

*File Senate
Armed Services*

STATEMENT BY
SECRETARY OF THE ARMY
HONORABLE WILBER M. BRUCKER

BEFORE THE
COMMITTEE ON ARMED SERVICES
OF THE
SENATE

MR CHAIRMAN, MEMBERS OF THE COMMITTEE:

Last year when I testified before your committee in respect to the United States Army, I spoke in terms of plans and hopes for the future. This year I am happy to report many concrete accomplishments and much significant progress. You are interested in whether our Country is receiving the maximum return for its tremendous investment in defense. You wish to be assured that the Army is geared to meet its day by day responsibilities as well as to respond to the rapidly changing technology of warfare. I am able to answer this question definitely and emphatically in the affirmative.

The active Army of FY 1958 will consist of a million young men and women in uniform. There will be 17 combat divisions, 9 regiments and regimental combat teams, a few atomic support commands and about the same total number of antiaircraft battalions as in the preceding year. I will leave to General Taylor the detailed presentation on the strength, organization and deployment of these forces and particularly the new Pentomic structure of the Army's divisions. I have seen the Army around the world and I assure you that our country has never put into the field a more thoroughly equipped and superbly trained Army than the one which is now stationed along the outposts of the Free World. These forces, together with our Active Army strategic reserves at home, are unmistakably ready to fight now if the need should arise. This readiness is an impressive deterrent against aggression and a powerful force ready to fight if deterrence should fail.

The United States Seventh Army -- the most splendidly trained operational army the United States has ever had in time of peace -- is deployed across Western Germany. With its ever-increasing atomic power,

the Seventh Army is the keystone of NATO's ground defenses. Its major forces consist of five crack divisions--two armored, two infantry and one airborne--together with three armored cavalry regiments. These are backed by units armed with CORPORAL guided missiles, HONEST JOHN rockets, and 280-millimeter guns, all capable of delivering atomic warheads. Also, an Army regiment in Berlin is solid evidence of America's military might to the citizens of that heroic island of freedom, and an ever-present reminder and warning to the surrounding communists that America means business. These forces in Germany are supported by a line of communication from the Bay of Biscay across France that constitutes a logistical pipeline. It is as modern and fully equipped as we can make it.

In Northern and Eastern Italy, the Army's Southern European Task Force provides atomic support for NATO divisions defending that vital area. Equipped with HONEST JOHN rockets and CORPORAL guided missiles, this task force is the forerunner of a number of atomic support commands specifically designed to reinforce our Army with the most modern weapons.

In Korea the Eighth Army, a corps of two U. S. combat divisions is deployed along the demilitarized zone, helping to guard against a renewed attack by the communist forces in position on the other side of the narrow armistice corridor. Here the Army also continues to aid--with equipment and training -- the 20 divisions constituting the valiant army of the Republic of Korea. Army troops are supporting other mutual defense agreements in the Pacific area which involve Japan, the Nationalist Chinese on Taiwan, the Philippines, Australia, New Zealand, Thailand, Viet Nam, and Pakistan. The combat readiness of Army forces stationed in Japan, in Korea, and in Hawaii, and their ability to move rapidly within the

Far Eastern areas if trouble should arise, give material substance to our national intent to preserve the peace.

Here in the Western Hemisphere, the Army provides for the continental defense of the United States against airborne or seaborne troops. Nine Army combat divisions are held in strategic reserve in order that we shall be able to reinforce our overseas garrisons if the need should arise. From far up in Alaska, where the Army is manning our northern-most outposts, all the way to the Panama Canal in the Caribbean, Army troops are protecting the hemisphere approaches. Army antiaircraft units--a majority of them armed with the powerful and effective NIKE AJAX guided missile--night and day share responsibility for the defense of major cities and industrial areas in the United States against air attack.

The United States is associated with 45 other nations in the most powerful system of collective security ever created. The Army stands guard shoulder to shoulder with the troops of our allied friends along the iron and the bamboo curtains as a potent reminder that we are ready to honor our international agreements promptly. In support of our mutual defense alliances and other arrangements, forty per cent of the million young men and women in our Army are stationed overseas in over 70 countries. Army missions in 43 countries of Europe, Asia, and South America are busy with the continued strengthening of our allies. Thousands of highly qualified Army troops are directly engaged in helping to train approximately 200 allied foreign divisions--a sizeable part of the Free World's military strength.

On the other side the Soviet-Sino bloc has a gigantic military machine consisting of over 6-1/2 million men in its ground forces. The Soviet Army ground forces alone number over 2-1/2 million men organized into 100 Rifle Divisions, 55 Mechanized Divisions, 20 Tank Divisions, and supporting units. Most of these divisions are located in the border regions of the USSR, except for 22 divisions in East Germany, 2 divisions in Poland, and 2 in Rumania. The normal garrison of 2 divisions in Hungary was reinforced by about 5 more divisions from the USSR and Rumania for the suppression of the revolution.

The Soviets last year made much of an announced intention to reduce their armed forces (ground, sea, and air), by a total of one million, two hundred thousand men. So far we have no evidence to show that such reductions have been made.

The Soviet ground forces have been in large measure re-equipped since World War II. This re-equipment program has provided them with a complete new family of small arms, new artillery pieces, new trucks, medium tanks, and amphibious vehicles, as well as helicopters. As an example of the extent of the re-equipment program, we estimate that about 28,000 of the new T-54 medium tanks have been produced. Soviet Forces in East Germany have received approximately 4,000 of these.

The Chinese Communists also maintain large army ground forces--2-1/2 million men organized into approximately 150 divisions plus supporting units. This army has been undergoing an important reorganization and modernization program since 1952 to include standardization of weapons, increased service and support units and a vastly expanded military school system. The North Korean and Viet Minh armies add to Communist military capabilities

in the Far East. In Eastern Europe, the Satellites maintain fairly large armies but in view of the recent developments there, we believe that the majority of these forces would not be sufficiently reliable for offensive operations against the West.

The savage purge of liberty in Hungary, the unmistakable attempts of the Soviet Union to establish a foothold in the vital Middle East, the increasingly brazen efforts of the Kremlin to foment discord, exploit unrest, and sap the power and resolution of the Free World have sounded a clarion warning. They have used the threat of force to exert the pressure of political domination on world affairs. There is no reasonable doubt as to what would be in store for us if we should fail to man our own defenses with strength, determination and constant vigilance. We must be ready to counter aggression not only in general war but also in any other form. There is therefore a need to proportion our force to the threat in whatever form it may take.

It must be our consistent aim to prevent the outbreak of a general war which can have no other effect than global devastation. This is the philosophy and the background upon which is based the Army's budget request for Fiscal Year 1958 of \$9.721 billions. This is a sizeable financial outlay that must of course be justified in detail before your approval can be expected. I can only point out at this time that the Army's budget request represents months of detailed study and the considered opinion of the most mature military leadership that this country has to offer. It is drawn in the light of the many-sided threat confronting us.

The Army programs for Fiscal Year 1958 represent the activities and functions essential to the security of our nation. These programs are

mutually supporting. The curtailment of one necessarily affects the others--and each bears on our over-all effectiveness. I trust that the Congress will see fit to support the Army by approving the budget request which has been submitted for Fiscal Year 1958. Any reduction in this budget would considerably handicap us in our efforts as a member of the Defense team to provide adequately for the security of the United States.

We have made progress in many fields during the past year in organization, business management -- Research and Development of new weapons and materials -- in our general state of readiness -- in our morale and well-being -- in our reserve programs and in many other fields. We are in a state of rapid transition to new weapons, new concepts, and new and greater capabilities. At the same time we have kept a steady grip on present day realities.

I am proud to announce that the Army is now in the process of a major reorganization of its principal combat units, the purpose of which is to improve our ability to fight effectively under conditions of atomic warfare without loss of capability to conduct so-called conventional warfare. This is the culmination of many years of planning, testing and experimentation. This decision marks the first real progress in organization for ground combat since World War II.

We are also organizing atomic support commands which are particularly suitable to provide atomic support for the forces of our friends and allies abroad. This year for the first time we are activating additional atomic support commands along the lines of the Southern European Task Force -- SETAF -- which backs up NATO forces in Italy with its nuclear weapons. Next year additional atomic support commands will be formed.

AIR DEFENSE

We are proud of the increasingly important role of the Army in the air defense of Continental United States. The responsibility for defending the United States against a possible sneak attack rests, of course, with the Continental Air Defense Command of which the Army's antiaircraft command is a major component. Army NIKE missile units of the Army's Antiaircraft Command are joined with the forces of the Air Force and the Navy in the unified and integrated air defense system. By the end of Fiscal Year 1958, approximately 70% of the antiaircraft battalions assigned to Continental Air Defense will be NIKE missile battalions.

Last year we spoke extensively about the imminent development of an improvement of the original NIKE antiaircraft missile which at that time we identified as NIKE B. I am sure that you will be pleased to hear that this missile system, which we now call NIKE HERCULES, has undergone tests and the results indicate that the performance has exceeded the design objectives. Equipment will be coming off production lines shortly and NIKE HERCULES will be added to the National Arsenal.

You can easily understand that a group of NIKE batteries stationed in a circle around one of our cities require intricate coordination so that two missiles will not engage the same target. This formidable problem has been solved by the development by the Army of an elaborate electronic system called the Missile Master which will produce information necessary for Army units to obtain the most efficient distribution of fire against the available targets. The Missile Master can operate independently or in conjunction with the Air Force SAGE system when that system becomes operational. The first Missile Master is now being installed at a key installation in the Continental United States. The employment of Missile Masters will greatly increase the effectiveness of the NIKE missile defense.

RESEARCH AND DEVELOPMENT

We are requesting \$400 million to finance our Research and Development Program in Fiscal Year 1958. During this period we will concentrate on developments in the field of missiles, target acquisition devices, faster and better communication systems, and mobility through aerial and ground vehicles. We intend to keep the Army fully effective in carrying out its ground and antiaircraft combat mission. All of our weapons and weapons systems must be closely integrated with the needs of the field commander.

As a result of ever-increasing emphasis in the field of research and development, we are stocking our arsenal with an adequate variety of atomic weapons precisely tailored to our needs and which can be used with discrimination against close-in, as well as far distant targets with complete accuracy, day or night, despite rain, snow, fog or other weather conditions. Thirteen years of pioneering experience in the missile field is paying rich dividends.

At the same time we are not overlooking the importance of continued development of conventional weapons which are needed to accomplish a great many tasks for which atomic weapons would be totally unsuitable. We are continuously developing lightweight materiel and equipment with an aim toward ever-increasing mobility. We are looking forward to the day when we can augment the capability of the tank, the truck and other heavy and relatively slow vehicles with lighter airborne equipment and more effective aerial vehicles.

One great source of satisfaction is the fact that the Research and Development Program has decisively moved out of the promise into the

progress stage. During the past year the R&D Program introduced:

- the greatly improved NIKE - HERCULES
- the highly accurate LACROSSE
- the ballistic missile REDSTONE
- the M56 self-propelled 90mm gun
- the anti-tank missile DART
- a new general purpose machine gun, cal. 30 M60
- a new lightweight 1/4-ton Jeep, XM 151
- the mechanical mule
- an improved version of the M48 medium tank with greatly increased combat range
- new aircraft, such as the H-40 Utility Helicopter, the H-37 Transport Helicopter, and others
- a new communications system

One recent development project of which we are proud is the Army's first atomic power plant at Fort Belvoir which is rapidly nearing completion. It is anticipated that dedication ceremonies marking the completion of this atomic reactor will take place in late April. Subsequent models of this atomic reactor power plant are under consideration for remote military installations.

We have under development smaller, lighter nuclear power plants which can be broken down and transported by air. These plants are designed to supply electrical power for remote and isolated stations.

In order to assure the development of an intermediate range ballistic missile at the earliest possible date, the Secretary of Defense has authorized the Army to continue for the time being the development of

the JUPITER missile, although the employment responsibility for that weapon has been assigned to the Navy and to the Air Force.

The Army Ballistic Missile Agency at Redstone Arsenal has recently achieved some gratifying progress in connection with the JUPITER IRBM. We are well ahead of schedule and tests to date indicate that this missile will meet the criteria established for it.

PROCUREMENT AND PRODUCTION

Illustrating our efforts to move forward as rapidly as possible in the modernization of the Army is the continuing high proportion of our Procurement and Production appropriation to be devoted to guided missiles and guided missile equipment. In FY 1956 under the Procurement and Production appropriation, approximately 23 per cent was for guided missiles and related equipment. For FY 1957, 45 per cent is for these items; for FY 1958, almost 50 per cent is for this purpose. This transition to guided missiles and atomic weapons requires the creation and maintenance of new types of production facilities in our production base. Wherever possible, existing government facilities are being utilized.

The medium tank is one of our important conventional weapons that will be of great value in either an atomic or a non-atomic conflict. Its great mobility and armor protection make it a key weapon in our arsenal. We are insuring continued development and improvement of our tanks by keeping at least one production line in operation during FY 1958. With this objective in mind, we are going to place an order for 900 tanks for the coming year.

MILITARY PERSONNEL

I have already mentioned that the Army will have a strength of 1,000,000 men during FY 1958. To cover the pay of these people, provide

for their food and clothing and the cost of their travel, we are requesting \$3.5 billion -- about the same as the amount appropriated for FY 1957. While our average strength during FY 1958 will be slightly lower than FY 1957, various cost elements have increased, and new incentive measures granted by the Congress have added new fund requirements.

As you know, the Army is forever seeking means of making a military career more attractive to both its officers and enlisted personnel. We will continue to do everything possible to encourage qualified men and women to stay with us and to recognize the value of their service to this country.

I am sure that you are interested in knowing whether or not the various career incentives which the 84th Congress enacted into law have produced the desired effect. Certain of these measures have not been in effect for a sufficient period of time to permit a complete evaluation. We believe, however, that the legislation providing additional medical care for dependents will have a pronounced and beneficial effect over a long period. We believe also that the Servicemen's and Veterans' Survivors Benefits will be viewed by the great majority of military personnel as an additional attraction of military service.

The provisions of readjustment pay for members of reserve components who may be involuntarily released from active duty cannot help but improve morale. We have high hopes for the ultimate effect of the Regular Army Augmentation program which will reduce the high rate of turnover in the officer corps while increasing career security.

Other aspects of the Career Incentive Program have been in effect long enough so that we are able to properly and fully evaluate their effect.

We know, for example, that legislation continuing authority for retirement in the highest temporary grade has had an extremely beneficial effect, encouraging a number of highly capable officers who otherwise would have left the Service to stay on active duty and continue to offer their valuable services.

We also know that there has been a marked improvement in the situation with respect to medical and dental officers since the enactment of the Doctors Incentive Pay legislation. During the last 6 months of 1956, applications for appointment in the Regular Army from among doctors and dentists increased by 65% over the same period in 1955. While other factors may have contributed to this increase, we believe that the improvement is mostly due to increased pay.

One of our most serious incentives problems is the present deficit in family housing. Here the Capehart Act has been extremely helpful and we are sparing no effort to utilize its excellent provisions. Of the 51,000 total units planned for FY 1957 and 1958, 45,000 are under the Capehart program. Five thousand are already under construction, over 9,000 are ready for award as soon as successful bidders arrange their financing, and approximately 400 are out for bids.

Some of the most appealing features of the service are intangibles which cannot be counted in dollars or measured in privileges. In this connection we have initiated procedures to continue the lineage of our famous regiments, regardless of the forms which our future tactical organization may take. We shall institutionalize these regiments and, as our Army changes between peace and wartime, vary the number of their component units. By perpetuating the organizations associated with such

names as Valley Forge, Gettysburg, San Juan Hill, Chateau Thierry, Normandy, the Pusan Bridgehead, we can make every man feel the link with the past, as well as his identity with progress.

RESERVE FORCES

A vital and integral part of our Army team is its Ready Reserve which stands ever ready in the event of emergency to put aside civilian pursuits and participate with the active forces. Our splendid National Guard, traditionally the backbone of our reserve strength is large and well-equipped. At the same time we are building a dynamic Army Reserve under the provisions of the Reserve Forces Act of 1955. Since the passage of the Act -- a little over a year ago -- 52,639 young men have entered the U.S. Army Reserve to take advantage of the six months active training program. The number enlisting the past week was 2,507. To obtain these results the Army has conducted the greatest publicity campaign in its history to focus attention on the provisions of RFA-55.

The quality and intensity of the publicity campaign was attested to by the award to the Army of the "Silver Anvil" trophy by the American Public Relations Association for the best public relations program conducted by any governmental agency during the year. The Army worked closely with 370 national organizations in obtaining support for the Reserve programs, including the American Legion, the Veterans of Foreign Wars, the U. S. Chamber of Commerce, Boy Scouts of America, and numerous academic, industrial and trade groups.

An Assistant Chief of Staff for Reserve Components has been established as a part of the Army Staff here in Washington. A Deputy Commanding General for Reserve Components has been established at Headquarters CONARC

at Fort Monroe. Each of the six Deputy Continental Army Commanders has been designated to coordinate and supervise Reserve Affairs. By 22 February, 123,874 men had enlisted under the various provisions of the Act since its inauguration in August 1955. Over 10,000 personnel, 17 - 18-1/2 years of age, have completed the six months training program and approximately 20,000 are in training right now.

The \$207 million requested in our FY 1958 budget provides for a steady and important increase in the size of the Army Reserve. The number of Reserves in drill pay status will increase from 256,000 at the end of FY 1957 to about 300,000 at the end of FY 1958. The \$320 million requested for the National Guard will provide for a continuing level of 400,000 men.

To provide administrative and training facilities for the Reserve Components, we are requesting \$55 million, the same as for FY 1957, under the Military Construction, Army Reserve Forces appropriation. This will provide for the construction or modification of 116 National Guard Armories and 52 non-armory facilities, also for the construction of 126 Reserve armories and some additional summer training facilities at Army installations.

We are emphasizing quality in the reserves by a vigorous screening process. Although we may have some minor legislative proposals to make, we are generally satisfied with the Reserve Forces Act of 1955. Our objective is to have a well-organized, highly-trained and effective mobilization-ready reserve of moderate size rather than merely large numbers of partially trained, partially equipped units and individuals. The Army is going forward with the program that requires all enlistees to

have six months active duty training. Since all personnel entering the U. S. Army Reserves already is required to have this training as a minimum, it is essential that our first line reserve forces, the National Guard, adhere to the same standard. We are confident that unit and organizational effectiveness of the National Guard will be greatly enhanced by such active duty training.

OPERATIONS AND MAINTENANCE

Carrying on the day to day operations of the Army involves a complex of activities -- operations of tactical forces; training of personnel; supply, repair and rebuild of equipment; maintenance, repair and upkeep of facilities and installations; operation of hospitals and clinics; communications; and a host of other essential activities. For these activities we are requesting \$3.4 billion, an increase of \$261 million, or 8 per cent, over FY 1957.

Numerous factors account for this increase. The Civil Service Act Amendment of 1956 requires this appropriation for the first time to contribute to the Civil Service Retirement Fund. Other major increases include transfer of responsibility from the Air Force to the Army for the Depot maintenance of Army aircraft and Army aviation training; the full year cost of dependent medical care; larger number of NIKE units on site; and support of our new family housing. Also I am certain you are well aware of the increasing complexity of our equipment which is much more expensive to operate and maintain.

In addition, the increase points up the inescapable fact that the cost of operating and maintaining a modern Army of a given size is increasing steadily. We are bending every effort toward controlling these costs,

effecting reductions where possible, and exercising the most prudent management that we know how.

MANAGEMENT

The Army firmly believes that good management cannot be overemphasized. Any waste or inefficiency in the employment of money, materiel or manpower is directly reflected in reduced combat power -- and combat power is the root and branch of the Army's ability to carry out its historic responsibilities for national security. In this field we are continuing to make notable progress in managing our world-wide complex of commands and facilities.

The Army Program System for organizing and outlining objectives and work loads is currently being refined to establish a closer relationship with the budgeting process. It will be effective in its new form with the FY 1959 Program - Budget cycle which is just now getting started.

The Army Command Management System integrates previously separate basic Army business management processes of programming, budgeting, accounting, performance analysis, and manpower control, so that they are fused into a single management system. This integration assists greatly in producing a cost-of-performance budget, which is not only a financial forecast, but is also an operating plan of performance and costs, against which progress can be measured and work load controlled. This system will be completely installed throughout the Army by 1 January 1958.

The use of high speed electronic and other automatic data processing systems and transmitting devices has been substantially increased during the year, particularly in our supply activities. One example of the use of such transmitting devices is in the large scale test of a new supply system

called Project MASS. Under this project the U. S. Seventh Army in Europe is being supplied with a complete range of spare parts directly from depots in the United States by rapid air and sea transportation. This will materially reduce the size of the supply pipeline as well as the quantities stocked in the forward areas.

We are impressed with the advantages of the so-called Single Manager System which has been instituted under Directives of the Department of Defense. Under this system, the Secretary of one military department becomes the Single Manager for a common service or for wholesale supply of a certain commodity to all of the military services. He receives gross requirements from each of the services, computes net Department of Defense requirements, and initiates procurement. He finances all wholesale stocks from a revolving fund, and each service purchases its needs from him.

The Army has been made the Single Manager for Subsistence, Clothing and Textiles, and Traffic Management. Since this system provides one manager for the computation of net requirements, procurement, distribution, inventory accounting, etc., and makes inter-service supply virtually automatic, and since it provides for more effective utilization of transportation resources, it will undoubtedly result in increased effectiveness and economies.

We are making extensive use of revolving and capital working funds. Twenty-one Army manufacturing or service installations are currently being financed through the Army Industrial Fund. Additional installations are under study for inclusion during the balance of this year and FY 1958. I am happy to report that we were able to release \$110 million at the beginning of this fiscal year from the capital reserve of this fund for

return to the General Fund of the Treasury as excess to our actual capital requirements.

Our system of financial inventory accounting for materiel tells us that as of 30 September 1956 we had \$19.8 billion worth of Army-owned materiel; it tells us where it is and the general purposes for which it is being held in the supply system. This knowledge provides management a tool for improved supply management decisions.

The Army Stock Fund or revolving fund for financing the procurement, stockage and distribution of common-use type of materiel now covers approximately \$7 billion worth of materiel. This financing system provides means of consolidating receipts from the sale of materiel to many customer activities in one account which in turn can be used only for the procurement of inventories of supplies for distribution and sale to these customers. Thus, closer control and better correlation of procurement and consumption of materiel is achieved.

The use of the stock fund to procure, stock and distribute inventories of materiel has facilitated the installation of Consumer Funding. Under the principle of consumer funding, the using activity is allotted funds to buy consumption requirements of materiel from the stock fund. Funding the using activity in this way for materiel consumption requirements not only permits but requires a financial decision on the part of the user concurrent with a decision to use the supplies. This results in better management of financial resources on the part of installation commanders.

Since the inception of the Stock Fund in 1951 the Army will have returned to the Treasury or otherwise made available through FY 1957, excess cash totalling \$1.4 billion over and above the initial capitalization of

\$425 million. The FY 1958 Budget reflects a continued planned reduction of inventories and provides for a transfer of an additional \$300 million to the Treasury or other accounts as approved by Congress. We count this as a noteworthy achievement.

CONCLUSION

Although we are happy with the progress which has been made in the past year, there is no tendency in the Army to rest on our oars. In the next year we will continue to work toward our goal of making Army units faster moving, harder hitting and more self-sufficient. We will complete the reorganization of our divisions into smaller, extremely mobile "Pentomic" divisions -- five-element units geared to atomic warfare, but also fully capable of fighting non-atomic battles. At the present time we are conducting intensive field tests of this new concept and expect to learn a great deal that will lead to further progress.

The Army visualizes continued progress in FY 1958 -- Progress that will make the United States Army an even greater power for peace and deterrent to aggression.

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