (Circle One):

- ☒ a. North c. East e. South g. West
- b. Northeast d. Southeast f. Southwest h. Northwest

31. If you are familiar with bearing terms (angular direction), try to estimate the number of degrees the object was from true North and also the number of degrees it was upward from the horizon (elevation):

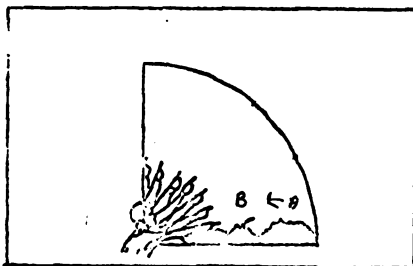
31.1 When it first appeared:

- a. From true North _____ degrees
- b. From horizon _____ degrees

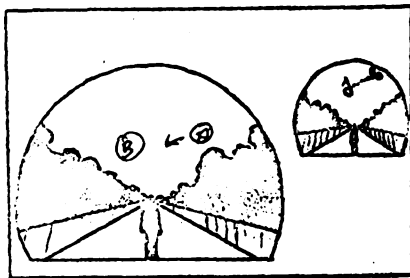
31.2 When it disappeared:

- a. From true North _____ degrees
- b. From horizon _____ degrees

32. In the following sketch, imagine that you are at the point shown. Place a "A" on the curved line to show how high the object was above the horizon (skyline) when you FIRST saw it. Place a "B" on the ~~the~~ curved line to show how high the object was above the horizon (skyline) when you LAST saw it.



33. In the following larger sketch place a "A" at the position the object was when you FIRST saw it, and a "B" at its position when you LAST saw it. (Refer to smaller sketch as an example of "how" to complete the larger sketch.)



- 33.1 Were there any KNOWN aircraft in the sky during your sighting?

(Circle One): YES ☒ NO

If you answered YES, was it following or attempting to intercept the Unidentified Flying Object? (Circle One): YES ☒ NO

If you answered YES, please circle TYPE of aircraft:

COMMERCIAL PRIVATE? JET? PROPELLER?

How many engines did the aircraft have? _____

Page 7

34. What were the weather conditions at the time you saw the object?

34.1 CLOUDS(Circle One)

- ☒ a. Clear sky
☐ b. Hazy
☐ c. Scattered clouds
☐ d. Thick or heavy clouds
☐ e. Don't remember

34.2 WIND(Circle One)

- ☐ a. No wind
☒ b. Slight breeze
☐ c. Strong wind
☐ d. Don't remember

34.3 WEATHER(Circle One)

- ☒ a. Dry
☐ b. Fog, mist, or light rain
☐ c. Moderate or heavy rain
☐ d. Snow
☐ e. Don't remember

34.4 TEMPERATURE(Circle One)

- ☐ a. Cold
☒ b. Cool
☐ c. Warm
☐ d. Hot
☐ e. Don't remember

35. Where did you report to some official that you had seen the object?

Official or Organization Name(s)

Day

Month

Year

DESK OFFICER EXETER P.D.3965OFFICER TOLAND

36. Have you read literature pertaining to Unidentified Flying Objects?

(Circle One) ☒ YES NO

If YES, how much? (Circle One) A LITTLE?

MODERATELY? EXTENSIVELY?

37. Was anyone else with you at the time you saw the object?

(Circle One)

☒ YES

NO

37.1 If you answered YES, did they see the object too?

(Circle One)

☒ YES

NO

37.2 Please list their names and addresses if you circled YES:

(Attach separate sheet for above)

38. Was this the first time that you had seen an object(s) like this?

(Circle One)

☒ YES

NO

38.1 If you answered NO, then when, where, and under what circumstances did you see the other one(s)?

39. In your opinion, what do YOU think the object(s) was and what might have caused it?

Do NOT Know

40. Do you think you can estimate the speed of the object? Page 8
 (Circle One) YES ☒ NO
 If you answered YES, then what speed would you estimate? _____

41. Do you think you can estimate how far away from you the object was?
 (Circle One) YES ☒ NO
 If you answered YES, then how far away would you say it was? 100 feet

42. Did the Object(s) cause any interference with the operation of:
 (Circle where applicable) RADIO? TV? LIGHTS? OTHER? NONE
 If you underlined a y of above, explain the interference below

43. Was a photo taken of the Object(s)? (Circle One) YES ☒ NO
 X Would you be willing to submit a copy? (Circle One) YES ☒ NO
 N/A X If you circled YES, please send copy indicating monetary reimbursement

44. Do you belong to a y Organization which investigates unidentified Flying Objects? (Circle One) YES ☒ NO If YES, list them below

45. May we publish your report if you name is kept confidential? YES ☒ NO ☒
 May we publish your report and use your name? (Circle One)

47. Please give the following information about yourself: EUGENE
 NAME BERTRAND
 Last Name First Name Middle Name
 ADDRESS PICKERET RD EASTER N.H.
 Street City State
 TELEPHONE NUMBER 772-4943
 What is your present job? POLICE OFFICER
 AGE 32 SEX _____
 Please indicate a y educational training you have had: (Number of years)
 a. Grade school 8 e. Technical school _____
 b. High school 4 (Type of) _____
 c. College _____
 d. Post graduate _____ f. Other special training? _____

48. Signature: Eugene F. Bertrand Date: 9/11/63

U F O DATA SHEET

Page one

This questionnaire has been prepared so that you can give as much information as possible concerning the "Unidentified Flying Object" that you have observed. Please try to answer as many questions as you possibly can. The information that you give will be used for research purposes. Your name will not be used in connection with any statements, conclusions, or publications without your permission. Thank you very much for your cooperation in this matter.

Investigator: National Investigation Committee on Aerial Phenomena

Raymond E. Fowler

13 Friend Court

Wenham, Massachusetts

*Time he reported sighting
to Desk Officer - TIME OF SIGHTING*
3:25 AM

1. When did you see the object?

3 9 1965
DAY MONTH YEAR

2. Time of day:

2 55
HOUR MINUTES

(Circle One): A.M. or P.M.

3. Time zone: (Circle One):

- ☒ a. Eastern
b. Central
c. Mountain
d. Pacific
e. Other _____

(Circle One): ☒ a. Daylight Saving Time
b. Standard Time

4. Where were you when you saw the object?

Kensington RFD Kensington N.H.
Nearest Postal Address City or Town State or Country

Additional remarks: _____

5. Estimate how long you saw the object.

HOURS 5-8 MINUTES SECONDS

5.1 Circle one of the following to indicate how certain you are of your answer to Question 5.

- a. Certain
☒ b. Fairly certain
c. Not very sure
d. Just a guess

6. What was the condition of the sky?

- (Circle One): a. Bright daylight d. Just a trace of daylight
b. Dull daylight ☒ e. No trace of daylight
c. Bright twilight f. Don't remember

7. If you saw the object during DAYLIGHT, TWILIGHT, or DAWN, where was the SUN located as you looked at the object?

- a. In front of you c. To your right e. Overhead
b. In back of you d. To your left f. Don't remember

8. If you saw the object at NIGHT, TWILIGHT, or DAWN, what did you notice concerning the STARS and MOON?

- 8.1 STARS (circle one): a. None
b. A few
c. Many
d. Don't remember

- 8.2 MOON (circle one):
a. Bright moonlight
b. Dull moonlight
c. No moonlight - dark
d. Don't remember

9. Was the object brighter than the background of the sky?

- (Circle one): a. YES b. NO c. DON'T REMEMBER

10. If it was BRIGHTER THAN the sky background, was the brightness like that of an automobile headlight appearing to be? (CIRCLE ONE BELOW):

- a. A mile or more away? (a distant car)
b. Several blocks away?
c. A block away?
d. Several yards away?
e. Other? Brighter than headlights at close range

11. Did the object: (Circle One for each question.)

- | | | | |
|---|------------|-----------|------------|
| a. Appear to stand still at any time? | YES | <u>NO</u> | DON'T KNOW |
| b. Suddenly speed up and rush away at any time? | YES | <u>NO</u> | DON'T KNOW |
| c. Break up into parts or explode? | YES | <u>NO</u> | DON'T KNOW |
| d. Give off smoke? | YES | <u>NO</u> | DON'T KNOW |
| e. Change brightness? | <u>YES</u> | NO | DON'T KNOW |
| f. Change shape? | YES | <u>NO</u> | DON'T KNOW |
| g. Flicker, throb, or pulsate? | <u>YES</u> | NO | DON'T KNOW |

12. Did the object move behind something at any time, particularly a cloud?

- (Circle One): YES NO DON'T KNOW If you answered yes, then tell what it moved behind: _____

13. Did the object move in front of something at any time, particularly a cloud?

- YES NO DON'T KNOW (Circle One)
If you answered yes, then tell what it moved in front of: _____

14. Did the object appear (Circle One): SOLID TRANSPARENT? DON'T KNOW

15. Did you observe the object through any of the following?

- | | | | | | | | |
|----------------|------------|----|-----------------|-----|----|----------|-------|
| a. eyeglasses | <u>YES</u> | NO | d. Window glass | YES | NO | g. Other | _____ |
| b. Sun glasses | YES | NO | e. Binoculars | YES | NO | | _____ |
| c. Windshield | YES | NO | f. Telescope | YES | NO | | _____ |

16. Tell in a few words the following things about the object.

a. SOUND None

b. COLOR Red

17. Draw a picture that will show the shape of the object or objects. Label and include in your sketch any details of the object that you saw such as wings, protrusions, etc., and especially exhaust trails or vapour trails. Place an arrow beside the drawing to show the direction the object was moving.

- WEST -

- EAST -

(Two or three
Red Lights Flashing
in sequence)



True line

18. The edges of the object were:

(Circle One): a. Fuzzy or blurred

b. Like a bright star

c. Sharply outlined

(e.) Other Lights were so

bright they created a
Halo effect.

19. If there was MORE THAN ONE object, then how many were there?

Draw a picture of how they were arranged, and put an arrow to show the direction that they were travelling.

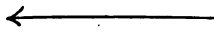
Two or three red flashing
lights moving on Horizon East to West
at about 60° angles
to each other.



20. Draw a picture that will show the motion that the object or objects made. Place a "A" at the beginning of the path; a "B" at the end of the path; and, show any changes in direction during the course. No change in direction

on Angle.

(B)



(A)

21. IF POSSIBLE, try to guess or estimate what the real size of the object was in its longest dimension... N/A Feet.

22. How large did the object or objects appear as compared with one of the following objects "held" in the hand at about arm's length?

(Circle One): a. Head of a pin

b. Pea

c. Dime

d. Nickel

☒ e. Quarter

f. Half-dollar

g. Silver dollar

h. Baseball

i. Grapefruit

j. Basketball

k. Other _____

- 22.1 CIRCLE ONEs of the following to indicate how certain you are of your answer to question 22.

a. Certain

b. Fairly certain

☒ c. Not very sure

d. Uncertain

Comparison based on probable distance of $2\frac{1}{2}$ miles

23. How did the object or objects disappear from view? Dropped below
low base of horizon line.

24. In order that you can give as clear a picture as possible of what you saw, we would like for you to imagine that you could construct the object that you saw. Of what type MATERIAL would you make it? How LARGE would it be, and what SHAPE would it have? Describe in your own words a common object or objects which when placed up in the sky would give the same appearance as the object which you saw.

N/A

25. Where were you located when you saw the object? (Circle One):

- a. Inside a building
- b. In a car
- ☒ c. Outdoors
- d. In an airplane
- e. At sea
- f. Other _____

26. Were you (Circle One):

- a. In the business section of city?
- b. In the residential section of a city?
- ☒ c. In open countryside?
- d. Flying near an airfield?
- e. Flying over a city?
- f. Flying over open country?
- g. Other _____

27. What were you doing at the time you saw the object, and how did you happen to notice it?

Called to crew to assist other
inviser.

28. If you were MOVING IN AN AUTOMOBILE or other vehicle at the time, then complete the following questions:

28.1 What direction were you moving? (Circle One):

- a. North c. East e. South g. West
- b. Northeast d. Southeast f. Southwest h. Northwest

28.2 How fast were you moving? _____ miles per hour

28.3 Did you stop at any time while observing object?

(Circle One): YES NO

29. What direction were you looking when you FIRST SAW the object? (Circle One):

- a. North c. East e. South g. West
- ☒ b. Northeast d. Southeast f. Southwest h. Northwest

30. What direction were you looking when you LAST SAW the object? (Circle One):

- ☒ a. North c. East e. South g. West
- b. Northeast d. Southeast f. Southwest h. Northwest

31. If you are familiar with bearing terms (angular direction), try to estimate the number of degrees the object was from true North and also the number of degrees it was upward from the horizon (elevation).

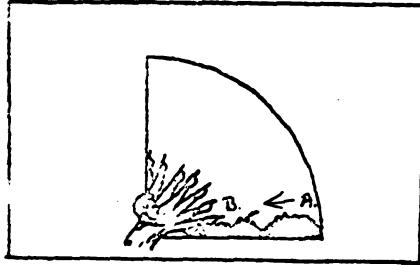
31.1 When it first appeared:

- a. From true North _____ degrees
- b. From horizon _____ degrees

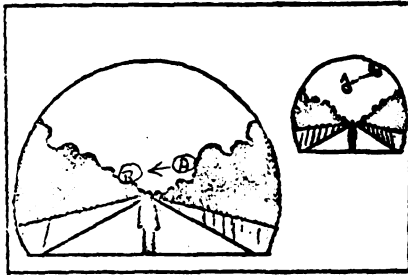
31.2 When it disappeared:

- a. From true North _____ degrees
- b. From horizon _____ degrees

32. In the following sketch, imagine that you are at the point shown. Place a "A" on the curved line to show how high the object was above the horizon. (skyline) when you FIRST saw it. Place a "B" on the same curved line to show how high the object was above the horizon. (skyline) when you LAST saw it.



33. In the following larger sketch place a "A" at the position the object was when you FIRST saw it, and a "B" at its position when you LAST saw it. (Refer to smaller sketch as an example of "how" to complete the larger sketch.)



- 33.1 Were there any KNOWN aircraft in the sky during your sighting?

(Circle One):

YES

NO

If you answered YES, was it following or attempting to intercept the Unidentified Flying Object? (Circle One): YES NO

If you answered YES, please circle TYPE of aircraft:

MILITARY?

COMMERCIAL?

PRIVATE?

OTHER?

PROPELLER?

How many engines did the aircraft have? _____

34. What were the weather conditions at the time you saw the object?

34.1 CLOUDS (Circle One)

- ☒ a. Clear sky
☐ b. Hazy
☐ c. Scattered clouds
☐ d. Thick or heavy clouds
☐ e. Don't remember

34.2 WIND (Circle One)

- ☐ a. No wind
☒ b. Slight breeze
☐ c. Strong wind
☐ d. Don't remember

34.3 WEATHER (Circle One)

- ☒ a. Dry
☐ b. Fog, mist, or light rain
☐ c. Moderate or heavy rain
☐ d. Snow
☐ e. Don't remember

34.4 TEMPERATURE (Circle One)

- ☐ a. Cold
☒ b. Cool
☐ c. Warm
☐ d. Hot
☐ e. Don't remember

35. Who did you report to some official that you had seen the object?

Official or Organization Name(s)

Day

Month

Year

Desk Officer Ecker P.D.

3

9

65

Officer Toland

—

—

—

—

—

—

—

36. Have you read literature pertaining to Unidentified Flying Objects?

(Circle One)

☒ YES

NO

If YES, how much? (Circle One)

☒ A LITTLE?

☐ MODERATELY? ☐ EXTENSIVELY?

37. Was anyone else with you at the time you saw the object?

(Circle One)

☒ YES

NO

37.1 If you answered YES, did they see the object too?

(Circle One)

☒ YES

NO

37.2 Please list their names and addresses if you circled YES:

(Attach separate sheet for above)

38. Was this the first time that you had seen an object(s) like this?

(Circle One)

☒ YES

NO

38.1 If you answered NO, then when, where, and under what circumstances did you see the other one(s)?

—

—

39. In your opinion, what do YOU think the object(s) was and what might have caused it? Do not know

40. Do you think you can estimate the speed of the object? Page 8
 (Circle One) YES NO
 If you answered YES, then what speed would you estimate? _____ MPH

41. Do you think you can estimate how far away from you the object was?
 (Circle One) YES NO
 If you answered YES, then how far away would you say it was? 9000 feet
at closest. Saw at about 2-3 miles on Horizon

42. Did the Object(s) cause any interference with the operation of:
 (Circle where applicable) RADIO? TV? LIGHTS? OTHER? NONE
 N/A If you underlined a y of above, explain the interference below:

43. Was a photo taken of the Object(s)? (Circle One) YES NO
 N/A Would you be willing to submit a copy? (Circle One) YES NO
 If you circled YES, please send copy indicating monetary reimbursement:

44. Do you belong to a y Organization which investigates Unidentified Flying Objects? (Circle One) YES NO If YES, list them below:

45. May we publish your report if you name is kept confidential? YES NO
 May we publish your report and use your name? YES NO
changed to YES (Circle One)

47. Please give the following information about yourself:

NAME <u>Hunt</u>	<u>David</u>	<u>Russell</u>
Last Name	First Name	Middle Name
ADDRESS <u>11 Charles St.</u>	<u>Exeter</u>	<u>N.H.</u>
Street	City	State
TELEPHONE NUMBER <u>772-3615</u>		
What is your present job? <u>Police Officer</u>		
AGE- <u>26</u> SEX- <u>Male</u>		
Please indicate any educational training you have had: (Number of years)		
a. Grade school <u>8</u>	e. Technical school _____	
b. High school <u>4</u>	(Type of) _____	
c. College _____	f. Other special training? _____	
d. Post graduate _____	_____	

48. SIGNATURE David Russell DATE: 9/11/65

WENHAM, MASS., October 29, 1965.

MASTON M. JACKS,
Major, U.S. Air Force, Chief, Pictorial Branch,
Public Information Division, Office of Information.

SAF-OIPB

DEPARTMENT OF THE AIR FORCE,
Office of the Secretary, U.S. Air Force, Washington, D.C.

DEAR MAJOR JACKS: This is a formal inquiry concerning the official U.S. Air Force evaluation of the detailed UFO report submitted to AFSC-FTD/Project Blue Book last month. My investigation and subsequent report took place shortly after the official U.S. Air Force investigating team from Pease AFB made their investigation.

The UFO sighting took place between the Clyde Russell and Carl Dining properties along Route 150 in Kensington, N.H., on September 3, 1965, in the early hours of the morning. The witnesses were Norman Muscarello and Officers Bertrand and Hunt of the Exeter, N.H., police force.

In 1964 I customarily received correspondence from your office in response to UFO reports submitted to the U.S. Air Force for evaluation. This was appreciated. I have submitted many reports since but have not received any response. This is understandable due to the many reports received by the U.S. Air Force and I do not expect such a service on your part normally, but, I did spend a great deal of time and thought on the Kensington, N.H., report and would appreciate your sending the official U.S. Air Force evaluation of the same as soon as possible. I understand the evaluation has been made.

Thank you for your cooperation in this matter. I look forward to hearing from your office soon.

Sincerely,

RAYMOND E. FOWLER.

DEPARTMENT OF THE AIR FORCE,
Washington, January 25, 1966.

DEAR MR. FOWLER: This is in reply to your request for information on the Exeter, N.H., UFO sightings.

The initial investigation from Pease Air Force Base was submitted to our office on September 15, 1965, and contained statements from the principal witnesses. This data indicated that a refueling operation might have been the cause of the sighting. Refueling area "Fur Trapper" and refueling area "Down Date" are controlled through Loring Air Force Base and located over the area of the sighting. A call was made to the controller of this refueling area, and we were informed that they were closed from 03/0500Z to 03/600Z for an 8th Air Force operation, "Big Blast." A call was placed to the 99th Bomb Wing at Westover Air Force Base for information on this operation.

The initial impression was that aircraft from an 8th Air Force operation, "Big Blast," was the cause of the lights observed during this incident. Information received from the 8th Air Force indicates that 10 B-47 aircraft from Pease Air Force Base involved in Operation Big Blast "Coco" were in the traffic pattern over Exeter, N.H., between 03/444Z and 03/535Z. A copy of this letter is enclosed. Since this information conflicted with the time of the sighting and eliminated these aircraft as a possible evaluation of this incident, a letter was forwarded to Mr. Eugene Bertrand and Mr. Dave Hunt of the Exeter Police Department requesting clarification of the time of the sighting. A copy of our letter to these gentlemen and a copy of their reply is attached.

The early sightings by two unnamed women and Mr. Muscarello are attributed to aircraft from operation Big Blast "Coco." The subsequent observation by Officers Bertrand and Hunt occurring after 2 a.m. are regarded as unidentified.

Sincerely,

JOHN P. SPAULDING,
Lieutenant Colonel, U.S. Air Force, Chief, Civil Branch, Community Relations Division, Office of Information

DECEMBER 2, 1965.

HECTOR QUINTANILLA, JR.,
Major, U.S. Air Force,
Chief, Project Blue Book,
Wright Patterson AFB, Dayton, Ohio.

DEAR SIR: We were very glad to get your letter during the third week in November, because as you might imagine we have been the subject of considerable ridicule since the Pentagon released its "final evaluation" of our sighting

of September 3, 1965. In other words, both Patrolman Hunt and myself saw this object at close range, checked it out with each other, confirmed and re-confirmed the fact that this was not any kind of conventional aircraft, that it was at an altitude of not more than a couple of hundred feet, and went to considerable trouble to confirm that the weather was clear, there was no wind, a chance of weather inversion, and that what we were seeing was no illusion of military or civilian craft. We entered this in a complete official police report as a supplement to the blotter of the morning of September 3 (not September 2, as your letter indicates). Since our job depends on accuracy and an ability to tell the difference between fact and fiction, we were naturally disturbed by the Pentagon report which attributed the sighting to "multiple high-altitude objects" in the area and "weather inversion." What is a little difficult to understand is the fact that your letter (undated) arrived considerably after the Pentagon release. Since your letter says that you are still in the process of making a final evaluation, it seems that there is an inconsistency here. Ordinarily, this wouldn't be too important except for the fact that in a situation like this we are naturally very reluctant to be considered irresponsible in our official report to the police station.

Since one of us (Patrolman Bertrand) was in the Air Force for 4 years engaged in refueling operations with all kinds of military aircraft, it was impossible to mistake what we saw for any kind of military operation, regardless of altitude. It was also definitely not a helicopter or balloon. Immediately after the object disappeared, we did see what probably was a B-47 at high altitude but it bore no relation at all to the object we saw.

Another fact is that the time of our observation was nearly an hour after 2 a.m., which would eliminate the 8th Air Force operation, Big Blast, since as you say this took place between midnight and 2 a.m. Norman Muscarella, who first reported this object before we went to the sight saw it somewhere in the vicinity of 2 a.m., but nearly an hour had passed before he got into the police station, and we went out to the location with him.

We would both appreciate it very much if you would help us eliminate the possible conclusion that some people have made in that we might have (a) made up the story, or (b) were incompetent observers. Anything you could do along this line would be very much appreciated, and I'm sure you can understand the position we're in.

We appreciate the problems the Air Force must have with a lot of irresponsible reports on this subject, and don't want to cause you any unnecessary trouble. On the other hand, we think you probably understand our position.

Thanks very much for your interest.

Sincerely,

EUGENE BERTRAND, *Patrolman*.
DAVID HUNT, *Patrolman*.

DEPARTMENT OF THE AIR FORCE,
HEADQUARTERS, 8TH AIR FORCE (SAC),
Westover Air Force Base, Mass., November 24, 1965.

Memorandum : DOOTO.

Subject : UFO sighting.

To : AFSC (TDEW/UFO.)

1. In reply to your letter, same subject, November 18, 1965, and telephone conversation between Specialist Master Sergeant Heffley, 8th Air Force, and Sergeant Moody, Headquarters, AFSC, on November 19, 1965, the following information is furnished.

2. Big Blast "Coco," a SAC/NORAD training mission, was flown on September 2-3, 1965. By 03/0430Z, the operational portion of the mission was complete, and participating aircraft were en route to their home stations.

3. Ten B-47 aircraft from Pease AFB were involved in Big Blast "Coco" and were estimated to arrive at their initial approach fix (Pease TACAN 320° radial, 10 DME fix), between 03/0444Z and 03/0635Z. The town of Exeter is within the traffic pattern utilized by air traffic control in the recovery of these aircraft at Pease AFB, N.H. During their approach the recovering aircraft would have been displaying standard position lights, anticollision lights, and possibly over wing and landing lights.

For the commander.

WILLIAM A. MCGILPIN, Jr.,
Lieutenant Colonel, U.S. Air Force.,
Directorate of Operations.

Mr. EUGENE F. BERTRAND, Jr.,
 Mr. DAVID R. HUNT,
Exeter Police Department, Exeter, N.H.

GENTLEMEN: The sighting of various unidentified objects by you and Mr. Norman Mascarello was investigated by officials from Pease Air Force Base, N.H., and their report has been forwarded to our office at Wright-Patterson Air Force Base. This sighting at Exeter, N.H., on the night of September 2 has been given considerable publicity through various news releases and in magazine articles similar to that from the Saturday Review of October 2, 1965. A portion of this article is attached for your information. This information was released by the National Investigations Committee on Aerial Phenomena, a private organization which has no connection with the Government. As a result of these articles, the Air Force has received inquiry as to the cause of this report.

Our investigation and evaluation of this sighting indicates a possible association with an 8th Air Force operation, "Big Blast." In addition to aircraft from this operation, there were five B-47 type aircraft flying in the area during this period. Before a final evaluation of your sighting can be made, it is essential for us to know if either of you witnessed any aircraft in the area during this time period either independently or in connection with the objects observed. Since there were many aircraft in the area, at that time, and there were no reports of unidentified objects from personnel engaged in this air operation, we might then assume that the objects observed between midnight and 2 a.m. might be associated with this military air operation. If, however, these aircraft were noted by either of you, then this would tend to eliminate this air operation as a plausible explanation for the objects observed.

Sincerely,

HECTOR QUINTANILLA, Jr.,
Major, USAF, Chief, Project Blue Book.

NOVEMBER 16, 1965.

Memo: TDEW/UFO.
 Subject: UFO sighting.
 To: Hq 8th Air Force.

1. A report of an unidentified flying object was submitted to our office at Wright-Patterson Air Force Base by the 817 Combat Support Group, Pease Air Force Base. This report was submitted to Wright-Patterson Air Force Base in accordance with AFR 200-2. Evaluation of information submitted indicates that the observation may be associated with the military operation, Big Blast. The location of the observation was the New Hampshire area, in and around the town of Exeter. Time of the reported UFO was the night of August 2-3, 1965, and specifically 03/0500 to 0600 Zebra. This UFO report has received considerable publicity in newspaper and magazine articles, and the Air Force has received numerous queries regarding the cause of this sighting.

2. We would like to know the specific types of aircraft used in this operation and possible location of these aircraft at the time of the report.

For the commander.

ERIC T. DE JONCKMERE,
*Colonel, U.S. Air Force,
 Deputy for Technology and Subsystems.*

NICAP MASSACHUSETTS INVESTIGATING SUBCOMMITTEE.
Wenham, Mass., February 10, 1966.

DEPARTMENT OF THE AIR FORCE,
*Office of the Secretary,
 U.S. Air Force,
 Washington, D.C.*

(Attention: John P. Spaulding, lieutenant colonel, U.S. Air Force, Chief, Civil Branch, Community Relations Division, Office of Information).

DEAR COLONEL SPAULDING: Thank you for your correspondence of January 25, 1966, in response to my letter of November 24, 1965, regarding my inquiry concerning the September 3, 1965, UFO sightings in Exeter, N.H. I appreciate your letter and the attached backup information concerning which I would make the following comments.

The UFO sighted by Norman Muscarello was identical to the UFO sighted later by Muscarello Bertrand, and Hunt. Norman observed the UFO at close range during his initial sighting. There is no question in my mind that the same or similar object was involved in both of these particular sightings. The number of pulsating lights, the yawing motion, the same location, etc., make this so very apparent. Since I did not interview the "unnamed women" I am not certain of the details of their sighting but according to Officer Bertrand, the object they described was very similar to the UFO they sighted later. I might add that another witness, a male motorist, also sighted a similar object. He tried to phone the police from a pay station at nearby Hampton, N.H., but was cut off. Later he reported the incident to U.S. Air Force authorities at Pease AFB. The chances are astronomical that six people, entirely independent of each other, should report the identical description of a UFO within the span of several hours in the same general area. I am aware of the many UFO sightings in New Hampshire especially in September. It may be more than coincidence that many of these sightings were near powerlines.

Although I do not agree completely with the way Washington is handling the UFO problem I am sympathetic with the official attitude. I have enough faith in the Government to realize that although official releases on UFO's would indicate that UFO's present no problem regarding national security and that the U.S. Air Force treats the subject lightly, the converse is true, that is, that a full-scale military and scientific research program is being carried out on UFO's because they are a threat to our national security. It is because of this belief that I will continue to send the better UFO reports our subcommittee investigates to Project Bluebook and will continue to urge the public to report all UFO sightings to the nearest Air Force base at my lectures, personal contacts, etc. I might add that I encourage reporting such UFO's to NICAP concurrently with any report to the U.S. Air Force.

It is heartening to see that the U.S. Air Force regards the UFO sighted by Officers Bertrand and Hunt as an unknown. I am sure this will help a little in reducing the ridicule they experienced because of the U.S. Air Force initial explanation of their sightings. I feel certain that if it were not for the fact that their sighting is being carried nationally in the pages of Saturday Review, Look, etc.; and if they had not personally complained publicly and to your office, that their sighting would have been lumped into the same category as the UFO Muscarello and the other sighted. However, my rambling on will not make a bit of difference to present official policy and in a real sense I am wasting your time in even replying as I'm sure your office is very busy but I felt that I would express my feelings on the subject at hand just for the record.

Thanks so much again. I look forward to the time that Government policy will become more relaxed on the UFO subject and in the meantime will continue my meager research and efforts in this field for NICAP and the U.S. Air Force.

Sincerely,

RAYMOND E. FOWLER

Chairman, NICAP Massachusetts Subcommittee.

Mr. BATES. In reference to the so-called sighting in New Hampshire. Doctor, you are familiar with that case?

Dr. HYNEK. Yes, sir; I am familiar with the case.

Mr. BATES. You have examined it?

Dr. HYNEK. No, I have not been there to examine it. Much of my information is based upon the rather excellent account that Mr. John Fuller has given of it in Look magazine. I cannot vouch for the authenticity of his statements, but I have talked with Mr. Fuller, and he apparently has tried to do a very thorough job in talking with people in New Hampshire.

Mr. BATES. Are you familiar with Mr. Raymond E. Fowler?

Dr. HYNEK. I have had some correspondence with him, but I have never met him.

Mr. BATES. Is this Portsmouth case one of the 5 percent that have not been identified, or within the 95 percent on which you have reached a decision?

Dr. HYNEK. It is, I believe, to the best of my knowledge, listed as unidentified.

Mr. BATES. This one is still unidentified?

Dr. HYNEK. Yes, sir.

The CHAIRMAN. In other words, you make no bones about it, you cannot explain it?

Dr. HYNEK. That is correct.

The CHAIRMAN. Yes.

Mr. BATES. I wonder if you would give us some idea of these 20 cases that you have cited, and tell us a little something about the nature of these cases, and what the problems are, generally?

Dr. HYNEK. Well, I do not have the case files with me. I should be happy to prepare them for submission. But in broad description, they vary quite a bit. They are either daytime sightings or nighttime sightings. I will describe one, which may not be necessarily typical. But it is an example of a sighting that puzzled some very solid citizens. These individuals happened to be—and I will withhold names, of course—two students of anthropology at the University of Wisconsin. They were with two other people in a car, returning home one evening from shopping, about 9 p.m. In the distance they saw what they first took to be rotating blinker lights on a police car, and they thought there had been an accident down the road some place. They then decided that this couldn't be the case because the lights were a little too high. This illustrates the sort of thing we refer to as escalation of explanation.

When someone writes in or calls in that they have seen a space ship patrolling the earth, and this is not a fact, this is an interpretation of a fact, usually, what they have actually seen was a light, I am much more interested in the sincere individuals who report something, who say "I thought at first it was this, then I decided it couldn't be that, it had to be something else." In this escalation hypothesis, the incident I have described, these people said it could not have been blinker lights on a police car because they were too high. The next hypothesis was that it was an aircraft about to crash. As the object came closer all they could see were four huge red lights and an even larger brighter single white light. As it came closer to the car—the little 12-year-old girl in the back seat, became so frightened that she just tumbled over and hid her eyes.

I questioned these people for some 2 hours. They were very intelligent people and were truly puzzled. They did not for a moment think they were being visited by a vehicle from outer space. They were just puzzled. They simply wanted an explanation of what they had seen.

The object apparently extended upward at an angle of about 30 degrees, so that part of it could be seen above the telephone wires and part below. It hovered around the car for awhile. The man drove into a farmer's driveway, turned his lights out and listened, but could hear no noise. He backed out and as the object began to move away, he gave chase but could not catch up with it.

This was a case of four intelligent people seeing this strange object and reporting it. But no one else did. Why not? Was this some sort of a strange psychic projection, or something these people were particularly prone to? Why did this take place in an area which was

not overly populated but certainly not completely sparse. Why would they be the only four people to see this? This is a problem we are faced with on many reported sightings. Therefore, I find it most difficult to ascribe a physical tangibility that there was an actual craft here. I would rather seek some other scientific explanation.

Mr. BATES. With respect to your response on that particular case. In the New Hampshire situation, two women apparently saw this object which they said was the size of a house. They reported it at the police station. And then the officer came out. He saw it when he got there. So there is someone who did see it in addition to the people who reported it originally.

Dr. HYNEK. Yes.

Mr. BATES. You have no decision with respect to the New Hampshire case?

Dr. HYNEK. I would not offer or venture any conclusion to something I had not personally investigated.

Mr. BATES. This particular case has been referred to a study group, the New Hampshire case, or has it not, or is it a dead issue?

Dr. HYNEK. No case in the Air Force files that is unidentified is a dead issue.

Mr. BATES. Is it just in limbo now, or is somebody still looking into it?

Dr. HYNEK. I would say at the moment, considering the recent reported sightings in Michigan, that it is in limbo.

Mr. BATES. Do you expect to investigate this further? Would this be one that you would prefer to the panel?

Dr. HYNEK. Yes, sir. I think this is one they should take a look at.

The CHAIRMAN. Do you think they should be examined further?

Dr. HYNEK. I am sorry, sir?

The CHAIRMAN. Do you think this panel, about whom the Secretary has spoken, should go into this further and make a report?

Dr. HYNEK. Yes, sir; I do.

The CHAIRMAN. There are five such cases, or four, of some unexplained phenomena; is this a fact?

Dr. HYNEK. Yes, sir; there are at least that many.

The CHAIRMAN. Mr. Secretary, do you plan to have this board look into these?

Secretary BROWN. We will continue our investigations of all of these, Mr. Chairman.

I have this recommendation to establish a civilian panel from the Scientific Advisory Board, and I believe I may act favorably on it, but I want to explore further the nature of such a panel, and the ground rules, before I go ahead with it. I don't want to have a group of people come in for just 1 day and make a shallow investigation. They have to be prepared to look into a situation thoroughly if they are to do any good.

The CHAIRMAN. If you cannot explain these things, and you are our source of beginnings, how on earth could a subcommittee of this committee explain them?

Dr. HYNEK. Are you looking to me for an answer?

The CHAIRMAN. If I conducted a hearing on this it would go on and on, and on, if I let it, I would imagine.

Dr. HYNEK. Well, sir, scientists have a somewhat different way of working. They gather data quietly without fanfare, without the press looking over their shoulder. They may work for several years.

The CHAIRMAN. What would you suggest that I do, Doctor, as chairman of this committee?

Dr. HYNEK. You are in a totally different category, sir.

The CHAIRMAN. Thank you.

Since this thing began in Michigan, we have two members of the Michigan delegation, and I am going to start off with Mr. Nedzi and ask him if he has any questions.

Mr. NEDZI. Mr. Chairman, you are very kind. I don't have any questions directly pertaining to Michigan, although I have recently been advised my district is about 150 miles from the sightings. The sightings are moving eastward toward my district. [Laughter.]

One question, Doctor, as to these statistics. Are they statistics only from the United States, the investigations made by you and the Air Force?

Dr. HYNEK. Yes, sir. The Air Force would have no jurisdiction over cases in other countries. But there are, I understand, reports from other countries, also.

Mr. NEDZI. Is any effort made to coordinate information with some of the sightings that are made abroad?

Dr. HYNEK. No, sir. Up to now we have made no concerted effort to do this.

Mr. NEDZI. Do you think it might be a good idea to do it?

Dr. HYNEK. Well, I think we should attend to the situation here in the United States first. Then, if our efforts are successful and if we strike scientific paydirt and find something of value, then perhaps the other step you suggest would be advisable.

Mr. NEDZI. Do you know whether any studies are going on overseas, with respect to UFO's?

Dr. HYNEK. I know of no formal studies. Actually, the rest of the world seems to be guided by, and shows a tremendous respect for, the U.S. Air Force, and they feel, I understand, that the Air Force has done a fine job.

Mr. NEDZI. Perhaps the question should be directed to the Air Force, but it seemed to me there should be some kind of exchange of ideas among the scientists who might be interested in it in other countries where these sightings have taken place. It might contribute toward an exposé of the problem.

Let me clarify for the record, I do not believe in flying saucers, but I think it is important to have some kind of evidence that can be presented to the people so that they don't let the thing get more out of hand than I think it already is.

Secretary BROWN. That is what we have been trying to do, Mr. Nedzi. I do not think we have any ideas of a scientific nature to exchange with anyone else yet, nor do they have such information to exchange with us, and the difficulty in going to an international program is that it won't broaden our knowledge of basic data very much. On the other hand, it may degrade the quality of the data, because we have a hard enough time getting details in this country. A few well-authenticated but unexplained cases are worth much more than a

number of unexplained cases where the data is not sufficiently precise to be helpful in an analysis.

Mr. NEDZI. My final question, Doctor, would be whether—and I think you touched upon this—whether there has been ever any evidence in any of these unexplained sightings that would indicate that there is some kind of extraterrestrial intelligence involved?

Dr. HYNEK. I believe I have covered that. I have not seen any evidence to confirm this, nor have I know any competent scientist who has, or who believes that any kind of extraterrestrial intelligence is involved. However, the possibility should be kept open as a possible hypothesis. I don't think we should ever close our minds to it. But certainly there is no real evidence of intelligent behavior of hardware. If we had received periodic visits by controlled space vehicles since 1947, or earlier, it is likely they would have had some kind of trouble at some time and dropped something off the coast of Spain or some place, and we have not come across any positive proof like that.

Mr. NEDZI. Mr. Chairman, until the sightings get a little closer to my district, I have no further questions.

The CHAIRMAN. I recognize Mr. Chamberlain, then I go to Governor Stafford and Mr. Hébert, because I want to get as close to the districts as I can.

I want to put in the record Mr. Ford's letter, and the response by Secretary Brown.

What else, Mr. Blandford, ought to go in the record?

Mr. BLANDFORD. That is all that ought to be in at this time.

The CHAIRMAN. Without objection, we will put all of these in the record. I want to shed as much light on these illuminated objects as we can.

(The material above referred to is as follows:)

CONGRESS OF THE UNITED STATES,
OFFICE OF THE MINORITY LEADER,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 28, 1966.

Representative L. MENDEL RIVERS,
Chairman, Armed Services Committee,
U.S. House of Representatives,
Washington, D.C.

DEAR CHAIRMAN RIVERS: No doubt you have noted the recent flurry of newspaper stories about unidentified flying objects (UFO's). I have taken special interest in these accounts because many of the latest reported sightings have been in my home State of Michigan.

The Air Force sent a consultant, Astrophysicist Dr. J. Allen Hynek of Northwestern University, to Michigan to investigate the various reports; and he dismissed all of them as the product of college student pranks or swamp gas or an impression created by the rising crescent moon and the planet Venus. I do not agree that all of these reports can be or should be so easily explained away.

Because I think there may be substance to some of these reports and because I believe the American people are entitled to a more thorough explanation than has been given them by the Air Force to date, I am proposing that either the Science and Astronautics Committee or the Armed Services Committee of the House schedule hearings on the subject of UFO's and invite testimony from both the executive branch of the Government and some of the persons who claim to have seen UFO's.

I enclose material which I think will be helpful to you in assessing the advisability of an investigation of UFO's.

May I first call to your attention a column by Roscoe Drummond, published last Sunday in which Mr. Drummond says, "Maybe all of these reported sightings are whimsical, imaginary or unreal; but we need a more credible and detached appraisal of the evidence than we are getting."

Mr. Drummond goes on to state, "We need to get all the data drawn together in one place and examined far more objectively than anyone has done so far. A stable public opinion will come from a trustworthy look at the evidence, not from belittling it.

"The time has come for the President or Congress to name an objective and respected panel to investigate, appraise, and report on all present and future evidence about what is going on."

I agree fully with Mr. Drummond's statements. I also suggest you scan the enclosed series of six articles by Bulkley Griffin of the Griffin-Larrabee News Bureau here. In the last of his articles, published last January, Mr. Griffin says, "A main conclusion can be briefly stated. It is that the Air Force is misleading the public by its continuing campaign to produce and maintain belief that all sightings can be explained away as misidentification of familiar objects, such as balloons, stars, and aircraft."

I have just today received a number of telegrams urging a congressional investigation of UFO's. One is from retired Air Force Col. Harold R. Brown, Ardmore, Tenn., who says, "I have seen UFO. Will be available to testify."

Another, from Mrs. Ethyle M. Davis, Eugene, Oreg., reads, "9 out of 10 people want truth of UFO's. Press your investigation to the fullest."

Ronald Collier of Los Angeles, who identifies himself as "a scientist from MIT," urges that you "do everything in your power to make Air Force Project Blue Book (the Air Force name for its study and verdicts on UFO reports) known to the people." Are we to assume that everyone who says he has seen UFO's is an unreliable witness?

A UPI story out of Ann Arbor, Mich., dated March 21, 1966, states that "at least 40 persons, including 12 policemen, said today that they saw a strange flying object guarded by 4 sister ships land in a swamp near here Sunday night."

Matt Surrell of Station WJR, Detroit, cites an eye witness account of a recent UFO sighting by Emile Grenier of Ann Arbor, an aeronautical engineer employed by Ford Motor Co. He points out that an aeronautical engineer can hardly be considered an untrustworthy witness.

In the firm belief that the American public deserves a better explanation than that thus far given by the Air Force, I strongly recommend that there be a committee investigation of the UFO phenomena.

I think we owe it to the people to establish credibility regarding UFO's and to produce the greatest possible enlightenment on this subject.

Kindest personal regards.

Sincerely,

GERALD R. FORD, *Member of Congress.*

Enclosures.

[From the Washington Post, Mar. 27, 1966]

DON'T SNEER AT UFO'S

(By Roscoe Drummond)

You can't dismiss the possibility that some of the unidentified flying objects, which so many people have sighted in so many places, are real.

There are, of course, UFO buffs who seem to want to believe everything and discount logical explanations. But Air Force officials assigned to check up on these sightings seem so bored and skeptical that many people have the impression that they think the public would panic if all the facts were brought out into the open.

Let's not leave the search for more knowledge to those who tend to accept everything uncritically or to those who tend to dismiss every UFO as ridiculous.

The time has come for the President or Congress to name an objective and respected panel to investigate, appraise and report on all present and future evidence about what is going on.

Last week, more than 100 persons (some of them trained observers) reported seeing "flying saucers" in seven States, from Maine to Texas to Colorado.

Last year, project Blue Book, the small Air Force unit created to keep tabs on these things, received 886 reports of UFO sightings.

During the last 2 years, the National Investigations Committee on Aerial Phenomena, a private group headed by a retired Naval Academy Marine Corps pilot, received 3,000 such reports.

During the past 10 years, the NICAP received some 8,000 reports and says that 1,500 of them "seem pretty substantial and unexplained."

The Air Force totals 10,147 UFO reports and states that 646 of them remain unexplained by provable natural phenomena.

Maybe all of these reported sightings are whimsical, imaginary or unreal. But we need a more credible and detached appraisal of the evidence than we are getting.

Maybe there is no intelligent life on other planets. Many scientists think other planets could not sustain such life. But we don't really know.

One fact about the UFO's gives me pause. There have been no really solid reports of creatures being seen getting off landed saucers. To venture from one planet to another involves great intellectual curiosity and I would think it almost impossible for someone from outer space, once here, to stifle that curiosity to the extent of not trying to make personal contact with Earth people.

Conceivably, we have been seeing only preliminary unmanned orbitings of the Earth precisely controlled at great distances. But we don't know.

We need to get all the data drawn together in one place and examined far more objectively than anyone has done so far. A stable public opinion will come from a trustworthy look at the evidence, not from belittling it.

[From the Washington Evening Star, Mar. 25, 1966]

DEPUTY SHERIFF "SHOOTS" A UFO OVER MICHIGAN

ANN ARBOR, MICH.—A Michigan deputy sheriff said an unidentified flying object sighted over southern Michigan last week was trapped—on film—and still another UFO was reported yesterday.

Deputy Sheriff David Fitzpatrick of Washtenaw (Ann Arbor) County took the photographs with a tiny camera roughly the size of a man's two forefingers held together.

Prints were delayed because the tiny film had to be sent to Forest Hills, N.Y. for development.

The new sighting of an unidentified flying object near Holland, Mich., came from both Mr. and Mrs. Robert Nichols, who live across Michigan's southern Lower Peninsula near Saugatuck. They said it flew across a highway ahead of them, no more than 150 to 200 feet high.

Nichols, 24, said the object appeared about half the size of an automobile and was "a round circle glowing red on the inside and white on the outside."

Nichols' description fits roughly that given by several of more than a score who have reported sightings in the Ann Arbor area in the last 10 days.

Fitzpatrick, however, said the two objects he photographed gave off a brilliant yellow-white light in graceful swoops which he and Sheriff's Sgt. N. E. Schneider observed from about 4 a.m. to 7 a.m., March 16.

The photographs show two distinct streaks of light in the sky high above street lights leading into Milan. No details of the objects are visible in the photographs blow up to 8 by 10 inches from the tiny film.

Dr. J. Allen Hynek, a Northwestern University astrophysicist, was sent here by the Air Force to investigate recent reports.

He has scheduled a news conference in Detroit today to discuss his probe.

Meanwhile, reports of unidentified flying objects moved south into Ohio today. A farmer who lives near Upper Sandusky in northwestern Ohio told sheriff's deputies that an object shaped "like a top" or a "Christmas tree upside down" hovered over a wooded area on his property early today.

Deputies were called to the farm three times, but the farmer said the object, with lights on its outer edges, disappeared each time before they arrived.

[From the Detroit News, Mar. 23, 1966]

PHOTO ADDS NEW WRINKLE TO SAUCERS

(By Douglas Bradford)

While Air Force officials prowled through the countryside for some sign of the strange night visitors that have been zipping through southeastern Michigan skies, a Monroe area boy came up with what he said was a picture of one.

Paul Richwine, 16, who lives in Woodland Beach, 3 miles north of Monroe, produced a piece of film with a blob on it that he says his camera "saw" when he pointed it at a "flying saucer" over his home Friday night.

Detroit News photographers say the blob could be due to a wrinkle in the film. But Paul and his mother, Mrs. Mariannice Richwine, insist that they saw the strange glowing objects cavorting in the sky and that the dark area on the picture represents one of them.

The object in the picture doesn't seem to have much material substance.

Neither Paul nor his mother can account for the fact that the thing they saw was bright and shiny with flashing colored lights while the camera recorded a dark smear.

Paul said his Argus F-100 was on time exposure at f. 2.8 and was loaded with fast film when he took the picture at about 11:30 p.m., Friday.

The News photographers conceded that the darkness in the picture "might" be the indication of something moving quite swiftly on a time exposure, or the blob could be a water spot on the negative or a wrinkle in the film.

Mrs. Richwine said the object's appearance was preceded by four glowing shapes about 10:30 p.m., Friday. She saw them from her front window, she said.

[From the Grand Rapids (Mich.) Press, Mar. 22, 1966]

STATE FLYING OBJECT REPORTS BRING PLEA FOR FEDERAL SIFT

ANN ARBOR.—A Michigan Congressman planned Tuesday to ask the Defense Department to investigate reports of unidentified flying objects sighted near Ann Arbor.

U.S. Representative Weston Vivian, Democrat, of Michigan, left for Washington, D.C., Monday after conferring with Sheriff Douglas J. Harvey, of Washtenaw County. Harvey said Vivian also planned to talk with the U.S. Air Force.

Three times within a week, residents of the nearby community of Dexter have reported sighting objects flying in the night sky.

"I didn't believe those reports," said Harvey. "But with so many trained police personnel and reliable citizens having seen them, I must believe something is in the Washtenaw County skies."

And Tuesday, the Hillsdale County civil defense director and 87 college coeds said they watched an eerie, hovering flying object settle in a swampy hollow near a school dormitory Monday night.

William VanHorn, 41, the county civil defense director for 10 years, said he watched the unidentified object through binoculars for 3 hours.

The Air Force announced it was calling in Dr. H. Allen Hynek, chairman of the Dearborn Observatory at Northwestern University, Evanston, Ill., and scientific consultant to the Air Force's UFO study program, to investigate the rash of sightings.

Hynek will work from Selfridge Air Force Base near Mount Clements, the Air Force said.

In Hillsdale, VanHorn said he joined the 87 Hillsdale College coeds and their housemother to watch the object. He said it emitted wavering orange, red * * *.

[From the New York Times, Mar. 22, 1966]

FORTY IN MICHIGAN SAY A MYSTERIOUS CRAFT HOVERED IN SWAMP

ANN ARBOR, MICH., March 21.—At least 40 persons, including 12 policemen, said today that they saw a strange flying object guarded by four sister ships land in a swamp near here Sunday night.

Descriptions of the unidentified flying objects tallied closely. A patrolman, Robert Hunawill, said he and other residents of the area saw similar craft before dawn last Monday and Wednesday.

In Washington, the Air Force said it knew nothing of the reports. The Air Force's Michigan headquarters in Battle Creek would not comment.

Two persons who slogged through the 300-acre swamp today and looked for traces of the craft found nothing but marsh grass, quicksand, and muck.

However, the two persons who reportedly were closest to the object, Frank Mannor, 47 years old, and his son, Ronald, 19, said it did not appear to touch the ground but sat on a base of fog.

Frederick E. Davids, State police commissioner, who is also head of civil defense for Michigan, opened an investigation.

"I used to discount these reports too, but now I'm not so sure," he said.

Mr. Mannor and his son said they had run to within 500 yards of the object. Mr. Mannor said the craft was shaped like a football and was about the length of a car with a grayish yellow hue and a pitted surface like coral rock.

"It had a blue light on one end and a white light on the other," he said.

"They were pulsating and each of them looked like they had a little halo around it," he said.

Other witnesses saw only the lights, but their descriptions, including those of policemen, agreed closely.

Stanley McFadden, Washtenaw County sheriff's deputy, said he and Deputy David Fitzpatrick watched the object fly over their car about the same time the Mannors reported it had taken off.

Officer Hunawill said four other unidentified flying objects had hovered in a quarter circle over the object in the swamp.

[From the Washington Post, Mar. 23, 1966]

FIRST UFO'S OF SEASON ARE SIGHTED

Spring's first flying saucers have sprouted right alongside the forsythia. Scores of people in Michigan have reported strange flying objects since the weekend, and a former fighter pilot says he saw several over his Bethesda home Saturday night.

The Air Force, which has investigated more than 10,000 such reports since 1947, sent Northwestern University's Dr. H. Allen Hynek, its top scientific adviser on unidentified flying objects (UFO's), to look into the Michigan reports.

The latest was Monday night at Hillsdale College, where a county civil defense director, a former reporter and assistant dean, and 87 coeds say they watched a glowing object zipping around campus for 4 hours.

This report coincided with one near Ann Arbor, where about 50 persons—including 12 policemen—said they saw an eerie object cruise over a swamp Sunday night while four sister ships hovered overhead.

In Bethesda, retired Air Force Col. Howard T. Wright, of 5119 Newport Avenue, said he and five other persons saw several objects outside his home and they were "definitely not in my imagination, nor were they satellites or airplanes."

[From the New York Times, Mar. 23, 1966]

EIGHTY-SEVEN MICHIGAN COEDS AND OFFICIAL SIGHT MYSTERIOUS OBJECT

HILLSDALE, MICH., March 22 (UPI).—A civil defense director, an assistant dean and 87 coeds reported a glowing object fly past a college dormitory and hover in a swamp for hours.

Their description of the object seen here last night tallied closely with that of one seen by more than 50 persons, including 12 policemen, near Ann Arbor, Mich., the previous night.

The Air Force dispatched its top scientific adviser on unidentified flying objects to begin an investigation.

The witnesses said they watched from the second floor of a Hillsdale College dormitory as the object wobbled, wavered, glowed, and once flew right at a dormitory window before stopping suddenly.

Mrs. Kelly Hearn, for 7 years a newspaper reporter before becoming assistant dean of women, assistant professor of English and housemother of the dormitory, had the coeds take notes as they watched the object for 4 hours.

They and William Van Horn, 41, Hillsdale County civil defense director, said the object dimmed its lights when police cars approached, brightened again when they went away, and dodged an airport beacon light.

Barbara Kohn, 21, of New Castle, Pa., and Cynthia Poffenberger, 18, of Cleveland were the first to see the object. They described its shape as roughly

hat of a football. This was roughly the same description given by a man and his son who reported that they saw an eerie object land in a swamp Sunday night 45 miles northeast of here near Ann Arbor.

The Air Force announced it was bringing in Dr. H. Allen Hynek, chairman of Dearborn Observatory at Northwestern University, Evanston, Ill., and scientific consultant to the Air Force's Project Blue Book program to track down the reports of unidentified flying objects.

Dr. Hynek set up his headquarters at Selfridge Air Force Base, Mount Clemens, Mich., near the southern Michigan section where the objects have been reported several times lately.

"It was definitely some kind of vehicle," Mr. Van Horn said. "Through the glasses [binoculars] it was either round or long."

The object's shape was briefly outlined by lightning as it veered over and near the dormitory before retreating into the swamp, Miss Kohn said. It stayed here for 4 hours before vanishing, witnesses said.

[From the Washington Post, Mar. 29, 1966]

TRUTH ABOUT FLYING OBJECTS HIDDEN BY AIR FORCE, FAITHFUL SAY

(By Howard Simons, Washington Post Staff Writer)

Firm believers that unidentified flying objects are for real and from a far-off super-civilization met the press yesterday amid a torrent of reports about new objects being sighted everywhere in the United States.

The believers repeatedly charged the Air Force with deliberately hiding the truth, which if it were known "would bring forth one of the greatest stories of the century."

The believers also "fully backed" Representative Gerald Ford, Republican, of Michigan, who wants a congressional investigation of unidentified objects which have lately plagued his home State.

But most of all, the believers want to be believed and loved.

"We want the Air Force merely to end its secrecy on sightings and stop ridiculing competent witnesses," said retired Marine Corps Maj. Donald E. Keyhoe, a UFO skeptic until his conversion.

Keyhoe now is director of the National Investigations Committee on Aerial Phenomena, an organization whose major aims are to evaluate all UFO sightings; get the Air Force to own up to the truth and to expose UFO charlatans who keep seeing "little green men."

Keyhoe and his colleagues, including scientists, engineers, military personnel, and pilots, scorn the thought of "little green men."

Had a visitor from afar ever set foot on the earth? the serious students of UFO's were asked.

There was only one case suggesting so, said committee staff member and former Newsman Donald Berliner. It happened in April 1964 near Socorro, N. Mex., where police officers saw two small suited occupants get out of a UFO.

"They were small and suited," noted a reporter. "How could you be sure they were not green?"

"We have no reason to believe they were green," wryly quipped Berliner.

The committee's case for believing that UFO's are for real was put to the press by Keyhoe. It amounted to an argument that thousands of competent persons—including radar controllers, qualified pilots, and missile trackers—had sighted objects; roughly 100,000 persons in all.

The Air Force, which has been investigating UFO reports since 1948, has steadfastly maintained there is no evidence any flying object has come from somewhere else in the universe.

Keyhoe's view, shared by the committee's board of governors, is radically different. The committee concludes, Keyhoe said yesterday, that "these things are real and must be extraterrestrial because they are so superior to anything we have."

According to Keyhoe, UFO's have been observing the earth for 200 years. He gave two reasons, essentially, for why no contact has been made with whoever it is that pilots the UFO's.

One reason is that the Air Force has orders to scare the UFO's away.

A second reason is that until humans demonstrated the atomic bomb and space flight the UFO people regarded earth as too primitive a society to bother with other than for surveillance purposes.

[From the Portland (Maine) Evening Express, Jan. 17, 1966]

THOSE "FLYING SAUCERS"—AIR FORCE EXPLAININGS-AWAY OF UFO'S DEEPEN MYSTERY

(Editor's note: This is the first of a series about UFO's (unidentified flying objects) by Bulkley S. Griffin, executive editor of the Evening Express Washington Bureau. He wrote the stories after visiting the UFO office of the U.S. Air Force.)

WASHINGTON, D.C.—The Air Force handling of the unidentified flying objects (UFO's) continues to be something of a mystery. Its persistent endeavors to explain all the UFO sightings as misidentification of ordinary objects, such as stars and balloons, has become so conspicuous as to raise questionings in the minds of a growing number of citizens. Some of these explanations seem to run counter to both logic and commonsense. Running along with these explainings-away is an apparent Air Force lack of enthusiasm—especially at high levels—to do a thorough job of investigating sightings.

Headquarters of the Air Force investigation and conclusions on unidentified flying objects—they call the enterprise Project Blue Book—is at Wright-Patterson Air Force Base near Dayton, Ohio. In charge of Project Blue Book is Maj. Hector Quintanilla.

Recently this writer has made two more visits to Wright-Patterson to study the files of Project Blue Book and to talk with Major Quintanilla, the architect of the military's final public verdicts on the UFO's.

A multitude of UFO sightings in the last dozen months has kept the Air Force busy trying to explain-away and has rendered the public more conscious and curious than ever about these strange, usually lighted, objects in the sky. The Air Force and the burdened Project Blue Book have often resorted to the expedient of lumping a number of sightings together—not naming any particular one—and furnishing a generalized catchall explanation.

This is what it did respecting an extraordinary number of sightings in the Southwest around the beginning of last August. The very number of the UFO's and of the sightings of them shook some public confidence thereabouts in both the Air Force's knowledge of the subject and in the good faith of its explainings-away.

Extracts from dispatches sent out at that time by the two national wire services will refresh memories and provide a good idea of the magnitude of the UFO performance. On Tuesday, August 3, the New York Times and other newspapers carried an Associated Press dispatch from Oklahoma City, dated August 2. It began:

"Authorities in Texas, New Mexico, Oklahoma, and Kansas were deluged last night and early today (August 2) by reports of unidentified objects seen flying in the sky.

"The Sedgwick County sheriff's office at Wichita, Kans., said the Weather Bureau had tracked several of them at altitudes of 8,000 to 9,000 feet.

"The Oklahoma Highway Patrol said that Tinker Air Force Base here (Oklahoma City) had tracked four of the unidentified flying objects on its radar screen at one time, estimating their altitude at about 22,000 feet. A Tinker spokesman refused to confirm or deny the reports of radar observations."

"Reports poured in" from 21 cities and towns, continued the Associated Press dispatch. The 21 are named: 7 are listed in Texas, 3 in New Mexico, 5 in Oklahoma, and 6 in Kansas.

The United Press International, in a dispatch in the evening of August 2 named eight States. "Reports of sightings by eye poured in from Kansas, Texas, Oklahoma, New Mexico, Colorado, South Dakota, Nebraska, and Wyoming. Oklahomans probably saw the most."

In a dispatch from Oklahoma City dated August 4, the United Press International declared that "thousands of persons across the Nation's midlands and Southwest again last night reported seeing mysterious flashing, winking, and sparkling phenomena that sped and sometimes zigzagged across the skies.

"The Air Force contends most of the sightings were probably stars or planets. It was the fourth consecutive night of UFO sightings. A lot of people took issue with the Air Force's claim that they were stars or planets."

It can be mentioned in passing that radar does not pick up stars or planets. In one United Press International dispatch it is stated that "Oklahomans probably saw the most" of these sightings. The Oklahoma sightings therefore provide

an illuminating example of how the Air Force deals with the public in such a situation.

By good fortune, one does not have to rely mainly on newspaper reports, sometimes meager, or upon the Air Force statements. The Department of Public Safety of the State of Oklahoma has sent to the office of Congressman John Jarman, Democrat, of the Oklahoma City congressional district, and to the National Investigations Committee on Aerial Phenomena (NICAP) in Washington a summary of the teletype reports sent into the Oklahoma Highway Patrol Communications Network Center, July 31–August 5, from the various highway patrol headquarters over the State.

This valuable document, which was not observed in the files of Project Blue Book, will be utilized in one or more following articles dealing with the curious behavior of the Air Force touching the UFO's and the public.

[From the Portland (Maine) Evening Express, Jan. 18, 1966]

THOSE FLYING SAUCERS—HIGHWAY PATROL REPORT FIRES CONTROVERSY OVER UFO'S

(Editor's note: This is the second of a series about UFO's (unidentified flying objects) by Bulkley S. Griffin, executive editor of the Evening Express Washington Bureau. He wrote the stories after visiting the UFO office of the U.S. Air Force.)

(By Bulkley Griffin)

WASHINGTON, D.C.—Research into the matter of the unidentified flying objects (UFO's), the U.S. Air Force, and the public, receives substantial help from a report furnished by the Oklahoma Department of Public Safety. This summarizes the messages dealing with UFO sightings that passed over the Oklahoma Highway Patrol network in the period July 31–August 5.

A survey of this information reveals the large number of sightings and the much larger number of witnesses of those sightings, and lists some radar sightings by the Air Force. It compares with a generalized attention to those sightings by the Air Force and Project Blue Book, the latter the name for the Air Force investigation of UFO's.

At 3:30 p.m. August 2, Project Blue Book issued a statement assuming to explain the avalanche of UFO sightings that had hit the Southwest—but probably had hit Oklahoma the heaviest—starting July 31.

Therefore, this article will seek to hit the high points of the sightings reported on the Oklahoma Highway Patrol network beginning with July 31, up to the issuance of the Project Blue Book explanation.

The first report on the teletype came the early morning of July 31. A Wynnewood, Okla., police officer, Louis Sikes, reported a UFO. The radar at Tinker Air Force Base located the object. A little later, continued the highway patrol report, "Caswell Air Force Base (Fort Worth, Tex.) aimed their radar at the same location and came up with the same fix as Tinker." Both Tinker and Caswell followed the object, which once disappeared and then reappeared, for some time. Later that day an Associated Press dispatch from Oklahoma City stated flatly that Tinker and Caswell both had the UFO on radar.

The next night saw the UFO reports crowding the highway patrol teletype. Some quotations of messages will be given.

At 9:19 p.m. the highway patrol tower sent out this message: "Since 8 p.m. the tower has received in the neighborhood of 25 to 30 visual sightings, many by police officers and highway patrol troopers of various unidentified flying objects from the Purcell area north through the Norman area to Chandler and back through Meeker and Shawnee.

"Three Shawnee officers and their captain have four of the objects in sight at this time, also another has cropped up from the south of Tecumseh and is apparently going to fly directly over Shawnee.

"The sightings vary from one to four of the objects at various times starting in a reddish color and varying to a white and blue luster.

"Shawnee reports the objects seem to be flying four to a formation in a diamond-type formation. Cushing has reported four of the objects. Oklahoma Highway Patrol Units 30 and 40 have also made visual sightings. Reports have

come from (three) individuals." Names of two civilians are given; third was a police officer from Tulsa, not named.

"Tinker Air Force Base has had from one to four of them on radar at a time, and they advise they are flying very high, at approximately 22,000 feet, which seems to coincide with the visual sightings, all of which are 'very high flying objects.'"

Other reports came in the night of August 1. The sheriff's office at Chandler reported two UFO's. Two individuals—names given—spotted a UFO between Norman and Purcell. "Tinker AFB looking at it—or attempting to do so at this time with radar—Wichita Falls, Tex., also notified to look." Another UFO was seen near Forgan, and sighter's name and address given.

"Although there were numerous other reports from other sources which did not reach the patrol, those above were all of the reports which moved on the highway patrol wire on August 1," it is stated in the summary from the department of public safety. On August 2, the teletype carried its first UFO report of that day at 2 p.m. regarding a sighting at 12:50 p.m. near Oushing. Other reports followed through the afternoon and night.

All this from just one State's highway patrol teletype.

At 3:30 p.m. on August 2, Maj. Hector Quintanilla, in charge of Project Blue Book, issued the following statement:

"Initial study of the reports thus far received by the Air Force indicates that the observations were astronomical in nature. The objects most likely observed were the planet Jupiter and the stars Rigel, Capella, Betelgeux, or Al-debaran, which are clearly visible in the eastern sky. The time of reported sightings, the azimuth and elevation of the reported sightings supports this conclusion. In addition, on August 1 and 2 the temperature distribution and varying wind speeds observed over the Great Plains, from northern Texas to Wyoming were favorable for the phenomenon, known as scintillation. Some of the reports were the aquarid meteor showers which occur between July 26 to August 6. The meteors approach from the southeast and streak swiftly across the sky trailing sparks. There has been no confirmation that any of the sightings reported were tracked on radar.

This official statement presents two characteristics typical of Air Force treatment of UFO reports. First, no specific sighting is mentioned, and just about every conceivable reason for seeking to explain away the multitude of sightings over eight States is included.

Second, no radar sighting is admitted. This is despite the highway patrol's report of Tinker and Carswell Air Force Bases having a fix on a July 31 object, and Tinker having a fix on up to four objects the night of August 1-2; and despite national wire services reports of these radar sightings and of a Wichita weather station radar sighting of several UFO's.

Radar does not pick up stars and planets, as has been stated. Further corroboration of visual sightings by a radar sighting—as the Oklahoma Highway Patrol indicated on one occasion the night of August 1—would strengthen the argument that some UFO's are real and unknown.

But that August 2 statement from Project Blue Book was immediately attacked from a different angle by Director Robert Riser of the Oklahoma Science and Art Foundation Planetarium in Oklahoma City. To quote a UPI dispatch:

"That (Project Blue Book statement) is as far from the truth as you can get," Riser said. "Somebody has made a mistake. These stars and planets are one the opposite side of the earth from Oklahoma City at this time of year."

Major Quintanilla, recently asked about the comment of Director Riser pointed out the UFO reports were coming in from several States, and said his August 2 announcement referred to Wyoming where the stars in question were visible. He added the statement applied to Oklahoma between 1 and 4 in the morning.

[From the Portland (Maine) Evening Express, Jan. 19, 1966]

THOSE "FLYING SAUCERS"—NEW HAMPSHIRE SIGHTING ONE OF MOST FRIGHTENING

(Editor's Note: This is the third of a series about UFO's (unidentified flying objects) by Bulkley S. Griffin, executive editor of the Evening Express, Washington bureau.)

WASHINGTON, D.C.—One of the more impressive sightings of an unidentified flying object (UFO) occurred near Exeter, N.H., last September. As narrated it was an extended closeup observation of a lighted object that was noiseless and

close to the ground. Several persons apparently observed it, three of them, including two policemen, at one time.

The conclusion of Project Blue Book—the name of the Air Force UFO probe that announces the final verdicts on sightings—that the New Hampshire watchers saw low-flying airplanes, is of a piece with many other Air Force attempted explanations away. It doesn't make sense.

The New Hampshire sighting is of significance on another ground. It involves the reported effect of a UFO in disturbing and exciting animals.

The sequence of events near Exeter began at 1 o'clock in the morning of last September 3 when Exeter Police Officer Eugene P. Bertrand, Jr., 30, cruising in his police car, came upon an auto drawn up by the side of the road and in it an hysterical woman, who according to the officer's report to the investigative officer from Pease Air Force Base, N.H., "stated she was too upset to drive." She stated a light had been following her and had stopped over her car." The officer stayed with her about 15 minutes, sought to reassure her, saw nothing, and departed for the police station.

There he found Norman J. Muscarello, 18, of Exeter who had come to the station to tell of his experience while a few miles out of Exeter. He said something big with dazzling, flashing red lights had appeared moving just above the treetops. It had moved rather slowly toward him. He had jumped into the ditch for safety. Then the thing had disappeared.

Officer Bertrand took Muscarello with him in his patrol car and they returned to the field where Muscarello had had his alarming experience. They both got out of the car and walked into the field, Bertrand having a flashlight. At this point Officer Bertrand's report to an examining officer at Pease AFB can be taken up.

"When we had gone about 50 feet a group of five bright red lights came from behind a group of trees near us. They were extremely bright and flashed one at a time.

"At one time they came so close I fell to the ground and started to draw my gun. The lights were so bright I was unable to make out any form.

"There was no sound or vibration but the farm animals were upset in the area and making a lot of noise. When the lights started coming near us again Muscarello and I ran for the car. * * *

"I radioed Patrolman David Hunt who arrived in a few minutes. He also observed the lights which were still over the field at an estimated altitude of 100 feet and finally disappeared in the distance at the same altitude. The lights were always in line at about 60° angle. When the object moved the lower lights were always forward of the others."

In this case the Air Force, which generally appears to hang back from much investigating of UFO reports, did do some investigating. It interviewed the sighters and neighbors.

The Pease AFB officer, who headed this local military probe and who, by the way, was a command pilot, made this finding:

"At this time have been unable to arrive at a probable cause of this sighting. The three observers seem to be stable, reliable persons, especially the two patrolmen. I viewed the area of the sighting and found nothing in the area that could be the probable cause. Pease AFB had five B-47 aircraft flying in the area during this period but do not believe they had any connection with this sighting."

However, Project Blue Book lists low-flying airplanes as probably responsible for this Exeter sighting. Maj. Hector Quintanilla, in charge of Blue Book, states that the 8th Air Force SAC (Strategic Air Command) group at Westover Air Force Base, Mass., was conducting a low-level operation, called Big Blast, at the time. He said he believes the Exeter "people were looking at low-level aircraft."

The effect of a UFO on animals had been reported in a New York State case about 2 weeks before the Exeter event. An investigating officer from the Niagara Falls Air Force Base, commenting on the sighting of a low-down UFO near Cherry Creek, N.Y., on August 19, said:

"Preliminary analysis reveals object not explainable in conventional terms. Object caused reduction in farm cows' milk from 2½ cans to 1 can. Disturbed bull in field. Caused dog to bark." This sighting, by the way, is one of the very few that Project Blue Book has marked "Unidentified."

The Exeter UFO produced a fairly familiar charge; namely that the Air Force sought to suppress news of the sighting. In this instance the charge came from Raymond Fowler, of Wenham, Mass., head of a local area NICAP

group, who went to the scene to investigate for NICAP. The latter stands for National Investigations Committee on Aerial Phenomena, the unofficial but responsible Washington organization. The Fowler charges are in the files of Blue Book and of NICAP.

Fowler talked with witnesses and others and said he was told that Peace AFB officers had asked the police and a local newspaper correspondent not to mention the sightings. The request was put to the police on the ground people would be alarmed if told the facts, it is stated.

Major Quintanilla, informed of this charge, said that "I would not allow any suppression of news." However, it is an impression in Washington that officers a good deal higher than Major Quintanilla would not exert themselves to prevent news suppression of UFO sightings.

The Haverhill (Mass.) Gazette wrote an editorial on this UFO in the neighborhood, in which it said: "So many have reported seeing it (the Exeter UFO) and their descriptions jibe so closely that, unless they have banded together in one large hoax, their stories must be given credence."

[From the Portland (Maine) Evening Express, Jan. 20, 1966]

THOSE "FLYING SAUCERS"—AIR FORCE BRUSHES OFF FLOOD OF SIGHTINGS IN SOUTHWEST

(Editor's note: This is the fourth of a series about UFO's (unidentified flying objects) by Bulkley S. Griffin, executive editor of the Evening Express, Washington bureau.)

WASHINGTON, D.C.—A good 2 weeks after the flood of unidentified flying object (UFO) sightings last August over Oklahoma and other Southwestern States, Tinker Air Force Base, Oklahoma City, produced its formal survey and judgment. It sent this several-page explanation of sightings in its wide area to Project Blue Book, the Air Force office in charge of the UFO investigations and conclusions.

This report is a good example of Air Force anti-UFO propaganda. Except for mention of one specific sighting—which was decreed to be a weather balloon—the report is generalized, pulling out all the stops on the possibilities of citizens making mistakes and including a statement from the official of a planetarium in Oklahoma City whose text was that "the average person is uneducated as to what the sky normally looks like."

Interviews with military experts are given which mention unusually bright stars at this time of year, a haze that reflects things from the ground, the frequency of weather balloons and so on.

An impressive but superficial case is made for weather balloons as fooling people into thinking they are seeing a UFO. The number released daily in the Oklahoma area is considerable.

But the fact is that the citizens thereabouts have lived with these balloons day after day and year after year and by now must be fairly well acquainted with what they look like and how they act. They are also pretty well acquainted with stars, which at the moment may be supplanting balloons as the favorite explanation put forth by Project Blue Book.

The Tinker AFB report did not need to avoid mention of particular sightings. The Oklahoma Highway Patrol teletype reported a number of sightings well worth investigation and these teletype UFO reports were relayed to all major newspapers, wire services and TV and radio stations across the State of Oklahoma, also to the weather wire teletype system. They were available to sincere Air Force investigators.

The failure to interview witnesses could be termed negative Air Force propaganda. The highway patrol messages named close to a dozen civilian witnesses usually with addresses, and the number of highway patrol officers that had sightings must have totaled two dozen and more. Yet the formal August 20 report from Tinker shows interviews with but two civilians and two police officers.

Maj. Hector Quintanilla, in command of Project Blue Book, says the Air Force seeks interviews with persons who call up and whose names they learn. "We are not interested in persons who go to the newspapers or to radio and TV stations," he said. The wisdom of this exclusion is of course wide open to question—assuming that the Air Force is seeking information.

But Tinker AFB itself must have received dozens of calls during the heavy sighting period of July 31 through August 5. This much is indicated by a sentence sent out over the highway patrol network the night of August 2. "The security officer at Tinker Field reports he has been swamped with calls the past hour from people reporting UFO's." This report refers to just 1 hour of the several-day sighting period.

Chances are, it is said, that the Air Force handling of the UFO problem may be allowed to drag along by an apathetic public. Yet one may speculate on what an honest and energetic investigation might do. For one thing, it would investigate some of the sightings reported by the Oklahoma highway patrol.

For instance, take this report that moved with many others, over the teletype August 4. "Twenty-five people at a church in Cushing, Okla., all watched several UFO's. Sometimes they would stay stationary, then would move at a high rate of speed. Were moving south for a while, then stopped and stood still for some time, then were joined by two and moved to the west at high speeds, then turned and traveled east for a while, then stopped completely and stood still, then went east and suddenly disappeared from sight. The first ones were orange lights, the ones that joined them had red and green lights like airplanes. PD (police department) Cushing also observed the same things."

Or the "approximately 30 calls" to the Shawnee Police Department reporting 4 or 5 lighted objects traveling northwest which "make no conventional noise such as an aircraft does but rather make a humming noise." Or what did the five citizens of Norman, Okla., see looking at a white globe 30-40 feet in diameter through a "tripod-mounted 160-power telescope."

The evidence is convincing that the Air Force—for reasons it doesn't announce—is not really trying to discover what the UFO's are. Or, if the Air Force already knows, it is painstakingly keeping its information from the public. Chief blame for this lack of action must rest on the Government.

But another culprit, the scientific community, must bear blame according to an August article by Robert C. Cowen, natural science editor of the Christian Science Monitor. He wrote in part:

"The main reason there has been no scientific study of the (UFO) puzzle is social pressure within the scientific community. It has not been due to lack of opportunity to gather data.

"Many scientists feel the whole subject is 'kooky.' They dismiss it with ridicule. It can be personally embarrassing, even detrimental to a scientist's career, to try to take the saucer problem seriously."

It is time to investigate; scientific knowledge of some sort resides in the UFO phenomenon, said the writer.

[From the Portland (Maine) Evening Express, Jan. 21, 1966]

THOSE "FLYING SAUCERS"—WHAT SHERIFFS SAW WASN'T STAR, UFO PROBER ADMITS

(Editor's note: This is the fifth of a series about UFO's (unidentified flying objects) by Bulkley S. Griffin, executive editor of the Evening Express, Washington bureau)

WASHINGTON, D.C.—The case of the two Texas deputy sheriffs whose patrol car was allegedly followed by an unidentified flying object (UFO) so that they hit 110 miles an hour in rushing away, is worth mentioning for its own sake in any study of the Air Force-UFO confrontation.

The case also illustrates the possibility of a more realistic trend in Project Blue Book—which is the name of the Air Force's investigation of UFO's.

Project Blue Book first listed the Texas sighting as, "Refraction of Star Antares distorted due to inversion." This verdict was a highly improbable one from the start, as will be seen from the testimony of the two deputy sheriffs. Recently, Maj. Hector Quintanilla, in command of Project Blue Book, stated he has withdrawn this conclusion after talking over the phone with Deputy Sheriff McCoy. The star verdict didn't seem to fit. So Blue Book now records the sighting as one of the very few unexplained ones on its rolls.

Another recent case of reconsideration of a verdict occurred in the instance of the four lighted objects seen together by many observers the night of August 1-2, according to the teletype reports of the Oklahoma Highway Patrol. The latter

said Tinker AFB had picked them up. But Blue Book had this sighting listed as "Astro (Antares)." Radar does not pick up stars, as previously noted.

Recently, however, as this writer was discussing this sighting at the headquarters of Project Blue Book and pointed out that a Tinker AFB radar squadron sergeant had referred to two stationary objects and two moving in the formation, Project Blue Book proposed that the two stationary objects were stars—the brightest of them Antares—and the two alleged to be moving could be airplanes.

The two cases, one in Oklahoma and one in Texas, suggest to some observers that Project Blue Book, while vigorously trying to explain away has of late occasionally sought to throw a little more credibility into its investigations and conclusions.

But to get to the two Texas deputy sheriffs, who, as it came about, were followed by a UFO the same night—September 3—on which at least one person in the Exeter, N.H., case reported being followed.

Chief Deputy Sheriff Billy F. McCoy and Deputy Sheriff Robert W. Goode were on routine patrol near Damon, Tex.—which is around 40 miles southeast of Houston—when they saw a bright purple light, which soon produced a smaller blue light, on the horizon about 5 miles away. One of the officers studied the lights through binoculars. They had slowed down off the edge of the highway when the lights started rapidly toward them.

The testimony of Chief Deputy Sheriff McCoy, as given to an investigating officer from Ellington AFB, Tex., continues:

"The object came up to the pasture next the highway about 150 feet off the highway and about 100 feet high. The bulk of the object was plainly visible and appeared to be triangular shaped with a bright purple light on the left and the smaller, less bright, blue light on the right end. The bulk of the object appeared to be dark gray in color with no other distinguishing features. It appeared to be about 200 feet wide and 40-50 feet thick in the middle tapering off toward both ends. There was no noise or any trail.

"The bright purple light illuminated the ground directly underneath it and the area in front of it, including the highway and the interior of our patrol car. The tall grass under the object did not appear to be disturbed.

"There was a bright moon out and it cast a shadow of the object on the ground immediately below it in the grass. Deputy Sheriff Goode was in the driver's seat with his left arm lying in the open window. Although he was wearing a long-sleeved shirt and a coat, he later said that he felt the heat apparently emanating from the object."

The officers rushed away toward Damon "as fast as we could go" traveling "at speeds up to 110 miles an hour," said McCoy. Arrived in Damon, they discussed the matter. "We were both scared but still wanted to find out what it was." So they returned to the scene and saw the UFO on the horizon acting exactly as it had before. "We decided to leave the area because we figured that the object would start coming toward us again," stated McCoy.

The report to Blue Book of the investigating officer from Ellington Air Force Base believes the two deputy sheriffs definitely saw "some unusual object." This report reads in part:

"After talking with both officers involved in the sighting there is no doubt in my mind that they definitely saw some unusual object or phenomenon. However, my investigation failed to uncover any facts that permitted me, with my meager knowledge of such things, to arrive at any explanation for the unusual sighting.

"Both officers appeared to be intelligent, mature, levelheaded persons capable of sound judgment and reasoning. Chief Deputy Sheriff McCoy hold a responsible position in the department requiring the supervision over 42 personnel. Both officers have been subjected to considerable friendly ridicule from their contemporaries and the local townspeople; but have continued to profess the facts of their sighting * * *."

[From the Portland (Maine) Evening Express, Jan. 22, 1966]

THOSE "FLYING SAUCERS"—EVIDENCE INDICATES AIR FORCE MISLEADING PUBLIC ON UFO's

(By Bulkley Griffin (last of six articles))

WASHINGTON, D.C.—This is the final one of half a dozen articles on the unidentified flying objects (UFO's), the U.S. Air Force, which has the official job

of investigating the sightings, and the public. The conclusions reached have been assisted by two more examinations of the files of Project Blue Book, the Air Force name for its study and its verdicts on UFO reports.

A main conclusion can be briefly stated. It is that the Air Force is misleading the public by its continuing campaign to produce and maintain belief that all sightings can be explained away as misidentifications of familiar objects, such as balloons, stars, and aircraft.

The logical assumption, backed by much circumstantial evidence, is that the Air Force is deliberately misleading the public.

In this campaign the Air Force, backed by normal public respect for the military and for authoritative statements, and also assisted by the natural human disinclination to think uncommonly or to be laughed at, has been largely successful.

However, the Air Force success in having the public believe what it wants it to believe respecting UFO's is steadily and conspicuously lessening. More and more skepticism is being voiced in newspapers and by citizens.

Another chief conclusion is this: no energetic and thorough effort to investigate the unidentified flying object phenomenon is being made by the Air Force or ever has been made by it. And this charge holds true respect any other Government agency and respecting what has been termed the Nation's scientific community.

Reasons for the persevering Air Force performance are unknown to the public. In the speculation one of the following three reasons is commonly advanced: the Air Force fears national panic if the truth about the UFO's were told; the Air Force feels it is stuck with its story; or the Air Force is silenced by the Central Intelligence Agency.

The first alleged reason, however uncomplimentary to the intelligence of our citizens, is one that has been heard at the Capitol off and on for approaching 20 years. Some speculate it may be the reason the Air Force has given to the chairmen of the two congressional space committees in its understood endeavor to hold off a congressional investigation of the UFO subject.

What is the truth about the UFO's? It is quite possible that no one on this earth knows.

A veteran New England congressional leader, who was in a position to know, told this writer that the Air Force didn't know what they are. Officials of the Central Intelligence Agency ought to know if anyone does, yet a former head of the CIA, Adm. R. H. Hillenkootter, affirmed half a dozen years ago that he did not believe in the Air Force explainings-away; but he did not indicate he thought he thought he knows the truth of the matter.

An increasing number of good observers hold that a sizable minority of the sightings—many sightings presumably are misidentifications—represent something new and unknown. A large number of these observers, who include veteran pilots, radar operators, air traffic controllers, teachers, astronomers, and other experts, hold that the unknown UFO's are extraterrestrial.

To all this Air Force officials can and do respond that not a single tangible bit of evidence of any such UFO has been found. This is a mighty strong argument, the strongest argument of the so-called explainers-away.

Yet to an augmenting number of competent observers the evidence grows stronger that some of the UFO's are real and really unknown. So very many impressive sightings can't be explained away, it is said.

"From the United States, from Argentina, Uruguay, Portugal, France, Antarctica, and Australia (from four continents) have come the rash of reports of sightings of unidentified flying objects (UFO's). The sightings have been the most numerous since 1957." So summarized a United Press International dispatch last August.

First and last, few presumably will challenge a conclusion that the mystery and the problem of the unidentified flying object remain with this world.

And as for the Air Force, with its intensive campaign to explain away every UFO sighting, it might listen to the recent advice of a veteran astronomer, Dr. I. M. Levitt, director of the Fels Planetarium, Franklin Institute, Philadelphia, said:

"It would be well if our Project Blue Book officials were simply to indicate that sightings in a minority of cases cannot be explained. It would clear the air of a great deal of misunderstanding and mistrust of this group by the intelligent laymen and observers who have seen objects in the sky."

DEPARTMENT OF THE AIR FORCE
Washington, January 18, 1966

HON. L. MENDEL RIVERS,
Chairman, Committee on Armed Services,
House of Representatives.

DEAR MR. CHAIRMAN: Recently you requested information in behalf of Mr. John R. Gray about unidentified flying objects (UFO).

The Air Force does not withhold or censor information on UFO's. The results of all Air Force investigations are available to bona fide news representatives and scientific researchers. Press releases are issued as warranted and an annual report (copy attached) on the project is available to the public. There has never been an order issued by the Secretary of the Air Force to suppress or withhold such information.

The three conclusions set forth in Mr. Gray's letter are, in fact, the conclusions which were reached as a result of a panel of scientific consultants that met at the request of the Government to study the problem in 1953. For your information, the U.S. Air Force Scientific Advisory Board has been asked to evaluate the UFO program. An ad hoc committee has been appointed and will convene sometime in February. The results will be available shortly after the meeting.

As a result of investigating over 10,000 reports since 1947, we cannot associate disruption of running engines, radios, and headlights, or malfunction of aircraft instruments, or heat sensations with UFO activity. Nor can we attribute them to aircraft operations. There are many plausible explanations for effects such as car radio static when passing powerlines, overheated car engines, drop in power and voltage in the electrical system, malfunction of equipment, and imagination or panic of an observer. Weather conditions such as temperature inversions can cause known natural or conventional objects to appear to hover, move around, and change colors. Satellites and balloons make no noise while in flight. Balloons can also hover and suddenly accelerate depending on the wind conditions.

The foregoing information also explains our third conclusion. There has never been a top-secret document, entitled "Estimate of the Situation," which concluded that UFO's are interplanetary in nature.

As of December 31, 1965, the Air Force has received 10,060 reports since 1947 of which 645 are unidentified and cannot be explained. It is our opinion that all reports could be explained if more detailed objective data had been available. However, because of the fact that analyses of UFO sightings depend primarily on the personal impressions and interpretations of the observer rather than on accurate scientific data or facts obtained under controlled conditions, positive identification of all sightings is improbable. Information on any UFO report is available to private citizens upon request.

Photographs received in conjunction with UFO reports are evaluated by photo analysis personnel. The objects in such photographs have been evaluated as known natural or conventional objects which have been misinterpreted by the observer. Such photographs are returned to the owner after analysis.

Our Project Blue Book office is located at Wright-Patterson AFB, Ohio, where all UFO records are kept. All objects which have been picked up or tracked on radar have been identified as flocks of birds, weather phenomena, or reflections from ground targets. Radar scope photography is classified only if it reveals classified defense information.

The joint Army-Navy-Air Force publication 146 deals with UFO's only as a catchall class of sightings that does not fall into a recognized category such as ships, submarines, aircraft, or guided missiles. The purpose of the publication is to provide uniform instructions for the peacetime reporting of what is judged to be vital intelligence sightings. Any person who violates the provisions of the publication may be liable to prosecution thereunder. The purpose of this is to emphasize the necessity for handling of such information within official channels only.

The article appearing in the December 24, 1959, issue of TIG Brief, entitled "UFO's Serious Business," has been misinterpreted. The purpose of this article was simply to improve the quality of reports and investigative procedures. It also contained guidelines for effective reporting and the equipment necessary for investigations. We have no knowledge of any research projects such as those stated by Mr. Gray, nor do we have any information about the Santiago Chile, incident.

All UFO reports which are submitted to the Air Force are regarded as earnest reports from people who have seen an aerial object which they could not identify. The purpose of our program is to evaluate such reports and to inform the observer of the cause of his sighting.

The National Investigations Committee on Aerial Phenomena is a private organization which is in no way affiliated with our Government.

It is a pleasure to again be of service to you.

Sincerely,

DWIGHT W. COVELL,
Colonel, USAF,
Congressional Inquiry Division, Office of Legislative Liaison.

JANUARY 11, 1966.

HON. L. MENDEL RIVERS,
House of Representatives,
Washington, D.C.

MY DEAR SIR: Thank you for the very prompt reply (Jan. 6, 1966) to my letter of December 29, regarding UFO's. You stated that you may check out my comments with the proper authorities. Knowing in advance essentially what reactions you will receive from these authorities, be they Air Force, Department of Defense, or Congressional Inquiry Division officials, I strongly and respectfully request you withhold acceptance of their statements until you contact Maj. Donald Keyhoe (USMC, retired) or Mr. Richard Hall. These gentlemen, as you are undoubtedly aware, are director and associate director, respectively, of NICAP and can be reached at North 7-9434.

This course of action is most desirable for the ultimate best interest of the American people as it permits both sides of this controversy to be impartially weighed.

NICAP, in the 9 years since its inception, has amassed sufficient factual information, documentation, and evidence to refute any or all Air Force claims. The organization asks only that it be given the opportunity to present this information in open hearings in order to attain its immediate goal of getting to the people the truth about the UFO's, as can be ascertained and officially confirmed; and the best hope of achieving this end is through congressional action.

Respectfully yours,

JOHN R. GRAY,
Huntington Beach, Calif.

DECEMBER 29, 1965.

HON. L. MENDEL RIVERS,
U.S. House of Representatives,
The House Office Building,
Washington, D.C.

MY DEAR SIR: As chairman of the House Armed Services Committee, you may be the proper person in the House, to whom I should address this correspondence pertaining to a subject, the scientific aspect of which promises far-reaching implications. A considerable amount of genuine scientific research by private individuals in this field is being thwarted, in part, by a policy of an agency of the U.S. Government through the employment of ridicule and the withholding of pertinent information. It is a field that has been the subject of suppression since 1947 and particularly since 1953 by order of the Secretary of the Air Force.

The subject, of which I write, is that of unidentified flying objects (UFO's) and the Air Force censorship in the handling of legitimate sightings and reports. The publicized conclusions, in part, of the Air Force's Project Blue Book are:

(1) No unidentified flying object reported, investigated, and evaluated by the Air Force has ever given any indication of threat to our national security;

(2) There has been no evidence submitted to or disclosed by the Air Force that sightings categorized as unidentified represent technological developments or principles beyond the range of present day scientific knowledge; and

(3) There has been no evidence indicating that sightings categorized as unidentified are extra terrestrial vehicles.

Other than the close encounters with UFO's reported by airline and military pilots, an element of truth can be conceded in conclusion (1). However, the vailidity of number (2) must be disputed. Do we possess any aircraft that can:

1. On close proximity to ground vehicles disrupt the running engines, headlights, and radios of those vehicles?

2. On close proximity to conventional aircrafts cause their gyro compasses and direction finders to momentarily malfunction?
3. On close proximity to conventional aircrafts or ground vehicles cause intense heat sensation experienced by their occupants?
4. Hover at any one point at any given time and suddenly accelerate horizontally or vertically out of sight in a matter of 5 to 10 seconds?
5. Execute an abrupt 90° or 180° change of direction while in flight?
6. Make no discernible sound while in flight?
7. Glow brilliantly and change colors?

Such behavior and characteristics have been witnessed by reliable persons and documented enumerable times and are very familiar to the Air Force; in addition to being definitely beyond the scope of our present technology. If conclusion (3) had included the word "proof" instead of "evidence," the probability of truth could also be conceded here. As it stands, the statement is likewise false for the same reasons as the arguments listed against conclusion (2). Since our present state of technology does not permit satisfactory explanations to such behaviors of these objects, what other assumption can a scientific mind make than that their origin is extra terrestrial? It may be recalled that the Air Technical Intelligence Center (ATIC) at Wright-Patterson AFB, Dayton, Ohio, in July-August of 1948 concluded in their top secret document estimate of the situation that UFO's were interplanetary. While top Air Force officials will vehemently deny that such a document ever existed, proof that it does exist and is accessible for examination by interested Members of Congress—but not from the Air Force.

While the Air Force does not publicly admit to the existence of the wealth of documented evidence that has been accumulated since before the appearance of the first airplane, it does admit to possessing at least 663 "unknowns" on the books. Sightings classified as "unknowns" are those well documented by official and unofficial sources but remain unsolved and "unexplainable." Private citizens inquiring into the nature of these unknowns will be told that such is classified information (AFR 200-2 paragraphs 9 and 19). It should be noted in this respect, that Vice President Humphrey and Senator Birch Bayh were misinformed by the Air Force through the Congressional Inquiry Division to the effect that all of the 663 "unknown" cases were solved. The letter to Senator Bayh was signed by Col. Frederick H. Fahringer.

Dealings with the Air Force concerning information of UFO's have proved to be a one-way proposition—all in and none out. Is it little wonder that only about 10 percent of the citizenry dare risk disparagement for submitting reports that are truly unexplainable? The "lending" of photographic evidence of a sighting by a witness to the Air Force is tantamount to forfeiture. Infrequently, an Air Force "slip-up" occurs in his favor.

The Air Force maintains that there is no censorship of UFO's. Anyone following this subject knows differently. Strong feelings were expressed by three of my acquaintances, all departed in recent years from service in that branch, in verifying that censorship does indeed exist. Two were radar technicians, one of whom was stationed at White Sands in 1949 while the other was assigned to the 776th Radar Squadron at Point Arena, Calif. in 1961-62. The third was a member of Project Blue Book in Alaska during 1961-62.

The Joint Chiefs of Staff regulation JANAP 146, section III, title 18, United States Code 793, threatens imposition of penalties of 1 to 10 years imprisonment and/or up to \$10,000 fine upon any Air Force pilot who reveals an official UFO report. Such harsh punishment would certainly be indicative of the seriousness with which the Air Force regards the UFO's; and all the while the publicized line is "they don't exist." The official position was subsequently revealed when on December 24, 1959, an Air Force Inspector General brief was issued stating that: "UFO's are Serious Business" and instructing all investigating officers to be equipped with geiger counters. The degree of seriousness can also be realized when one considers the lengths to which six agencies of the Federal Government are extending themselves in research to uncover the suspected secret of these objects—that of gravity control, or antigravity power. Forty-six such projects of research of varying degrees are currently being subsidized including 33 under Air Force supervision.

While it is understandable that information pertaining to these projects does not necessarily fall into the sphere of the public's "right to know," there is no apparent reason or justification for the continuation of this "blackout" policy regarding UFO's. It matters not whether this policy was instigated by the Air Force or its superior, but it does matter when individual research in this field is

stified; and it matters when the American people are denied the right to know what kind of powers they may be up against. Persistence in this dogmatic attitude will only tend to deteriorate public morale if not the public trust in the Air Force when irrefutable proof of the existence of these objects manifests itself.

Those behind this official "blackout" should be displaying real responsibility to all of us by desisting from the practices of ridiculing sincere witnesses and belittling sightings that defy explanations and at least extend public acknowledgement of some credence to the evidence that abounds. Instituting a policy of dealing honestly, for a change, with the people would prepare the way to a minimum of possible panic (assuming this to be the basic reason for the censorship) upon arrival of that "moment of proof." (Please, excuse the pun.) Consider the contrast of the disrespect shown Americans to the consideration extended the citizens of Argentina and Chile. For example, on August 3, 1965, the radio and TV stations of Santiago, Chile, alerted the populous to view the three luminous discs hovering over the city for some 25 minutes before moving slowly away.

With the hope that we may yet receive such courtesy instead of treatment as children, I respectfully urge that you consider the undertaking of a hearing into this despicable situation. Until this condition is brought out into the open, much of the news media will continue to refrain from giving the UFO's serious consideration they so justly deserve.

All statements made in this letter can be substantiated by the National Investigations Committee on Aerial Phenomena (NICAP) located at 1536 Connecticut Avenue NW., Washington, D.C. Documented evidence and authentication required to support the assertion that a censorship does in fact exist will be put at the disposal of your committee by NICAP upon request.

Respectfully yours,

JOHN R. GRAY, *Huntington Beach, Calif.*

[From Life magazine, Apr. 1, 1966]

A WELL-WITNESSED "INVASION"—BY SOMETHING

FROM AUSTRALIA TO MICHIGAN, A FLURRY OF EEBIE UFO SIGHTINGS

Call them what you will: flying saucers, unidentified flying objects (UFO's), optical illusions, or the first symptoms of the silly season. They are back again—and seen by more people than ever before. Some are greenish and iridescent, like the mystery thing that swooped down over Perth, Australia, several weeks ago. Others are football shaped and aglow with pulsating lights. Last week the manifestations seemed almost to have reached the proportions of an invasion. Near Ann Arbor, Mich., 52 witnesses, including a dozen policemen, saw 5 strange objects hovering over a swamp. The next day a glowing thing floated over a small college in Hillsdale, Mich. and was sighted by 87 students, an assistant dean and the local civil defense director. Whatever the explanation of the peculiar phenomena—seen and described similarly by so many—something surely was in the air.

"IT WASN'T NO HULLABILLUSION," SAID THE FARMER, AND 52 AGREED

(By Paul O'Neill)

DEXTER TOWNSHIP, MICH.—Frank Mannor has never believed in flying saucers. Hasn't any need of them. Wishes he'd never seen one. Frank should have been born in the day of Dan'l Boone. Since he wasn't, he's on the unemployment. Still, he's a happy man. Or was.

He is a husky, grizzled fellow of 47 who has 10 children, a well of water with an outside pump, a solidly build privy, a TV set and a battered refrigerator with the coil on top. Four disembodied automobiles rest beside his white, tumble-down, two-story farmhouse in the open country 12 miles northwest of Ann Arbor. They provide parts for his good car. He has an ancient schoolbus for hunting expeditions. He also has six dogs. The dogs started it all. When they began "barkin' and bellerin'" at 8 o'clock that Sunday night, Frank ran outside—even though he was wearing his suit pants—and looked east into swampland from the rise of ground on which the house is built. He saw lights and a faint red glow "like cigarets being smoked."

Frank called his 19-year-old son, Ronnie. Suit pants or not, they started down toward whatever it was. "I thought a meteor had hit, that maybe we could pick up pieces of it," Frank said.

It never for a minute occurred to him that the United States hadn't had a good, mysterious flying saucer manifestation for a coon's age, that it was probably time for a new visitation from the mysterious little men from outer space and that they had decided to use southern Michigan in general and his swamp in particular for the dangdest display of flashing lights and whizzing half-seen objects since Frank Perkins fired a .22 rifle at a New York crow—and his fireworks factory—back in 1951.

Frank Mannor soon realized that he and his son were stalking some kind of thing. The ground between his house and the swamp is hummocky, rolling, but the night was clear and moonlit and the glow ahead was plain. "Just like we were hunting deer," Frank said to Ronnie, "Don't talk, we'll sneak up on it."

They jumped a creek, climbed a rise, and there it was, a few hundred yards ahead in the marsh. The thing seemed as long as an automobile, and wore a green light on one end and a white light on the other. Its back was humped and looked grayish- or bluish-brown and was "quilted" or rough "like coral rock." It seemed to be sitting perhaps 8 feet off the ground in a patch of mist. "Like a man in a boat on a misty lake in the morning—you can see the man but can't quite make out the boat."

Suddenly it turned blood red. "Look at that horrible thing, Dad," blurted Ronnie—and the lights instantly went out. Both began running toward it. "I was a-puffin'," said Mannor. "But when we got there it was gone. I hunted for 4 hours but there was no sign or smell of it. I'm glad I didn't have a gun. I'd a shot it and I might have harmed someone."

Back at the house, meantime, Mannor's wife Leona—a woman who wears shapeless slacks and a flannel shirt with the tail out—decided to call the nearby Dexter village police. "We've got an object out here," she said formally, "that looks like what they call a flying saucer. It's got lights on it down in the swamp."

Since the Mannors are on an eight-party line Leona told a great many other people, too, and the word spread like lightning—or the glow from a flying saucer. Cops and deputy sheriffs were soon tumbling out of cars and thrashing off toward the marsh, and the road beyond the house was jammed solid with the cars of gawkers. Most of them were rewarded for their effort. Dexter Police Chief Robert Taylor and Patrolman Nolan Lee saw the red glow as they stumbled around in the dark; so did Washtenaw County Deputy Sheriffs Stanley McFadden and David Fitzpatrick. All reported, like Mannor, that the light eventually vanished. But unlike their host, who said, "I never seen it take off," the cops felt it had zipped away over Mannor's house making a sound like "an ambulance."

"I seen it," said McFadden, "but I still don't believe it."

Dexter Patrolman Robert Hunawill saw a "strange, lighted object" appear over his patrol car as he waited in the road for those who had set out for the swamp. It had red and white lights "which at times had a bluish tinge" and made continuing sweeps over the swamp at a height of 1,000 feet and then, as being joined by three other "objects," flew away. Chief Taylor's 16-year-old son Robert saw one lighted thing at 10:30. It flashed red and white and hurried off to the west.

Ann Arbor, though sharply divided between scoffers and believers the next day still seemed to feel a unanimous civic pride in the fact that the Air Force had taken cognizance of its lurid phenomenon by dispatching Astronomer J. Allen Hynek, director of Northwestern University's Dearborn Observatory, to watch the tales of the elect and, no doubt, send a message of gravity and import to the Pentagon. They were even more heartened to hear that Hynek did not instantly announce that Mannor and his fellow bushwhackers had simply seen the University of Michigan's dish-shaped Peach Mountain radio telescope, which stands against the sky beyond the area in which they saw the glowing thing. Hynek, a bearded man who has investigated a hundred other "sightings" for the Air Force in the last two decades, was sure Mannor was too accustomed to the telescope to ever mistake it for anything else.

"I believe the people who made these sightings are entirely honest and sincere," he said. "But I am not willing to guess what they saw." He hedged when asked if he thought the thing might conceivably have been a new "test vehicle" of some sort. "I think I know much more of what is going on than . . . " he began, but then halted and said, "so I don't think I should say anything . . . I'm sure there is some natural explanation for all of this."

Back by Frank Mannor's house the road jammed up with the cars of the expectant; one man scraped away at a violin for an hour in the hope of summoning creatures from outer space and another blinked a light in what he described as a "pi code"—which he believed to be the key to interplanetary understanding. Many came to scoff. Mannor grew more indignant by the hour.

"People are trying to make a fanatic out of me," he complained. "They was still tramping around here at 3 o'clock this morning and look at them now. They say, 'How much money are you going to make off this?' That's crazy. I don't want no money. I didn't want no publicity in the first place. I don't want none now. I'm just a simple fellow. But I seen what I seen and nobody's going to tell me different. That wasn't no old foxfire or hullaballusion. It was an object. Maybe it'll come back if all these people would stay away and we could get a picture and have verification of it. Anybody wants to give me a lie-detector test I'll take it."

Leona, his wife, was more succinct: "We ain't Martians—they act like you're not human or something because you seen it. I'm about to get a gun and shoot some of these smart alecks if they don't stay to hell away."

10,147 FLYING SAUCER SIGHTINGS

(Ever since the Old Testament prophet Ezekiel recorded an encounter with a fiery flying wheel, people have been seeing saucerlike things in the sky. In the following report Life Correspondent Bill Wise tells of the Air Force's efforts to make sense of all.)

DAYTON, OHIO.—There have been 10,147 reported UFO sightings since a private pilot named Kenneth Arnold claimed he saw a set of rapidly moving "things" in the air near Mount Rainier, Wash., on June 24, 1947. Arnold's widely publicized report set off the first of the modern epidemics of saucer sighting, and the Air Force has been in the saucer business ever since. Its "Project Bluebook" occupies a single room on the second floor of a windowless red concrete building here at Wright-Patterson Air Force Base. Its functions: (1) to try to find an explanation for all reported sightings of unidentified flying objects, (2) to discover whether the UFO's pose any security threat, and (3) to determine if UFO's exhibit any advanced technology which the United States could put to use.

To assist Project Bluebook, there is an UFO officer stationed at every Air Force base in the country; the officer at the base nearest a reported sighting is responsible for initiating the investigation. According to Maj. Hector Quintanella, Jr., a physicist who heads Project Bluebook, most UFO sightings have a rational and usually very simple explanation. The most common reports stem from bright stars, planets and meteorites, particularly when viewed through broken clouds or haze.

Others turn out to be satellites—few people realize that there are now more than 30 of these in orbit that are visible to the naked eye. Thousands of balloons—some as large as 300 feet in diameter, some carrying running lights—are released daily at airports, weather stations and research centers, and these lead to a great many "saucer" reports. Conventional aircraft are another major source—reflecting sun by day or providing the glow of running lights or jet afterburners or the flash of photo recon strobe lights at night.

All satellites and most weather balloons and aircraft are being carefully tracked and logged by military or civilian agencies, and Project Bluebook routinely checks sightings against these records. Unreported local flights by private aircraft pose the most frequent problem in this detective work.

Strange blips on radar screens have occasionally unsettled personnel at tracking stations—e.g., two "objects" that appeared on the scopes at Patuxent Naval Air Station (Md.) last December seemingly approaching the base at an estimated 4,800 miles an hour before making a tight turn and disappearing. But these can generally be traced to pulsating "bugs" within a receiving set or to interference from other neighboring electronic gear. Wright-Patterson experts have been able to account for every errant radar blip reported to date.

There is no question that our Air Force and those of other countries employ assorted airborne hardware as tactical and training devices. Many of these are, of course, seen as flying saucers and it is obvious that for security reasons the Air Force is reluctant to talk about them.

"I have looked at the records of nearly every UFO case back to 1947," says Major Quintanella, "and my feeling is that the vast majority have involved simple misinterpretation of natural phenomena."

Of the sightings so far checked out, less than 2 percent of the total are listed on Project Blue Book's file as unidentified. The Air Force officially concludes that none of these has given any indication of posing a threat to national safety, or offering new technological data, or of originating from some extraterrestrial source. However, some of these files remain officially open and the investigations on them continue.

Dr. J. Allen Hynek, director of Dearborn Observatory at Northwestern University, who is heading up the Ann Arbor investigation for the Air Force, is an old hand at checking on flying saucers for Blue Book. Dr. Hynek notes that sighting reports usually do not originate with persons who believe in outerspace visitations. "Believers" don't need sightings to convince them, and are irritated by the embarrassment and skepticism with which most UFO spotters, like Frank Mannon, report what they believe they have seen.

"It is easy to dismiss the cases of birds, balloons, and the like," says Dr. Hynek, "but when good solid citizens report something puzzling, I believe we have an obligation to do as good a job as we can. I regard our 'Unidentifieds' as a sort of blot on the escutcheon. Somehow we scientists should be able to come up with answers for these things."

Major Quintanella, although certain that no evidence turned up to date has even hinted at spacecraft of unearthly origin, agrees that it is impossible to prove that flying saucers do not exist. In any event, the Air Force is not about to give up chasing UFO's.

"We are spending millions to develop our own rocket boosters to get our spacecraft to the moon and beyond," says the major, smiling. "Imagine what a great help it would be to get our hands on a ship from another planet and examine its powerplant."

The CHAIRMAN. What I want to ask you is, why do they always see them in the nighttime?

Dr. HYNEK. There are a number of reports from the daytime although it is true there are many more night sightings.

The CHAIRMAN. Then there is another thing, if anybody wanted to spy on this country why would they go to this expense, when you can go to any newsstand and get all the information you want, and if that doesn't help you get a roadmap, and if that doesn't help you, hire a Hertz car.

Dr. HYNEK. Maybe they don't know this.

The CHAIRMAN. If the Martians don't know this by this time they will never know it.

Spying on this country is so simple, I cannot understand why the Russians or anybody wants to put something up in the air to spy on this country, when they have got so many avenues we don't police.

Dr. HYNEK. No comment on that, Mr. Chairman.

The CHAIRMAN. Well, you ought to comment on it.

Dr. Chamberlain, we will hear from you.

Dr. CHAMBERLAIN. Thank you, Mr. Chairman. I really have no questions, but I will say the sightings in Michigan were near my area, but not within it. I am pleased to hear your recommendation and to have the Secretary's statement that he intends to implement it.

I am further comforted to know he is giving it further thought and he is going to, at such time as your recommendation is implemented, we are going to have a panel that will consider these things in depth, not just in town for a day, with a cursory look, and disposing of it, because I feel we have other scientific achievements and advances, and that there is going to be a growing importance of surveillance of this phenomena.

I would say, further, the people in our area are concerned about this. There has been considerable responsible editorial comment in our newspapers. It should not be "poo-pooed," as you say.

I am pleased to have your statement.

And, Mr. Chairman, I thank you for having this hearing, and these people in to put some attention on this matter. Thank you.

The CHAIRMAN. Thank you.

Governor Stafford. Governor Stafford, you are from Vermont, how close is this to your district?

Mr. STAFFORD. Thank you, Mr. Chairman. I was going to comment on that.

Mr. Bates has pointed out there have been UFO sightings in New Hampshire, Vermont not to be outdone last week has had sightings there, also, some within 16 miles of my hometown.

The CHAIRMAN. That is getting awfully close.

Mr. STAFFORD. Yes, sir.

Since our States of Vermont and New Hampshire are known as the twin States, Mr. Chairman, this may be simply a case of bad navigation on the part of the UFO's, although some of us think it may be if they are extraterrestrial they are simply looking for a warmer climate than New Hampshire possesses. But in any event, in seriousness, the people in Vermont are very much concerned over the sightings that have occurred in our State, and reputable people have seen phenomenon which they cannot understand.

I would simply hope that the Secretary of the Air Force and the doctor could assure me that if these sightings have not already been evaluated, that in the course of investigation and deliberations they will be.

The CHAIRMAN. I hope if you come in contact with any of them you don't have to tell them where South Carolina is.

Mr. Hébert is next.

Mr. HÉBERT. Thank you, Mr. Chairman.

While these objects have not been seen in my district, I just want to prepare myself, because after next election day I might have seen some of them.

Doctor, have you conferred with Mr. Ray Walston on this subject matter?

Dr. HYNEK. No, sir.

Mr. HÉBERT. Does that ring a bell with you, Mr. Ray Walston?

Dr. HYNEK. No, sir.

Mr. HÉBERT. It does not ring a bell? He is the most authoritative man in the country on space. He appears in every home every Sunday night, he is "My Favorite Martian."

Dr. HYNEK. Oh. [Laughter.]

Mr. HÉBERT. He has an antenna out of his head, too.

Dr. HYNEK. I think I have been talking to the wrong people.

Mr. HÉBERT. He can shed a lot of light on the subject. I just wanted to direct your attention to that.

That is all, Mr. Chairman.

The CHAIRMAN. Dr. Hall, you are next after Mr. Price.

Mr. PRICE. Doctor, if in fact they exist and are from outer space, don't we have a tracking system that now does a real competent job tracking every satellite in outer space so we know every one that is launched somewhere else, and as they circle in outer space we have a record of each of these, do we not?

Dr. HYNEK. It is my understanding that we do. This is the point I made earlier.

Mr. PRICE. If they did travel in outer space there would be a record somewhere of their travels in outer space?

Dr. HYNEK. I would certainly think so, and this, of course, is I think one of the most potent arguments against extraterrestrial visitation by intelligences, unless they were so superintelligent they knew how to evade completely our surveillances. I think this would be pretty difficult.

Mr. PRICE. As they left their normal orbit they could be tracked and followed?

Dr. HYNEK. Yes, sir.

Mr. PRICE. As they left the orbit?

Dr. HYNEK. To the best of my understanding, they certainly could be.

The CHAIRMAN. Dr. Hall.

Mr. HALL. Mr. Chairman, I just wanted to thank the Secretary and his distinguished guests for this, and say for some time we have even had space conventions down in the Ozarks, in the last 13 years, and it would seem obvious to me in view of the report today those who take trips by the use of hallucinatory drugs are almost synonymous with the number of space sightings we have had reported here today, namely, in the order of 10,000. To me it indicates a decrease in the mores and the fiber of those who would subject themselves to hallucinatory influences in the first place.

Thank you.

The CHAIRMAN. Mr. Stratton?

Mr. STRATTON. You mentioned something from Life magazine, Mr. Chairman. There were two pictures in Life magazine I think we would like an explanation of. One of them was a red object which was clearly visible in the photograph. The other were two lights. I think, taken in Sidney Harbor, one at one position and one at another, and then there was the third photograph. I wonder if the Doctor could give us what the explanation is of these?

Dr. HYNEK. Well, sir, unless one has the original negative, there is very little photoanalysis that can be done. It is said a picture is worth a thousand words, but I think in this case it is the other way around, because generally it has been our experience, and I think Major Quintanilla will bear me out, that when we do have hoaxes they very frequently are accompanied by photographs.

Mr. STRATTON. I appreciate it is possible to doctor up negatives.

Let me put it the other way around. Have these three incidents which are reported photographically in Life magazine been examined by you, and, if so, what are your findings with regard to them?

Dr. HYNEK. No, sir; they have not been examined by me, because I do not have the original negatives.

Mr. STRATTON. Are these incidents listed in the list that you have compiled, and which the Secretary has told us 95 percent are explainable?

Dr. HYNEK. No, sir. These particular pictures are not in my list since I don't know enough about them.

Mr. STRATTON. Doctor, I would suggest since these have had very prominent circulation, in a magazine of some prominence in the country, that we ought to examine these particular things and determine whether they are hoaxes or not. If anything is disturbing the Amer-

can people, I would assume a picture of this kind would be disturbing in just the same way that Life's story of what happened to some dogs up in Baltimore has now resulted in legislation being recommended to the House.

You have no explanation or haven't looked into the series of photographs that appear on pages 26 and 27 of Life magazine, and pages 24 and 25?

Dr. HYNEK. I just learned of the Life article last week.

Mr. STRATTON. Is that correct, Doctor?

Dr. HYNEK. That is correct, I have not examined the photographs and information published by Life.

Mr. STRATTON. Has anybody examined them in the Air Force?

Major QUINTANILLA. Mr. Stratton, we have asked for the negatives of those pictures, but the citizens will not turn the negatives over to the Air Force. You cannot force them to turn them over to the Air Force.

Mr. STRATTON. They turned them over to Life magazine, haven't they?

Major QUINTANILLA. You will have to ask them; I don't know.

Mr. STRATTON. What has Life got?

Major QUINTANILLA. I don't know, sir.

Mr. STRATTON. How can you have examined this without finding out what Life has?

Major QUINTANILLA. What is that, sir?

Mr. STRATTON. How can you have examined these particular instances without finding out what Life has?

Major QUINTANILLA. The Air Force has not investigated these instances, sir, and the photographs have not been examined because the negatives have never been turned over to the Air Force.

Mr. STRATTON. You have not been in touch with Life magazine to find out what they have?

Major QUINTANILLA. No, sir; we have not.

Mr. STRATTON. Don't you think it might be well to undertake to make an effort to find out whether Life has the negatives, for example, or whether they have been in touch with the individuals concerned?

Major QUINTANILLA. Yes, sir.

Mr. STRATTON. Well, I think, Mr. Secretary, as I just said, I am very much impressed with the doctor's statement, and with yours, but this kind of thing in Life magazine makes it appear that there is something there, and you say that you have examined these things, and there is nothing there, and I think that you ought to have examined this so that we can have an explanation of these particular phenomena.

The CHAIRMAN. Let me say something.

We cannot ask the Secretary to look into every magazine that is published, or every periodical that comes out of everybody's printing press. Now, it seems to me like Life magazine is not exempted or excluded, if they are as interested as they appear to be in this magazine, that comes to my office free, and which I seldom look into—that is my responsibility, I have other things to do—it looks to me like these people who give such great dissemination to these things would be interested in seeing what the DOD has, without imposing on the Secretary of Defense the responsibility of tracking down everything that comes out of everybody's camera. I do not know why we should im-

pose on the Secretary the requirement to track down Life magazine and say give me your negatives, give me your reasons. Is this what you want?

Mr. STRATTON. Mr. Chairman, it was my understanding we were asking this question because many people had been somewhat concerned by these reports in recent days, including the distinguished minority leader in the House.

The CHAIRMAN. Yes.

Mr. STRATTON. And it does seem to me when a national magazine that has as much influence as Life has, prints some photographic—what purports to be photographic—pieces of evidence of these objects, we ought to if we are going to allay the concern of these people who have started this investigation by our committee in the first place, that we ought to have an answer to it.

The CHAIRMAN. I think so, too, but I don't think we should criticize the Secretary for not having done it.

Mr. Secretary, here is what I am going to request you do. You get in touch with Life magazine and request them to furnish you with this information that Mr. Stratton has brought to your attention, or any other magazine, and report back to this committee.

Secretary BROWN. We will be glad to do so.

The CHAIRMAN. I am sure Life magazine would be eager to do this. Mr. Stratton, I think you are wise in suggesting it, but what I didn't want to do is to unwittingly criticize the Secretary for not having done it.

Now, Mr. Secretary, will you do it?

Secretary BROWN. We will do it, Mr. Chairman, and we will I think continue to follow our ground rules—

The CHAIRMAN. You get those negatives if you can and turn them over to the doctor, and I want a report on it.

Mr. STRATTON. Mr. Chairman, I have one more question. May I say I wouldn't dream of criticizing the Secretary, he and I are good friends, and he knows I am only trying to be helpful.

The CHAIRMAN. Of course, and I know he cherishes your friendship, and so do I.

Mr. STRATTON. The other item that has really led to all this concern today are these sightings in Michigan. The Secretary has given us a report, but I have only had a chance to skim over it. The doctor here a moment ago commented with respect to these people in Wisconsin that only two or three people in the area had seen the phenomenon, and wasn't it surprising that a lot of people who must have been around didn't see it.

If I understand the newspaper accounts correctly, the thing that is unique about the Michigan sightings is that a lot of people in the area saw it, and the girls in the dormitory apparently sat around for hours watching it, and people came and went, and all saw whatever it was.

Now, I wonder if you could give us in a nutshell what the explanation of this is? Marsh gas is what I understand is the explanation.

Could you tell us, doctor, in a few words the gist of what you discovered out there that you have reported here?

Dr. HYNEK. I will be happy to. I conducted a detailed inquiry into the two reported sightings at Dexter and Hillsdale, Mich. Of the 50 to 60 people who reported having seen one or the other of these I talked with about 32 persons.

The CHAIRMAN. How many, doctor?

Dr. HYNEK. With about 32 people. I talked with some of these briefly, but spoke with at least 15 persons in considerable detail.

These two sightings, although separated by some 65 miles, were a localized phenomenon. They were in the swamp area. No individual that I talked to, and no group of persons, could agree that they has seen anything either enter or leave the swamp. There were several isolated reports by people who said that yes, they saw a bright light come, but they could not get any general support or concurrence on this, from the others. Witnesses did agree that they saw a glow, and red, yellow, and green lights in the swamp area in both cases. So I said to myself, "What is common in swamps?" And I researched this question with the aid of several professors at the University of Michigan. They have been very helpful to me in this, since an astronomer doesn't know about swamps; he usually has his eyes a little higher than that. They informed me, and I later found in several books, that marsh gas, resulting from the spontaneous igniting in air of such gases as CH_4 , methane, H_2S , PH_3 , phosphine, and particularly important, P_2H_4 , an impurity in phosphine, is a common occurrence and produces what appears to be glowing lights of different colors. Since then I have had several letters from people saying "What are they getting all excited about in Michigan, I have seen these things since I have been a kid on the farm." As these gases are ignited, they can produce red, yellow, and green glows. There is nothing mysterious about these colors.

The lighting goes out here, and goes on here, thus giving the impression of motion. The light was moving smoothly, they said, not following the train which was bumpy, and they also rose some distance and came down. They were reportedly observed for a period of $2\frac{1}{2}$ to 3 hours.

In a book, "Light and Color in the Open Air," it is pointed out that swamp lights, commonly known as will-o'-the-wisp, fox light, and so forth, can be observed for several hours, sometimes all night.

And the conditions were just right for it in Michigan. In both cases, the winds were reasonably calm. Had there been high winds, it is unlikely these glows would have taken place.

Furthermore, Michigan had experienced an unusually mild winter. They tell me there wasn't much snow. However, the swamp had been covered by ice.

Now, in a swamp rotting vegetation produces these marsh gases. When a thaw comes, it seems entirely logical to me, that these gases would bubble up, and be spontaneously ignited, and you would see these things. To me it is a logical explanation. I said in my press release I couldn't prove it in a court of law but it seems to me to be a very logical explanation.

The CHAIRMAN. Now, Mr. Ichord.

Then I will come over to the other side.

Mr. ICHORD. Let me first differentiate, Mr. Chairman, my position from the chairman, and Mrs. Rivers, and also Mr. Nedzi.

I am neither a believer nor a disbeliever. I am from Missouri, and I have got to be shown.

The CHAIRMAN. You got right ahead.

Mr. ICHORD. I would like to ask, along the line Mr. Stratton was inquiring, how close was the Life magazine article to April Fool's Day?

Mr. Chairman, one of the members of the committee staff has handed me a question that I think should be in the record.

Doctor, are you familiar with the NICAP, the National Investigations Committee on Aerial Phenomenon?

Dr. HYNEK. I would think anyone who has been looking into UFO's for the past many years as I have couldn't help be acquainted with their work.

Mr. ICHORD. What is the makeup of this committee?

Dr. HYNEK. It is called a committee, but it is a rather large group of civilians over the country, as I understand it, who volunteer to investigate the cases.

Mr. ICHORD. It has no official standing, then?

Dr. HYNEK. No official governmental standing; no, sir.

Mr. ICHORD. This committee does not always agree with your explanation of the various sightings?

Dr. HYNEK. I believe that is correct.

Mr. ICHORD. How many, Doctor, of the 10,000-plus cases, have there been photographs allegedly taken of UFO's?

Dr. HYNEK. In a very few cases. This is another thing which bothers me.

Mr. ICHORD. Can you give an idea of how many?

Dr. HYNEK. How many?

Major, would you venture a guess?

Major QUINTANILLA. I don't know.

Dr. HYNEK. I would say only about 1 percent, or less, of the cases reported have included photographs.

Mr. ICHORD. Then I take it you can't tell me how many of these photograph cases have not been explained by you, since you can't tell me how many photographs have been taken?

Dr. HYNEK. This is right. But the point is that you cannot make a scientific analysis of a photograph unless you have the negative.

As the major has pointed out, time and again when we request the negatives, they are not forthcoming.

Sometimes other groups get them.

Mr. ICHORD. Thank you, Mr. Chairman.

The CHAIRMAN. Now, Mr. Clancy.

Mr. CLANCY. Mr. Chairman, just one short question for the doctor. Have any of the 5 percent of the unexplained cases been observed on radar screens?

Secretary BROWN. I don't know the answer to that one.

Major QUINTANILLA. No, sir.

Mr. CLANCY. What percentage of the reported incidents have been reported on radar screens?

Major QUINTANILLA. About 1.5 percent, sir.

Mr. CLANCY. That is all.

The CHAIRMAN. Mr. Schweiker, we are finishing up now.

Mr. SCHWEIKER. Yes, sir, Mr. Chairman.

First I would like to request the Beaver County photograph be included in the Air Force investigation, the one that appeared in Look magazine, and was verified by the Beaver County Times. I hope that will be included.

The CHAIRMAN. We will get an Air Force report on that, too.

Mr. SCHWEIKER. Do I understand that you said none of the unexplained objects have been sighted on radar?

Major QUINTANILLA. No, sir; I said 1.5 percent.

Mr. SCHWEIKER. No, the first question he asked you was, have any of the unexplained objects been sighted on radar. I thought you said "No" to that just a couple of minutes ago.

Major QUINTANILLA. That is correct. We have no radar cases which are unexplained.

Mr. SCHWEIKER. All right.

Let's go back to the story Mr. Bates was talking about, Exeter, N.H., the one Mr. Fuller has written about in several magazines.

I understand this is an unexplained sighting on your part, is that correct?

Major QUINTANILLA. That is correct, sir.

Mr. SCHWEIKER. He specifically says in his story—and I quote his words now—

Confidential comments made to me by the Coast Guardsmen and military in the area support the laymen's testimony and confirm the reports of radar sightings and scrambling by jet fighters from Pease Air Force Base.

Major QUINTANILLA. No, sir; that is not correct. We have no radar information on that sighting. No jet fighters were scrambled.

Mr. SCHWEIKER. Let me ask you this: In the Pease Air Force Base, you had an investigation by Major Griffin, and a Lieutenant Brant, is that correct?

Major QUINTANILLA. Sir?

Mr. SCHWEIKER. In the situation at Exeter, N.H., did you have a report filed to you folks by Major Griffin and Lieutenant Brant?

Major QUINTANILLA. Yes, sir; we did.

Mr. SCHWEIKER. Could we have copies of their raw report?

Major QUINTANILLA. Yes, sir; you may.

Mr. SCHWEIKER. What were their conclusions?

Major QUINTANILLA. They couldn't explain it.

Secretary BROWN. They sent them over to us.

Mr. SCHWEIKER. They made no mention of planes scrambling from Pease Air Force Base?

Major QUINTANILLA. There were aircraft in the area on regularly scheduled missions, but they were not scrambled for the purpose of observing the reported UFO's.

Secretary BROWN. Two of my staff have pointed out to me, Mr. Schweiker, that Pease AFB has no fighters; it is a SAC bomber base, and is not a fighter base.

The CHAIRMAN. Are there any other questions, Mr. Schweiker?

Mr. SCHWEIKER. Yes, sir.

I would like to ask the doctor:

You said to have some bona fide sightings we need a lot of people and a point-to-point situation and some other things. Doesn't the Exeter, N.H. sighting, at least as reported—I want to point out that in this sighting there were several policemen, including the chief of police and several news people who all reported the same phenomena, 60 people. Doesn't that meet your criteria; a lot of people saw it, it was a point-to-point situation, at least this observer says there were

radar sights. This apparently seems to be in disagreement at the present time.

Wouldn't that be a classification of what you said we don't have?

Dr. HYNEK. No, sir. I said there were several cases where we had a lot of witnesses. It does not have to be a point-to-point situation. When an airliner leaves New York for San Francisco, it is seen over Ohio, Nebraska, and so forth. These sightings were confined to a relatively narrow area. I want to know what happened to these objects. Why weren't they seen over Fort Wayne, Ind.?

Mr. SCHWEIKER. The fact one officer reports he went to the scene after someone else sighted it, and returned back to the same point, there it was, according to the police officer's testimony.

Dr. HYNEK. Yes, sir, but it was in the same area. We don't know what it was. I would like to know what it was.

Mr. SCHWEIKER. One of the other witnesses in this story—and all I have to go on is what the reporter's writing says, they did, in fact see it go from point to point, while they were watching it.

Dr. HYNEK. Within a relatively narrow area. But I don't recollect whether they saw it leave for distant points. One of the things that seems to be so odd about this particular case is that we did not find horizontal trajectories over any length, as you would expect from a craft.

Mr. SCHWEIKER. Is the Beaver County sighting unexplained or is that explainable, this photograph I referred to?

Major QUINTANILLA. Is this Mr. Lucci's photo?

Mr. SCHWEIKER. Yes, sir.

Major QUINTANILLA. We have asked Mr. Lucci to submit the negative for photo analysis, but he has refused to do so.

Dr. HYNEK. It needs a double exposure, as we can judge from the print.

Major QUINTANILLA. We asked the gentleman to submit the negative for analysis and he refuses to do so.

Mr. SCHWEIKER. On what basis?

Major QUINTANILLA. I don't know, sir. We requested the negative.

Mr. SCHWEIKER. He submitted it to the Beaver Times. They published it. Maybe these people are a little skeptical about turning over negatives without some assurance.

I think we ought to look into that a little bit, because the newspaper claims they saw the negatives, examined by their photographic experts and they are authentic.

Major QUINTANILLA. I have a copy of our letter in my files asking Mr. Lucci to submit the negative for analysis, and he declined to do so. That is all I can say.

Mr. SCHWEIKER. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Schweiker.

We will go to Mr. Leggett.

Mr. LEGGETT. Mr. Chairman, Mr. Wilson and I want to go on record at this time that we do not believe; we are intelligent people.

Mr. BATES. Which Wilson?

The CHAIRMAN. We are going to adjourn, and we are going to meet again at 2:30. If there is no reason to hold Dr. Hynek and Major Quintanilla, we will let them be excused. Some people say whenever you all have gone we are going to get down here in executive session.

and you, Dr. Brown, are going to tell us—here is what I meant to tell you—and this is far from the truth.

I know of nothing else to ask him. I think we have explored everything.

Mr. Stratton, have you had any afterthoughts?

Mr. STRATTON. Just one question.

Was there not a sighting, back it seems to me in 1947, when an object was observed on radar, either at National Airport or Bolling, both coming in and going out? It seems to me there was also a visual sighting that went along with that.

Do you—Major Quintanilla, I don't know how long you have been following this, but is this in your records at all?

Major QUINTANILLA. I am sure that if the sighting was reported to the Air Force it is on record, but I am not aware of this particular one, sir.

Mr. STRATTON. It seems to me both the radar and the reported visual sighting were relatively in agreement. I just wondered if you were familiar with it?

The CHAIRMAN. Thank you, Mr. Stratton.

Are there any other questions from any other member of the committee?

Mr. ICHORD. We will be back here at 2:30?

The CHAIRMAN. The committee will reconvene at 2:30 for the purpose of taking up 412.

Dr. Brown, we have no more requirement for the major and Dr. Hynek, and the resumption of the hearing this afternoon will be in executive session.

It will have to do with 412. We will take up where we left off.

Dr. Brown, if you and General McConnell will be back at 2:30, we will meet. We don't plan to have a meeting Thursday, because I think a lot of members will have gone, if we finish on Wednesday. But we do want to meet this afternoon, and tomorrow, and maybe tomorrow afternoon.

Then I think we may be able to finish with Dr. Brown before the recess.

At 2:30, Dr. Brown. And I want to thank you, Dr. Brown, for producing this information.

(Whereupon, at 11:55 a.m. the committee was adjourned to reconvene at 2:30 p.m. of the same day.)





