

MEMORANDUM

NATIONAL SECURITY COUNCIL

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February 7, 1974

MEMORANDUM FOR SECRETARY KISSINGER

FROM: JAN LODAL *Jan*

SUBJECT: Admiral Anderson's Meeting With You on February 8

Admiral Anderson, Chairman of the President's Foreign Intelligence Advisory Board (PFIAB) will meet with you on Friday, February 8. Anderson's purpose is to highlight the PFIAB report on their review of the U.S. and Soviet navies.

The PFIAB review was initiated at the direction of the President during a meeting with Admiral Anderson in October 1973. At that meeting, the President reportedly expressed concern over the adequacy of the U.S. Navy relative to the Soviet Navy, and stated the importance of maintaining a U.S. Navy "second to none."

As I mentioned in my February 2 memo to you (Tab 1), the PFIAB report will predictably paint a highly negative picture of the U.S. -Soviet naval balance. This already has been indicated in Anderson's December 19 interim response to the President (Tab A) and in his January 28 letter to General Scowcroft requesting a meeting with the President (Tab B). Anderson probably will use the results of the PFIAB review to recommend increased budgets for the U.S. Navy.

We share the concern that we maintain a strong and adequate Navy. However, it would be imprudent to provide increased resources without a more definitive understanding of the challenges facing the Navy and the alternatives for dealing with them.

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Classified by Jan M. Lodal

NSS, NAVY, OSD Reviews Completed

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In this regard, I am convinced that the PFIAB review will add further emphasis to the need for a systematic examination by Defense of the missions involving naval forces and the contribution naval forces can make to supporting our foreign policy. We need from Defense a coherent statement of what naval forces do or can do, why, and with what payoffs, risks, and trades with other military forces. The NSC has made a number of efforts over the past several years to have Defense make a rational review of the Navy's role, but Defense clearly has failed to respond adequately. The reasons for Defense's past failures can be traced to fundamental organizational problems within both the Navy and the OSD.

In the NSC Deputies meeting a few weeks ago, you directed that we reenergize the Navy study (NSSM 177). To this end, and with the Navy and OSD organizational problems in mind, we are developing a number of alternative approaches for your consideration which will be designed to stimulate a more productive effort by Defense on a study of the U.S. Navy. We will have these alternatives ready for your review shortly.

RECOMMENDATION

That you indicate to Anderson that the PFIAB report will be a useful source upon which the forthcoming Defense study can draw; and that the PFIAB and Defense studies, in combination, can provide a foundation upon which to consider future Navy budgets.

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MEMORANDUM

NATIONAL SECURITY COUNCIL

SECRETACTION
February 2, 1974

MEMORANDUM FOR SECRETARY KISSINGER

FROM: JAN LODAL

SUBJECT: Admiral Anderson Memo, Anderson Request
for a Meeting with the President, and Navy
Study (NSSM 177)

Admiral Anderson, Chairman of the President's Foreign Intelligence Advisory Board (PFIAB), has written the President (Tab A) expressing concern over the tenuous U. S. -Soviet naval balance and asking for a Presidential commitment to upgrade the U.S. Navy with increased budgets. His letter is a preview of the results of a PFIAB review undertaken at the direction of the President.

More recently, Anderson has written General Scowcroft (Tab B) informing him that the full PFIAB report on their review of the U. S. and Soviet navies will be completed in a few days, repeating his concern about the naval balance, and requesting a meeting with the President on February 8 concerning the report.

There is nothing in Admiral Anderson's letters to justify any major changes in the planned FY 1975 budgets or to justify an immediate meeting with the President. Therefore, I have enclosed at Tab C a memo forwarding Anderson's letter to the President and recommending that he sign a note back to Anderson which would put off a meeting until after the President has had an opportunity to review the report.

A Related Matter

There is growing concern about the improving Soviet Navy, and this will increase when the PFIAB forwards their predictably bleak report this month. I believe Anderson's letters underlie the need to get a systematic study of the missions involving naval forces and the contribution naval forces can make to supporting our foreign policy.

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Over the past four years, the NSC has made repeated efforts to have Defense conduct such a study, but Defense has dragged its feet and clearly has failed to respond adequately. In the NSC Deputies Meeting a few weeks ago, you directed that we get the Navy study (NSSM 177) moving again.

In the past, there have been indications that there are organizational problems within the Navy, as well as within OSD, which have made it difficult to get this work done. While my first impression was simply to force a renewed effort out of Defense, I am now convinced that the organizational problems are real and that other approaches are needed. To this end, we are working up a number of alternatives for your consideration which should be more useful in stimulating a productive effort on the part of Defense. We will have these alternatives ready for your review shortly.

In the interim, we should dispose of Anderson's letters and his request for a meeting with the President.

RECOMMENDATION

That you sign the memo to the President at Tab C.

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THE WHITE HOUSE

WASHINGTON

PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

December 19, 1973

Dear Mr. President:

At our October 4, 1973 meeting, you expressed concern for the sustained adequacy of the U. S. Navy relative to the Soviet Navy, particularly in the Mediterranean Sea, and underscored the importance of maintaining our Navy "second to none." You directed the Board to assess and report on the situation.

We have met with Defense and Naval principals in Washington, fleet commanders in Europe, the Atlantic and the Mediterranean, including a visit to the Sixth Fleet, and have had talks with the naval leaders of England, Italy and Germany. We will conclude our evaluation subsequent to a firsthand appraisal of the Pacific theater that is planned for early January and will be prepared to provide you a detailed report at our February 1974 meeting.

Mr. President, I believe your concern for the adequacy of our Navy vis a vis the Soviets is warranted to a far greater degree than you envisioned on the 4th of October. The recent scenario played out in the Middle East brings into sharper focus the fact that the issue of superiority of our naval power is in tenuous, very uncertain, balance.

We are presently dependent on the competence of our tactical commanders and the "can do" spirit of a Navy stretched to its elastic limit. We know what the Soviet Union has today and are apprehensive for the future. To sustain a Navy capable of ensuring our predominance as a maritime nation in the interdependent world of the future will require, we believe, a national commitment under your leadership to this objective and to the actions consequent thereto. It will impact substantially on the FY 1975 budget as well as on budgets for the out years.

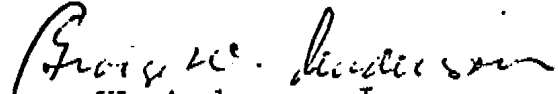
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EXEMPT FROM GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
EXEMPTION CATEGORY § 5 B (2)

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I will discuss our preliminary findings with Jim Schlesinger and Roy Ash and look forward to reporting to you in detail with the concurrence of the full Board in February.

Respectfully yours,


George W. Anderson, Jr.
Admiral, USN (Ret.)
Chairman

The President
The White House
Washington, D. C.

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THE WHITE HOUSE
WASHINGTON

PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

January 28, 1974

Dear Brent:

On 7 February, the Board will give final consideration to the Navy report requested by the President at our meeting with him on 4 October. He expressed a desire to discuss the report with us, and we will be ready to do so on 8 February. I would appreciate your endeavoring to arrange a meeting with him on that day.

You will recall that at the 4 October meeting, the President noted the momentum of Soviet naval developments and expressed concern that our own Navy was not keeping pace. He noted that the U. S. could perhaps afford to be second on the ground and in the air, but not on the sea, and directed the Board to advise him on the current status of the Navy and the prospects for maintaining naval superiority in the future. In response to this charge, members of the Board and staff have met with naval authorities in Washington, Norfolk and Honolulu, and fleet and task force commanders in the Atlantic, Mediterranean, and the Far East. Additionally, we have met with the commanders of the British, Italian, German, and Japanese Navies to obtain their views on the Soviet naval threat.

In my interim response to the President on 19 December, I noted that the President's concern for the adequacy of our Navy is warranted to a far greater degree than he envisioned at the time of our October meeting. In discussing the draft of our final report with individual members, I find they share the deep concern expressed in the interim response and unanimously recommend delivering the final report to the President personally.

With warm regards,

Sincerely,

George
George W. Anderson, Jr.
Admiral, USN (Ret.)
Chairman

Major General Brent Scowcroft

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PFIAB

No Objection to Declassification in Full 2013/03/07 : LOC-HAK-44-2-6-4 CLASSIFICATION