COMMANDERS DIGEST

DEPARTMENT OF DEFENSE . WASHINGTON

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Plans Made To Cut Outlay

The Department of Defense has completed plans under Project 693 to reduce FY 1969 expenditures by \$3 billion from budget estimates last January.

The Revenue and Expenditures Control Act of 1968 requires a total expenditure reduction of \$6 billion for the Federal Government. The Defense Department share of this reduction is \$3 billion.

Announcing the completion of Project 693 Dec. 10, Secretary of Defense Clark M. Clifford said a thorough review with the Military Departments and Defense Agencies was initiated in early June 1968 to identify areas in which FY 1969 expenditures could be reduced, under three principal guidelines:

1—The needs of our forces in Southeast Asia were to be provided for fully, without exceptions.

2—The necessary reductions were to be accomplished in such a manner as to minimize their adverse effects on our over-all military strength.

3—The programs and activities selected for reduction were to be arrived at cooperatively by the Services and the OSD staff, and all proposed changes involving forces and major weapon systems were to be reviewed by the Joint Chiefs of Staff. When agreement could not be reached through this procedure, the issue was to be resolved by Secretary Clifford and Deputy Secretary of Defense Paul H. Nitze.

Final determinations on all actions necessary to meet the Department's expenditure reduction objective could not be made until Congress completed action on the Defense authorization and appropriations bills. However, a number of actions were taken early in

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CHRISTMAS MASS — Archbishop Terence J. Cooke, Military Vicar of United States Armed Forces, conducts Midnight Mass in Vietnam.

Electric 'Eye' To Scan Globe

Plans for a new sophisticated satellite communications system capable of being steered by ground control over any trouble spot in the world—"hopefully by early 1971"—were revealed Dec. 12 at an Air Force Association meeting in Fort Worth, Tex.

Making the announcement was Lt. Gen. Richard P. Klocko, U.S. Air Force director of the Defense Communications Agency in Washington.

Drawing a strong analogy between the Phase I Defense Satellite Communications System (SATCOM),

(Continued on Page 7)

From The Commander-In-Chief

It is Christmas Eve here in Washington and across the continent as I speak to you.

The signal on which my voice travels to you unites us all—from the White House to bunker—all along that line which stretches around the globe, where you stand your vigil on the freedoms we cherish.

More than my greetings go out to you on this Christmas Eve. My respect, my admiration, and my appreciation—these I send you in fullest measure from my heart.

No group of Americans has earned their countrymen's gratitude more than you. No generation before you has served the Flag with greater devotion. None have borne arms in battle with higher distinction.

It was your destiny to serve your nation in an hour of grave crisis. To you fell the hard duty of preserving freedom in the agony of war—during a restless time of doubt and division.

But you have stood as the rock of our resolve that Freedom shall endure on this Earth.

This Christmas, the world is brightened with the hope of peace. When it comes—when hope turns to substance and the guns are quiet once again—it will come because you have pursued it with courage and skill. It will come because you have won it with a steadfast spirit that adds new luster to the honored tradition of American arms.

This will be my last Christmas message to you as your Commanderin-Chief. But I will remember you all the days of my life, as the patriots who manned the watchtowers in a time of peril, so that we might live as free men.

As one who is proud to have served with you, I salute you. And I pray that God will keep watch over you all, and unite you soon with your families and loved ones.

Defense Plans \$3 Billion Pullback

(Continued from Page 1)

order to obtain maximum advantage of the expenditure savings and these were announced previously by the Department. These included:

1-Not to complete activation of the 6th Infantry Division.

2—Inactivation of 53 Navy ships and seven Naval Air Squadrons. (The original announcement of 50 ships and eight squadrons made Aug. 7 was subsequently revised to 53 ships and seven squadrons.)

3-Inactivation of 23 Nike Hercules firing sites.

4—Deactivation of seven F-101 squadrons in the first quarter of this fiscal year instead of later, as previously planned; and the stretch-out of F-111A and FB-111 production schedules.

5—Early release from active duty of approximately 30,000 two-year Navy enlistees.

6—Reduction of about 2,400 civilian positions in employment levels at Navy laboratories.

Amounts of the reductions made by the Services and the Defense agencies to reach \$3 billion in expenditure cuts for FY 1969 are listed below. (Also included are the program changes of \$5.7 billion in total obligational authority which were required to obtain the FY 1969 \$3 billion expenditure reductions:) The Defense Department said the major reductions in the Navy are in F-111B aircraft procurement; operational areas including ship and aircraft squadron inactivations, aircraft modification and rework, ship overhauls, administration and logistic support programs; equipment procurement for non-SEA forces; ship construction, military personnel and research and development programs.

In addition to unit inactivations and revised aircraft production schedules, the Air Force is reducing military and civilian manpower in support activities by 8,000 military and 8,000 civilian spaces; has deferred initiation of expanded proficiency pay awards in five specialist fields; slowed development efforts in the Manned Orbiting Laboratory program and slightly delayed its initial launch; deleted or delayed a number of construction projects; and reduced or delayed a variety of research, development, test and evaluation programs.

In OSD and the Defense Agencies, the major actions were reductions of not less than three per cent in administrative areas, and reductions in the procurement programs for computer equipment and inventory levels in the Defense Stock Fund.

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	FY 1969	Total
	Expenditure Reductions	Program Reductions
Department of Army	900.0	1443.3
Department of Navy	992.0	2396.0
Department of Air Force	928.0	1547.4
Defense Agencies	180.0	346.4
Total	3000.0	5733.1

While the reductions have been made in all areas of Department of Defense operations, the greatest cuts in the case of Army are in the logistical support area for supplies, spares and repair parts levels and equipment maintenance for non-SEA forces; reductions in equipment procurements for non-SEA forces consistent with minimum impact on readiness; and reductions in military constructions programs.

COMMANDERS DIGEST

THIS PUBLICATION CONTAINS OF-FICIAL INFORMATION, NEWS AND POLICY, DIRECT FROM WASHINGTON AUTHORIZED SOURCES.

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Million Vets Have Entered G.I. Bill Plan

Current and former members of the Armed Forces continue to take advantage of the Post-Korean G. I. Bill to enroll in institutions of higher learning.

Since the bill came into effect June 1, 1966, more than one million veterans have entered into training, said Administrator of Veterans Affairs William J. Driver.

Veterans Administration figures show that since the inception, 985,805 veterans with service after Jan. 1, 1955, and 68,959 servicemen with at least two consecutive years of active duty have enrolled in training.

Better than 60 percent—639,722—entered schools of higher learning. This compares with 51 percent under the Korean Conflict G. I. Bill and less than 30 percent under the World War II program.

Some 378,000—or 36 percent—entered below college level or in-flight training. The remaining 36,639 are in the on-the-job training programs.

Under a new law that went into effect Dec. 1, veterans with at least 18 months of service after Jan. 31, 1955, are entitled to the maximum of 36 months of VA educational assistance. Those with less than 18 months' service are entitled to one-and one-half months of assistance for each month of service.

Veterans now in training will be automatically credited by VA with whatever additional entitlement under this new law that may be due them. They need not apply for a new certificate.

Veterans who dropped out of training or who exhausted their previous entitlement but now have additional entitlement because of the new law are being notified of the specific, individual additional educational assistance from VA for which they are eligible.

M-16 Cost Cut

Secretary of the Army Stanley R. Resor has announced that both of the new M-16 rifle producers are significantly ahead of schedule and that production costs will be substantially under ceiling prices set in letter contracts last April.

The accelerated schedules being achieved by the original producer, Colt's Incorporated, and the two new producers, General Motors Corp. and Harrington and Richardson, will enable the Army to equip the Republic of Vietnam armed forces and paramilitary forces seven months earlier than would have been possible under normal procurement and production leadtimes.

General Motors of Ypsilanti, Mich., has already delivered the first production run of 100 rifles to the Army—three months ahead of schedule. Harrington and Richardson of Worcester, Mass., is expected to make first deliveries this month under its contract. This would be two months ahead of schedule.

General Motors has been awarded a firm fixed-price contract for the production of 240,000 rifles at a total cost of \$40,869,600. A facilities contract for \$6,110,000 was previously awarded.

This represents a reduction of \$9,300,000 which is 16.5 percent below the ceiling price set in the April letter contract. After deducting one-time startup and facilities costs, GM's production price per rifle is \$131.

The firm fixed-price contract covering 240,000 rifles to be produced by Harrington and Richardson is \$33,701,522. A facilities contract for \$6,995,000 was previously awarded to H&R.

This represents a reduction of \$825,000 under the ceiling figure previously named and excluding the one-time startup and facilities costs, amounts to a production price per rifle of \$122 for H&R.

Commenting on the \$6 million difference in the total prices between H&R and General Motors, Army officials stated that GM's higher unit price per rifle is attributable, for the most part, to higher labor costs.

New Power Pod Is Versatile

A study by the Army Combat Developments Command at Ft. Belvoir, Va., visualizes a rubber-tired power pod which would perform the work now accomplished by the non-track bulldozer, front loader, grader, scraper, dump trucks and two items of soil stabilization equipment.

Named "FAMECE" (Family of Military Engineer Construction Equipment), the equipment is aimed for combat engineer battalions in the mid-1970s.

According to Maj. Joseph A. Lupi, CDC Engineer Agency and project officer for FAMECE, the attachment of power pods to the special wheeled attachments could be done in less than 30 minutes without special tools or equipment. It will be designed to move fast enough to match convoy travel and work on steep inclines. Present equipment road speeds are

generally below convoy speeds and many items of equipment must be moved on trailers.

Unlike much of the existing military earth-moving construction equipment, the power pod and the individual attachments would be light enough to be lifted by the helicopters of the 1970's and could be moved by aircraft or para-dropped.

Major Lupi said, "With a common power pod and versatile attachments, engineer combat battalions will be able to move more dirt—in less time—with the same amount of personnel."

Initial CDC planning calls for FAMECE to be used by combat engineer units in forward areas. Further studies will evaluate operational, economic, and productive feasibility for use by other engineer units in all areas under all conditions.



WOMEN IN NORTH—Mrs. Genie Chance, vice chairman of Defense Advisory Committee on Women in the Service, addressed members of the Air Force and Women's Army Corps at Elmendorf AFB Luncheon. Left to right are Maj. Helen Blakeman, staff advisor for Alaskan Air Command; Mrs. Chance; Maj. Eva Taylor, Army Nurse Corps, Fort Richardson, and Maj. Rosemary Wood, headquarters, U.S. Army, Alaska.

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U.S. POLICY IN AFRICA

"Despite many decades of American contact with Africa, through the activities of missionaries, traders and explorers, and despite the fact that more than a tenth of our population is of African origin," says Assistant Secretary of State for African Affairs Joseph Palmer 2nd, "American contacts with Africa tended to be superficial and uninformed until well into the post-war period."

In the last 10 or 15 years however, he points out, there has been an amazing growth of private American contacts with Africa. Our official contacts have also grown from a handful of Foreign Service posts to 39 embassies and 19 consulates or other constituent posts today.

Below are excerpts from Mr. Palmer's address of December 5.

The underlying themes of American policy toward Africa in the post war period may be summed up as follows:

Independence and National Identity

Each new African country in its own fashion has been deeply concerned with evolving governmental institutions reflecting its own identity and responding to its own needs as an independent nation. Since our own traditions support the genuine independence of nations, our interest has been clearly to support those aspirations.

Since the high-water mark of independence in 1960 the truly remarkable characteristic has been that so many nations have undertaken so much political change with a minimum of violence.

Nigeria is a sorrowful exception to peaceful change in Africa today. . . . The issues which stand in the way of a peaceful settlement are both complex and stubborn.

On the Biafran side, it is maintained that the survival of the Ibos as a people can only be assured by the realization of full sovereignty. On the Nigerian side, the issue is the secession of one of some 250 tribal units in the country.

In the last analysis, these are issues which the peoples concerned must resolve. But they are also issues of fundamental significance to the rest of Africa, which carries from its colonial past a deep fear of further fractionalization of Africa's some 2,000 ethnic groups into politically and economically non-viable units.

The Organization of African Unity (OAU) has patiently and persistently—although unsuccessfully—endeavored to resolve the conflict. We continue fully to encourage and support those efforts, as we do those of the International

Committee of the Red Cross and other relief agencies in bringing assistance to the starving.

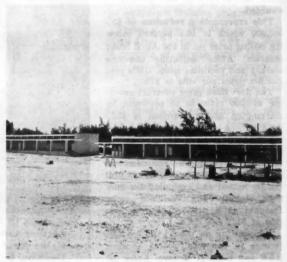
Regional Cooperation

We have been greatly encouraged by the gathering momentum of African regional cooperation which the nations of the continent have developed in the brief years of their independence. This movement has both our diplomatic and economic support.

Since the OAU came into being in May 1963, it has pioneered in the search for peaceful solutions to a number of African problems. In addition to its efforts in Nigeria, it has helped cool tensions arising from Africa's ill-defined borders—in the Maghreb of North Africa and in the Horn of Northeast Africa. And it has helped relieve threats of subversion—in West Africa and in the Congo.

But African cooperation has been more than political. There are now almost a score of organizations seeking to further the economic development of the continent.

The U.N. Economic Commission for Africa is the oldest and most general of these bodies. The East African Community represents statesmanlike cooperation among Kenya, Tanzania and Uganda—and may well be joined by other neighboring states. The African Development Bank is pioneering in the field of financial development assistance. Various river and lake basin groups, such as the nations along the Senegal and around Lake Chad, are experiment-



Somali policemen, in Mogadiscio, using U.S. AID materials, built their own modern Police Academy which now trains 600 recruits a year.

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In Kenya a pumping station at Kamarin provides water for these dugout log outlets used by farmer and his family.

ing in cooperation on specific common developmental prob-

Self-Determination

We have consistently supported the principle of selfdetermination. This support has been a factor in the decolonization of five-sixths of the continent of Africa. But the process is not yet complete, since this fundamental issue of self-determination continues to underlie the complex of problems found in Southern Africa.

In Southern Rhodesia, the Smith regime seeks the independence of the country, but has yet to convince the world that it is prepared to abandon de facto white domination by the six per cent who now rule over the 94 per cent who lack an effective voice in their destiny.

Arms Buildup

We have attempted to discourage arms buildups in Africa beyond the needs of internal security and legitimate self-defense. With very limited economic resources, most African countries would prefer to concentrate these resources on economic and social development, rather than on expensive and non-productive weaponry.

Unfortunately not all nations of the world have engaged in similar self-restraint. Perhaps the most dramatic example in Africa is the Soviet military program. Following the Arab-Israel hostilities of June 1967, the U.S.S. replenished or expanded its arms program to Algeria, the Sudan and the U.A.R. in an effort to increase Soviet power in the Mediterranean and in the Middle East.

These arms inject an additional element of instability into an area where armaments to date have been limited. Such shifts in the pattern of military power not only cause concern on the part of neighboring countries, but open up the possibility—which the U.S. has sought to avoid—of an East-West arms competition in Africa.

An arms race—even if the U.S. or others were willing to engage in it—would solve no problems and would add

greatly to the economic and political burdens of the area. The real strength of Africa must lie in the viability of its institutions, the prosperity of its peoples and the self-restraint of its leadership. Thus far African awareness of this fact has been remarkably apparent.

New Relationships with Europe

As an integral part of their independence, African nations wish to develop new relationships with the rest of the world based on equality and mutual interest. . . African nations recognize that they must continue to find much of the assistance for their development in Europe. Most have chosen to work with the former colonial power, modernizing the ties that used to bind them together.

We support sustained and close cooperation between Europe and Africa, and the continuation of the very important European economic assistance to Africa.

International Trade

The question of trade is vital to the new countries of Africa. We have supported international agreements whenever these provide workable means for stabilizing the prices of the products—notably coffee and cocoa—that Africans produce.

Africa's enonomic future, in fact, will heavily depend on whether or not it can develop adequate markets, both for its agricultural products and for the manufactured goods that it will increasingly be producing.

Economic and Technical Assistance

Economic and technical assistance will remain crucial to Africa. Most African countries for some time will continue to be dependent on outside capital for their development. Economies in which per capita income is \$50 to \$150 per year cannot accumulate the savings needed to finance the roads and harbors, dams and power lines, schools and clinics that they need if they are to grow. They cannot tax income they do not have.

Secretary Clifford Pleased By Domestic Problem Plan Progress

Secretary of Defense Clark M. Clifford found the response "very gratifying" to his request for suggestions concerning increased Defense Department effort in alleviating domestic problems.

Secretary Clifford announced the program Sept. 20 in a speech before the National Security Industrial Association, in Washington, D.C.

At that time he said the Defense Department had not only a moral obligation but an opportunity to contribute far more to the social needs of our country than it has in the past.

He called on the Secretaries of the Army, Navy and Air Force, the Director of Research and Engineering and the Assistant Secretaries of Defense to address themselves to this challenge and to report by Nov. 30.

"The response has been very gratifying," Secretary Clifford reported Dec. 10.

"In one service alone, the Air Force, 2,500 suggestions were submitted from base and commands all over the country," he said.

He acknowledged that the process of consolidating and evaluating this large body of creative ideas was time consuming. "However, I expect to be able to present my successor with a set of constructive proposals which will be helpful to him in ensuring that this Department plays a positive part in improving our society, without in any manner encroaching on the responsibilities of private or other public agencies, and without impairing its primary mission of defending our Nation."

The Secretary of Defense grouped a large proportion of the suggestions into four broad categories:

1—Making available for civilian use the spin-off of knowledge resulting from activities undertaken as a direct part of our primary function; for example, applying to civilian uses experience learned from military education and training.

2—Utilizing facilities which are required for defense purposes but are not used on a full-time basis; for example, using portions of installations

Secretary Clifford

for summer youth programs, on-thejob training, or upgrading the underskilled worker.

3—Channeling some funds for procurement, maintenance and repair of equipment in a manner that will have beneficial social effects; for example, directing that the overhaul of certain types of equipment returned from Vietnam be directed to firms that hire and train hard-core unemployed.

4—Providing uniquely useful Defense facilities, equipment and personnel to other agencies on a reimbursable basis; for example, the Armed Forces Entrance and Examination Stations could be made avail-

able to civilian medical agencies for large-scale diagnostic health examinations, particularly of children at an early enough age to permit adequate treatment in their most formative years.

"Of course," Secretary Clifford continued, "we have not been merely studying ideas since Sept. 26.

"A contract was recently awarded to a joint venture of the General Electric Co., and Gibbs Associates to produce final drawings for the 200family housing units at George AFB, Calif., that I mentioned in my speech

"My office has entered into an agreement with the Department of Labor for 5,600 hard-core youths to be given on-the-job training for Civil Service positions at Defense facilities in 41 cities throughout the country...

"I have today (Dec. 10) approved a proposal for building one model school in each of the overseas areas where we maintain dependent schools. In consultation with officials of the Office of Education, the Educational Facilities Laboratory and the American Institute of Architects, my staff has drawn up a plan for a competition that we expect will result in new buildings that will permit the latest educational methods in settings most conducive to learning . . .

"I have today (Dec. 10) authorized issuance of a request for proposals for a hospital design to incorporate new cost-saving technologies and to identify research and development projects that have a high potential for improving future hospital care..."

Secretary Clifford added this note:
"As an aside, lest someone question why the Department of Defense is concerned with hospital design, I might note that we operate 250 hospitals and 450 dispensaries that provide health and medical care for over 10 million eligible people. The annual cost is now in excess of \$1.8 billion a year and rising at the rate of 15 per cent a year."

New Electric 'Eye' to Scan Earth's Surface

(Continued from Page 1)

launched in 1966 by DCA, he stressed the importance of the new proposal. Phase I has resulted in the successful orbiting of 26 SATCOMs.

General Klocko told his audience, the Secretary of Defense instructed his agency to be the focal point for planning and implementing the Defense Satellite Communications program in 1962.

Explaining Phase I, he mentioned its successes and inadequacies. He said, "It is interesting to note that these are non-synchronous satellites in an equatorial orbit, drifting in an easterly direction slowly around the world at an altitude of 18,200 nautical miles.

Because the satellites are not synchronized, "bunching" occurs at times and they are not always in view of ground terminals, thus preventing a 100 per cent availability of the system. Ground terminals spaced geographically apart cannot communicate unless a common satellite is in view of both sites.

In contrast, he pointed out, "The satellite of the follow-on Phase II communications system will be synchronous, that is, even though they are orbiting around the equatorial plane in an easterly direction they move at the same rate as the rotation of earth which gives them the appearance of sitting still in space from an observer on earth."

As a result, he continued, "These synchronized satellites of Phase II systems will allow them to be in view of earth terminals at all times."

In referring to the Phase I communications system, Gen. Klocko said, "We pressed this experimental system into operational service nearly two years ago to help meet urgent requirements associated with the buildup in Southeast Asia.

"Even though the Phase I Defense Communications Satellite System must still be classed as only a rudimentary system, bearing the same relation to Phase II as the model T Ford does to a modern autombile, it has afforded us yeomen service. Besides handling a few voice and telegraph circuits, the satellites and earth terminals between South Vietnam and Washington have, since 1967, been successfully transmitting high-quality reconnaissance photographs from Vietnam.

"This, incidentally, was an Air Force-conceived and managed project carried out under the over-all cognizance of the Defense Communications Agency, with the assistance of the Army and Navy."

The Phase II satellites are to be provided with sufficient on-board fuel supply to keep them on station, virtually motionless in the sky as an earthly observer is concerned—"with sufficient fuel to allow each satellite to be moved several times during its life from one equatorial longitude position to another. So, when the next bit of trouble breaks out on the other side of the world, that's one piece of equipment we won't have to airlift.



MOON AHEAD.—Artist's concept shows Apollo 8 spacecraft, its nose pointed down toward the lunar surface, as it photographs the Moon and makes landmark sightings and other observations. A cutaway section shows one of the astronauts at work. Apollo 8 completed a successful six-day lunar trip Dec. 27.

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Sophisticated Weapons Could Decrease Security

Acquiring certain sophisticated new nuclear weapons systems could actually decrease security rather than enhance it, William C. Foster, Director of the U.S. Arms Control and Disarmament Agency, emphasized in a speech before The Business Council at Hot Springs, Va.

In the strategic nuclear confrontation between the United States and the Soviet Union, Mr. Foster said: "We now have a relatively stable situation in which each side has a fairly good idea of the other side's capabilities. With the deployment of new strategic weapons systems, however, this situation could become very unstable and possibly very dangerous.

"To cite just one example," Mr. Foster continued, "if either side were to build a large number of land-based mobile missiles, it would be almost impossible for the other side to assess the size of such a force."

Today the strategic nuclear arsenals on both sides have been designed, on the whole, with emphasis on "second strike" or deterrent capability. However, some of the more sophisticated new weapons systems being discussed could introduce an incentive for one side or the other to strike first.

Referring to the projected strategic arms limitation talks with the Soviet Union, Mr. Foster said that "reaching adequately verifiable agreements with the Soviet Union will not be easy, and I would be the last to suggest that halting the strategic arms race can be achieved without incurring risks. I have to ask you, however," he added, "to consider the larger risks of doing nothing."

Mr. Foster, a former Deputy Secretary of Defense, noted that the legislation which set up the Arms Control and Disarmament Agency stipulates that arms control policy must help our national security posture. All arms proposals, he observed, are discussed with the Secretaries of State and Defense, with the Chairman of the Joint Chiefs of Staff, and with other top-level security officials.

"Only after Presidential approval,"

he said, "do we go to the negotiating table. When we do go, it is with the secure knowledge that we deal from strength."

Mr. Foster spoke with optimism about the prospects of successful negotiations with the Soviets. He referred to, "a considerable, and I believe growing, group in the Soviet government which sees, as we do, that an arms race has no winners and that therefore they would be better off if they negotiated some sort of in-step deescalation."



FLARES AT NIGHT—South Vietnam skies are illuminated to ward off potential Viet Cong attackers. Photo was taken by time exposure from edge of Marine Force Logistics Compound near Da Nang.

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