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WITHDRAWAL SHEET

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Collection Name EXECUTIVE SECRETARIAT, NSC: AGENCY FILE

Withdrawer

RBW

5/9/2013

File Folder

SECRETARY WEINBERGER'S WEEKLY REPORT

(09/11/1982-10/02/1982)

FOIA

M453

Box Number

7

SHIFRINSON

ID Doc Type Document Description	No of Doc Date Restrictions		
Document Description	Pages	Doc Date	Restrictions
CASPAR WEINBERGER TO RR RE. WEEKLY	6	9/10/1982	B1
REPORT OF DEFENSE ACTIVITIES		,	
R 10/19/2018 M453/6			
CASPAR WEINBERGER TO RR RE. WEEKLY	6	9/10/1982	B1
REPORT OF DEFENSE ACTIVITIES [COPY OF DOC. 159164]			
R 10/19/2018 M453/6			
CASPAR WEINBERGER TO RR RE WEEKLY	6	9/17/1982	B1
REPORT OF DEFENSE ACTIVITIES	O	J/17/1502	D.
R 11/29/2016 M453/6			
CASPAR WEINBERGER TO RR RE. WEEKLY	6	9/24/1982	B1
REPORT OF DEFENSE ACTIVITIES			
R 1/26/2016 M453/6			
CASPAR WEINBERGER TO RR RE. WEEKLY	5	10/1/1982	B1
PAR 12/15/2022 M453/6			
CASPAR WEINBERGER TO RR RE. WEEKLY	5	10/1/1982	B1
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PAR 12/15/2022 M453/6			
CASPAR WEINBERGER TO RR RE. WEEKLY	5	10/8/1982	B1
R 1/26/2016 M453/6			
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Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA] B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

THE WHITE HOUSE WASHINGTON

SECRET ATTACHMENT

September 11, 1982

MEMORANDUM FOR THE PRESIDENT

FROM:

WILLIAM P. CLARK

SUBJECT:

Secretary Weinberger's Weekly Report

Attached is Cap Weinberger's Weekly Report dated September 10, 1982.

cc: The Vice President
Ed Meese
Jim Baker
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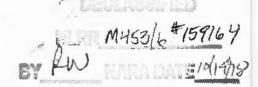
RW -SECRET ATTACHMENT

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THE WHITE HOUSE

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September 11, 1982

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Attached is Cap Weinberger's Weekly Report dated September 10, 1982.

cc: The Vice President
Ed Meese
Jim Baker
Mike Deaver

159172

WASHINGTON, THE DISTRICT OF COLUMBIA

PB: 32

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Classified by SecDef

Declassify on OADR

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Jujs.

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THE WHITE HOUSE

WASHINGTON

6

SECRET ATTACHMENT

September 18, 1982

MEMORANDUM FOR THE PRESIDENT

FROM:

WILLIAM P. CLARK

SUBJECT:

Secretary Weinberger's Weekly Report

Attached is Cap Weinberger's Weekly Report dated September 17, 1982.

cc: The Vice President
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Jim Baker
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RU) SECRET ATTACHMENT





WASHINGTON, THE DISTRICT OF COLUMBIA

82 SEP17 P8: 05

September 17, 1982 WHITE HOUSE SITUATION ROOM

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report of Defense Activities

Legislative Affairs: We are continuing to press the Congress to pass an FY 1983 Defense Appropriations Bill at the earliest possible time. Tuesday, we had breakfast with Chairman Ted Stevens and several members of his Senate Defense Appropriations Subcommittee to discuss the subcommittee markup. Senator Stevens pressed us to give him a "list of cuts" that we would support to enable his committee to reduce our budget by over \$7 1/2 billion, a figure to which he kept insisting you had agreed. I denied this, and Bill Clark later confirmed that you had not agreed to this. We believe we now have an agreement with Stevens to go ahead with the markup on our bill, although it is virtually certain no bill will be passed before Congress adjourns its regular session early in October.

In the House, markup on the Appropriations Bill has again been delayed. The tentative schedule now calls for a September 28 markup following Chairman Addabbo's September 23 New York primary election. Frank continued his meetings this week with members of the House subcommittee to urge prompt action and to reiterate the importance of various defense programs. He also discussed the markup of the FY 1983 Continuing Resolution, which appears to be a certainty for the new fiscal year. House Appropriations Committee approved a Continuing Resolution which will leave Defense at FY 1982 levels until an FY 1983 bill has been approved by either the House or Senate Appropriations Committee. A simple extension of FY 1982 spending levels would have serious impact on essential defense programs and important new starts. So we continue to push as hard as possible for an FY 1983 Appropriations Bill as soon as possible.

A House Armed Services subcommittee held a series of hearings this week as part of its investigation into alleged lobbying improprieties by Defense officials on behalf of the C-5, B-1B and AWACS programs. These charges were started by Congressman Norman Dicks of Washington who is virtually a Boeing lobbyist, and angry that we preferred the Lockheed C-5 over the 747, which, of course, cannot carry our tanks or other heavy equipment. As Frank testified, we are eager to cooperate with the committee to demonstrate that the Department conducted itself properly. He pointed out that, because of the controversy

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associated with each of these issues, the Department had a responsibility to present the program to the Congress effectively. In each case this was done in a manner that we thought would secure Congressional endorsement for a program decided by the Administration to be important to our national security requirements. I think these hearings have shown the Department in a very positive light under very intensive scrutiny. Of course, the one who should be investigated is Congressman Dicks.

On Thursday I met with Senator Malcolm Wallop at the Pentagon to discuss his strong interest in accelerating space-based laser programs. He has been a strong supporter of Defense and we expect his continued cooperation based upon our conversation. Also on Thursday, I met with Congressman Paul Findley to discuss his desire for his constituent, Caterpillar Corporation, to win a pending award on a Defense contract. Findley is involved in a tough election fight and requested this personal meeting as a special favor. I told him I never interfered in the contract award process, but that we would give him notice of the outcome, when it happens, so he could prepare any statements he wants to issue. (U)

Meeting with President Marcos: As you know, we are scheduled to meet with President Marcos tomorrow at the Pentagon--I will give you a full report after the meeting. We expect him to concentrate on base discussions, the need to extend our mutual defense treaty to the Spratly Islands, and joint Philippine-U.S. use of our weapons located in the Philippines. (S)

Commissioning of USS MICHIGAN: Last Saturday, the USS MICHIGAN, second of the new OHIO class of nuclear fleet ballistic missile submarines, was commissioned in Groton, Connecticut. The MICHIGAN was built by Electric Boat Division of General Dynamics and delivered to the Navy on August 28th. This was a major milestone, as the delivery was thirty-three days ahead of the adjusted contract delivery date established a year ago during negotiations with Electric Boat to resolve several TRIDENT SSBN contract issues. As you may recall, the OHIO was delivered nearly two years late. I believe that most of the contract and other problems that caused that late delivery have now been cleared up.

MICHIGAN had very successful sea trials, during which she met or exceeded all contract requirements tested. She was delivered in a high state of material readiness, with all systems performing as well as, or exceeding those of, the OHIO.

You may recall that we had significant problems with Electric Boat in earlier programs, with production runs being plagued by inefficiency and cost overruns. However, our experience with them in the final delivery of OHIO and the early delivery of MICHIGAN marks significantly improved relations and a greater spirit of cooperation. They have hired additional workers,



tightened their quality assurance program, and demonstrated increased management attention. I believe that these early successes in the TRIDENT program indicate that we can look forward to very favorable performance on the part of Electric Boat in the future. (U)

TAK(R)X Ship Conversion Program: Last Friday we announced the award of contracts for conversion of four large, high-speed containerships to partial roll-on/roll-off capability for rapid surge lift of tanks, helicopters, and other vehicular cargo. We also assigned options on four additional similar ships that will be converted if current funding plans are successful. Contracts for two of the four firm commitments, as well as one of the four options, went to National Steel and Shipbuilding in San Diego. One firm commitment and two options were awarded to Avondale Shipbuilding of New Orleans and the remaining firm commitment and one option went to Pennsylvania Shipbuilding of Chester, Pennsylvania. As you are aware, we have received a large volume of correspondence endorsing various shipyards as recipients of these contracts, one large reason being that these conversions will mean additional jobs to the areas around the winning shipyards. These awards will indeed reduce unemployment in those areas during the estimated 20 months required for each conversion, in addition to enhancing our mobility and increasing greatly our capability to respond rapidly to contingencies on a worldwide basis.

Incidently, at your meeting with the Joint Chiefs you inquired about hospital ships. The facts on this issue are that while we currently have no afloat hospital capability, our FY 1983 budget request includes \$560 million dollars for up to 2 TAH(X) Hospital Ships, which would fill the Defense requirement, an aggregate of 24 operating rooms and 2,000 beds. This requirement is based on our Wartime Medical Posture Study and includes Southwest Asia contingency considerations. Competitive design contracts were let on July 6 to two companies--Prudential Lines, who would modify 2 LASH ships to the hospital design at Maryland Shipbuilding and Drydock and APPEX Marine Corporation, who would modify 2 tankers at National Steel and Shipbuilding in San Diego. The closing date for design proposals is March 1983, the contract award date is set for July 1983, and we would expect the first ship to deliver in early FY 1986. (U)

Preliminary Results of Navy Drug Testing: Tuesday, we announced the preliminary results of a surprise August 30 urinalysis drug testing of Navy enlisted personnel in both San Diego and Norfolk. The test was conducted by the same firm, using the same rigorous standards of a similar December 1980 test, in order to achieve consistency and statistical comparability. The 1980 tests indicated about a 50 percent marijuana usage rate for junior enlisted personnel tested at both large Navy complexes. We were very pleased that the August 30 tests indicate usage has been cut by nearly two-thirds in San Diego and by one-half in Norfolk for an overall average of between 20-25 percent. We





will publish full and final results of the test within three or four weeks. (U)

Soviet Surveillance of NATO Exercises: In recent Department Activities Reports to you, I have described U.S. forces' participation in various aspects of the annual NATO exercise series, AUTUMN FORGE. The exercises are well underway at this point, and have drawn significant interest of Soviet and non-Soviet Warsaw Pact intelligence communities. While the level of Soviet intelligence interest is no greater than in any large NATO exercise, I believe you may find their massive intelligence collection efforts interesting.

Soviet intelligence collection and surveillance assets targeted against NATO forces have included land-based collection and surveillance units, aircraft mounted units, units aboard ships, and space-based units. In addition to Soviet collection units, intelligence platforms targeted against NATO exercise forces have originated in East Germany, Czechoslovakia and Hungary.

The major objectives of these intelligence collection and surveillance activities appear to be U.S. and NATO forces' operating scenarios, participants, equipment performance, and critical command and control capabilities. While these intelligence efforts undeniably reveal significant valuable information about U.S. and NATO operating procedures and capabilities to the Soviets, they also provide us with very useful information regarding Soviet intelligence collection and surveillance capabilities. This, in turn, enables us to develop procedures and capabilities to elude their intelligence efforts. (S)

Incentives for Program Managers and Acquisition Personnel: In order to enhance our capacity to meet the objectives of our Defense Acquisition Improvement Program, on Monday we initiated action to establish an expanded and more comprehensive program of incentives for program managers and acquisition personnel. The objective of this effort is to encourage aggressive and imaginative ways to improve our return in effective hardware for the Defense investment. As an initial step, we are examining the various Service approaches to motivating and rewarding program managers and acquisition personnel, as well as reviewing their planned future initiatives in this area.

Additionally, we will address acquisition career fields for our military as well as civilian personnel. We believe that the advantages of long-term assignments, development of experience and capabilities, and career incentives all tend toward recognition of the need to create a cadre of personnel who are expert in weapons system development management. Thus, we currently plan for each Service to develop a comprehensive plan for training and retaining highly qualified personnel in the acquisition field to include promotion and career recognition at least commensurate with other career fields.





Although this is only a first step in a long management development process, I am convinced that it will greatly enhance our effectiveness in weapons system acquisition and, therefore, be well worth the effort we will have to invest. (U)

French Aircraft Modification: We have recently notified the Congress of a proposed Letter of Offer to the Government of France for the sale and installation of modification kits for their eleven C-135F aircraft at an estimated cost of \$275 million. This modification will include re-engining these aircraft with new turbofan engines, which will reduce fuel consumption, improve take-off performance, lower operating and support costs, improve fuel off-load capability, enhance aircraft survivability, and reduce smoke and noise pollution.

This sale is significant because it will contribute to our foreign policy and security objectives by improving French defensive capabilities. While the French have not committed their military forces to NATO command, they do, nevertheless, pursue cooperation and interoperability with NATO. As a further potential benefit, this sale will contribute to the standardization and interoperability of French and U.S. equipment, as well as demonstrate our commitment to cooperative arms programs with alliance partners. The French commitment to this program may well have positive effects on their willingness to participate in other multinational, cooperative arms programs. (U)

Voluntary Retiree Mobilization Preassignment Program: The Army's original retiree mobilization preassignment program, begun last November, has recently been supplemented by a voluntary program. The original program involved preassignment orders to over 92,000 selected Regular Army retirees who were under age 60 and medically qualified. Selections were made based on the mobilization requirements projected by the Army at various installations, with retirees preassigned to installations near their homes if possible. The program will provide additional trained manpower for mobilization, if needed, and take advantage of the retirees' skills and experience.

The new, voluntary program allows Regular Army retirees who were eligible, but not selected to receive preassignment orders, to participate in the program. The program gives these retirees an opportunity to volunteer, during peacetime, for preassignment to an installation of their choice when a vacancy exists. Retirees who are physically fit may volunteer, regardless of age and, if accepted, will receive preassignment orders to report for active duty in the event of full mobilization. (U)

Transfer of Composites Technology: Over a period of years we have made a number of government-to-government agreements associated with production of various weapons systems, some in which we have transferred the knowledge to produce high technology composite materials. As a result of increasing concern





over the potential impact this might have on our ability to produce composites associated with highly sophisticated fighter aircraft, last week we met with all the Military Departments to consider these various agreements. We also sought to arrive at a set of limitations on composites technology transfer for current licensing initiatives with both Swedish and Israeli industrial firms that will produce new fighter aircraft with U.S. industrial assistance.

The working group concluded that limitations on such technology transfers are essential if the lead that we now enjoy in composites design, development, and production is not to be relinquished through the production of such aircraft in those and other countries. In view of the potential impact this technology transfer might have on the U.S. aircraft industry, we will discuss with the Governments of both Sweden and Israel mechanisms through which we can retrieve technological information and co-production of these aircraft in return for the transfer of this technology. We will continue to examine this and ensure that all of our future licensing arrangements with foreign firms contain adequate safeguards for U.S. composites development and production. (C)





THE WHITE HOUSE

WASHINGTON

SECRET ATTACHMENT

September 25, 1982

MEMORANDUM FOR THE PRESIDENT

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FROM:

WILLIAM P. CLARK

SUBJECT:

Secretary Weinberger's Weekly Report

Attached is Cap Weinberger's Weekly Report dated September 24, 1982.

cc: The Vice President
Ed Meese
Jim Baker
Mike Deaver





WASHINGTON, THE DISTRICT OF COLUMBIA

159179

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September 24, 1982

SHUATION ROOM

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report of Defense Activities

Legislative Affairs: Despite the action by the Senate Appropriations Committee approving the FY 1983 Defense Appropriations Bill, we are concerned that Defense spending could be sharply reduced beginning October 1, because the House clearly will not act on our bill before adjournment, and so we will be forced to a Continuing Resolution. The Continuing Resolution which was approved by the House this week would fund Defense at current levels until a Defense Appropriations Bill is reported by the full House Appropriations Committee. Although the Subcommittee was scheduled to markup its bill next week, the full Committee may not complete action if Congress moves up its adjournment target to October 1. This would leave us at the much lower FY 1982 spending levels unless changed by the Senate and adopted by the House in conference next week.

On Thursday the Senate Appropriations Committee approved the FY 1983 Appropriations Bill which provides the funds we requested for the MX missile and B-1B bomber. Amendments to eliminate or curtail these vital strategic programs have been defeated. In the full Senate, we will actively oppose Senator Stevens' recommendations to cut U.S. troop strength in Europe. This action was meant to send a signal for NATO nations to increase their defense commitments. However, if it becomes law, it would have a serious effect on U.S. Defense programs and strategy and it would evoke strong reactions from our NATO Allies, especially Germany. We have already enlisted the support of Senators Tower and Percy to reverse the troop reduction proposal on the Senate floor.

We also worked intensively through this week with Ted Stevens and his staff to preserve funding for priority Defense programs, including MX, GLCM and Pershing. As a result of the high level of cooperation achieved, we have established a bill, which although it reduces your Defense budget, comes close to meeting your major commitments for rearmament.

The Uniformed Services Pay Act of 1982 came up in the House on the current calendar, which requires a two-thirds majority. Although the vote for the bill was 214 to 186 in favor, this



was not a 2/3 margin. In addition to providing flexibility to provide a higher raise for the military than for civilian pay, the bill would have extended authority to pay enlistment and reenlistment bonuses. Also, the bill would have placed further restrictions on the contracting-out process, notwith-standing our vigorous efforts to maintain flexibility on this important Defense initiative. Chairman Bill Nichols of the House Subcommittee may attempt to bring the bill up again next week in order to provide the necessary reauthorization before the Congressional adjournment. (U)

Visit with Philippines' President Marcos: During my visit with Philippines' President Marcos last Saturday, we confirmed the agreement to hold periodic consultations on defense matters at a ministerial level, thereby responding to the Philippine desire to be treated more equally as an ally and providing a framework to improve our coordination on matters of mutual interest. My next meeting with their Defense Minister probably will be in late February, two months prior to the opening of the Military Bases Agreement review. He also asked that I confirm to you that I assured him that our nuclear consultation arrangements, which he raised with me in April, remain in effect. By emphasizing the symbolism of our friendship and alliance, I believe we helped confirm in President Marcos an appreciation for continued strategic cooperation with the U.S.

We have heard that the Marcoses greatly appreciated their reception and the discussion and ceremony at the Pentagon, and of course they could not say enough about the magnificent treatment they received at the White House. (C)

THEODORE ROOSEVELT (CVN-71) Construction Status: I am extremely pleased to report that we are experiencing a very significant reduction in time required to build the nuclear aircraft carrier, USS THEODORE ROOSEVELT (CVN-71), as compared to the preceding NIMITZ class ship, USS CARL VINSON (CVN-70). Ten months after I laid the keel of the ROOSEVELT, 246 structural units and 17,695 tons of steel have been installed, as opposed to only 59 units and 2,640 tons of steel for the corresponding period on the VINSON. We currently estimate that ROOSEVELT's contract award to delivery, keel to launch, and keel to delivery times will be shorter than similar times in the VINSON construction schedule by 20, 15, and 14 months respectively.

The shortened time between keel and launch for ROOSEVELT is attributable to significant changes in construction methods. These changes have been possible because of new facilities, new equipment, and employment of the latest automatic and computerized machinery for prefabrication of structural units. The end result is that the THEODORE ROOSEVELT is now planned for December 1986 delivery, 14 months earlier than the contract completion date. We will, of course, realize significant





savings in overall labor costs as a result of the reduction in time required for construction. (U)

New Navy Ships Launched and Commissioned: We made additional progress toward achieving the expanded naval capability we seek last Saturday with the launching of two guided missile frigates and a nuclear powered attack submarine. The frigates USS McCLUSKY and USS KLAKRING were launched at Todd Pacific Shipyards in San Pedro, California and Bath Iron Works in Bath, Maine, respectively, while the submarine USS PORTSMOUTH was launched at Electric Boat Division of General Dynamics in Groton, Connecticut. The frigates are primarily ocean escort ships and will operate in conjunction with amphibious task groups, underway replenishment groups and convoys. The submarine, of course, will be employed in antisurface and antisubmarine operations, either independently or in coordination with other forces.

Also on Saturday, the hydrofoil USS ARIES, a guided missile patrol combatant, was commissioned at Puget Sound Naval Shipyard in Bremerton, Washington. The ARIES will operate offensively against hostile surface combatants and other surface craft, and will conduct surveillance, screening and special operations. (U)

Possible Lease or Sale of F-4 Aircraft to the UK: As a result of their withdrawal of F-4 aircraft from UK air defense to meet the Falklands commitment, the UK has approached us about obtaining 12 additional F-4s as possible replacements in the UK air defense role.

Because their requirement for additional air defense exists now, they are interested in obtaining aircraft they can deploy immediately. The Royal Air Force would employ the aircraft in this role for 5-6 years and, therefore, they would like to acquire planes that will not require major overhaul for that time. We have some aircraft in the Navy inventory that we can make available.

A preliminary staff level approach on this matter was made to us in the aftermath of the Falklands events, and I later discussed it briefly with John Nott in London, agreeing that staff talks would be appropriate. Next week we will host a UK team to discuss options for making the F-4s available, probably on a lease or sale basis. (C)

New Army Special Operations Command: In order to bring all Active Army special operations elements under a single head-quarters for more coordinated training, contingency planning, logistic support, and command and control, we recently announced plans to establish a new command at Fort Bragg, North Carolina. It will be the First Special Operations Command and will be





activated October 1. This consolidation will allow us to concentrate preparation and training efforts on responding effectively to terrorist activities, insurgent actions and similar problems on a worldwide basis when it is in our interest to respond.

The nucleus of the new command will be made up of the former John F. Kennedy Center for Military Assistance which included the 5th and 7th Special Forces Groups, the 4th Psychological Operations Group, and the 96th Civil Affairs Battalion, all stationed at Fort Bragg. Other units in the new command will be the 10th Special Forces Group stationed at Fort Devens, Massachusetts, and Army Ranger Battalions stationed at Hunter Army Airfield, near Savannah, Georgia and Fort Lewis, Washington.

The new headquarters will be responsible for the preparation, employment and sustaining of special operations forces in the conduct of foreign internal defense, unconventional warfare, psychological operations, ranger operations, and related operations in support of our national objectives and military strategy. (S)

Exercise THERMAL GALE 83: While the majority of our current training efforts are centered in the NATO arena, our forces are constantly sharpening their readiness through training on a worldwide basis. Next week will mark the start of the Pacific exercise, THERMAL GALE 83, a joint triennial special operations exercise involving forces from Australia, New Zealand, Korea, Thailand, and the United Kingdom. THERMAL GALE will promote standardization and common operations by Pacific area special operations forces, and afford us an opportunity to exchange operational techniques. It also will enhance our ability to exercise command and control of joint multi-Service special operations forces.

Exercise activities will include high and low altitude airborne (parachute) operations, rappelling, locating booby traps, water survival, small boat amphibious operations, weapons employment, demolitions, close quarter combat, patrolling and surveillance operations, infiltration and extraction. The exercise will be conducted in the State of Hawaii on the islands of Kauai, Oahu, Maui and Hawaii, and will take advantage of the special terrain features offered by the various training areas utilized. Deployment of participating forces will begin October 1, and the exercise will run through October 27. (C)

Impact Aid Demands: The demands of public school officials for payment of impact aid continue to increase. Since June, a number of school districts have announced plans to charge tuition to the children of Service members living on military bases if impact aid funding is reduced below specified levels. School authorities have threatened to exclude the children





from public schools if the tuition is not paid. Whenever this threat is actually carried out we have standing orders to secure an injunction to block those statutes which we believe are blatantly unconstitutional. I have repeatedly expressed my determination that none of our military personnel will have to pay for the public education of their children while parents of other children are not charged. We work with other departments and agencies and with representatives of impacted school districts to secure that goal. Additionally, our General Counsel has been working closely with Justice to challenge tuition and exclusionary plans in the courts when necessary.

Thus far we have had to sue one local school board to prevent it from charging military children tuition or excluding them from school and, as I said, we have threatened to sue others. Litigation does not, however, promise a long-term solution to the situation.

Dave Stockman, Ted Bell and I met to discuss this issue this week. Dave correctly pointed out that the recent Congressional action approving the Continuing Resolution will temporarily relieve some of the pressures since the FY 1982 level of impact aid funding was somewhat higher than that proposed in the FY 1983 budget submission. I am most hopeful that, by working closely with OMB and Education, we can develop an equitable impact aid program at an acceptable budget level, but in any event we will resist any state or school district attempt to charge tuition to soldiers' children. (U)

Fraud Elimination Efforts: In keeping with our commitment to eliminate waste, fraud, and abuse in the Department, in mid-August we investigated allegations of fraud involving food vendor representatives in dealing with commissaries and the European Region Troop Support Agency. At this point, the investigation has disclosed that forged or altered documents were used in conjunction with voluntary price reduction orders for promotional sales of various brand-name products. Forged commissary officer signatures and altered quantity figures constituted the majority of the fraudulent documents. Efforts continue to identify guilty parties, while immediate corrective actions have been taken to stop any recurrence. These include new vendor distribution policies within the Troop Support Agency, new ordering policies and item selection procedures to remove opportunities for vendor fraud and improper influence in commissary officer orders, and examination of vendor firm and individual debarment/suspension actions. We also plan to ask a management consulting firm to advise us how we might improve overall management procedures and produce the best commissary operation that we can.

In an unrelated case, our Defense Criminal Investigative Service announced that the Federal Judicial District in Memphis, Tennessee returned individual indictments against four civilian





employees for allegedly submitting fraudulent job related injury claims and abusing sick leave at the Memphis Defense Depot. The indictments were the result of a two year investigation into allegations of abuse and fraud in sick leave and job related injuries at the depot. Each individual was charged with making false statements and false claims, felony offenses that, under federal law, carry a maximum penalty of five-year imprisonment and/or a \$5,000 fine. (U)





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THE WHITE HOUSE WASHINGTON

SECRET ATTACHMENT

October 2, 1982

MEMORANDUM FOR THE PRESIDENT

FROM:

WILLIAM P. CLARK

SUBJECT:

Secretary Weinberger's Weekly Report

Attached is Cap Weinberger's Weekly Report dated October 1, 1982.

cc: The Vice President Ed Meese

Ed Meese Jim Baker Mike Deaver



159183

WASHINGTON, THE DISTRICT OF COLUMBIA

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October 1, 1982

WHITE HOUSE SITUATION ROOM

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report of Defense Activities

Legislative Affairs: Following extensive negotiations by Frank Carlucci with Representative Bill Nichols, agreement was reached on a bill that will authorize a 4 percent military pay increase effective today. The bill, which passed the House by voice vote on Wednesday, also extends authority to pay important reenlistment bonuses to military personnel and contains Congressionally imposed restrictions on contracting-out that we have adamantly opposed.

Senate consideration of the pay bill has been delayed until the post-election session because of the threat of an unwanted amendment by Senator Bill Armstrong that would reauthorize the GI bill. We do not support Armstrong at the present time for fiscal reasons and because of the favorable recruiting results we have already achieved through increased pay and benefits programs we have initiated. We hope that in a post-election session this issue will be less volatile and that our position will prevail. Meanwhile, the Continuing Resolution will permit continuation of important bonus programs that would otherwise expire October 1.

On Monday the Senate passed the FY 1983 Military Construction Appropriations Bill which provides funding for important Defense programs, including such items as the construction at Ras Banas, the much needed headquarters for European command, and chemical warfare programs designed to give us an effective deterrent to counter the Soviets. A House-Senate Conference Committee met yesterday and completed action on the bill, which should be ready for your signature before the Congressional recess.

In coordination with State, we were very active this week in personally contacting House members to oppose strongly the bill to repeal the sanctions against the Soviet pipeline. As you know, the House Foreign Affairs Committee's ranking Republican Congressman, Bill Broomfield, did an outstanding job in presenting the Administration's position. The close 206 to 203 victory for the Broomfield substitute was especially encouraging in view of the intense pre-election pressure which led to the repeal effort.

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MM M453/6#159183 MM MARADA = 12/15/2022 The Continuing Resolution that will enable us to continue operations until the FY 1983 Appropriations Bill is passed came out of Conference Committee last night and will be considered in both the full House and Senate today. The major hurdle was the Conference Committee and we anticipate no problem in today's floor action. The Continuing Resolution will fund essential Defense programs at levels much higher than the FY 1982 budget and near the levels in the FY 1983 Appropriations Bill. We will continue to work very hard to get the FY 1983 Appropriations Bill passed as soon as Congress returns from the upcoming recess. (U)

Visit of Japanese Minister for Defense Ito: Japanese Minister for Defense Soichiro Ito is here for a visit at my invitation. In my discussions with him on Thursday, I stressed that, in view of the seriousness of the threat and the Congressional mood, it is essential that Japan increase its defense spending for FY 1983 by a greater percentage than it did this year. also stressed the need for real reciprocity in technology transfer between Japan and the United States. On a positive note, Minister Ito informed me that the Government of Japan has agreed in principle to our deployment of two F-16 squadrons to Misawa, on the far northern tip of Honshu, a location that is better for us strategically. Japan will seek to cover associated construction costs through Host Nation Support arrangements. Minister Ito left me with a distinct impression that he is personally supportive, but unable to make any promises on behalf of his Government. Nonetheless, he will once again convey the points we made to Prime Minister Suzuki.

Survey of Lebanese Defense Requirements: Yesterday I sent to Beirut a thirteen-man Defense Survey Team to examine the capabilities, assets and requirements of the Lebanese Armed Forces. The team left on Thursday evening and will arrive in Lebanon on Saturday. Led by Army Brigadier General Gerald T. Bartlett, the team will provide recommendations to me on how we might best assist the Lebanese government to meet its legitimate defense needs.

This was something I promised to Bashir Gemayel when I met with him in Beirut a few days before his assassination. It is a vital first step in the process of dismantling all the private armies and militia and getting them integrated into the Lebanese Armed Forces. (S)

Visit with Panamanian President de la Espriella: I met with President de la Espriella of Panama yesterday, after receiving him with a full honors ceremony. As you know, he is well-disposed toward the United States and has halted the anti-U.S. rhetoric of his predecessor, President Royo. We discussed the on-going implementation of the Canal Treaty, including major improvements to accommodate anticipated traffic increases in

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the mid-1990s. He pointed out that Panama has recently completed a trans-isthmian pipeline which will result in a temporary traffic reduction of tankers going through the canal. We also discussed the security situation in the region, and he informed me that he is providing police training for Costa Rica, which he fears is susceptible to an externally-supported insurgency. He added that he had recently denied landing privileges for Aeroflot.

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We believe the request provides a good opportunity to advance our strategic interests in Saudi Arabia, and have undertaken to comply with their requests to the greatest extent we can.

Because of the wide-ranging implications of this issue we have discussed it with State and will continue to ensure that appropriate liaison is maintained as the matter develops. We plan a two-phased response to the latest request, the first phase of which will be a policy response through State advising the Saudis of our willingness to help and outlining what we believe is necessary. The second phase will consist of providing what we outline in the policy response—specifically, information and materials prepared by JCS and intelligence agencies, data, materials, and guidance. (S)

Activation of Special Fraud Investigation Unit: In an effort to pursue, to the maximum possible extent, your commitment to eliminating fraud and corruption in government, I recently announced the creation of a new, specialized investigative unit. The unit is staffed by attorneys and investigators from Justice who will work hand-in-hand with their counterparts here in Defense, and I believe this will provide us a more coordinated and aggressive posture toward identifying and punishing white collar crime.

The unit is now operating, and I believe it will help us in expediting criminal indictments and civil complaints in difficult procurement cases that often have not received priority attention in the past. I also believe that the knowledge of this unit, combined with establishment of the Department of Defense Office of Inspector General that you signed into legislation on September 8, will serve as a powerful deterrent to future fraud and corruption. (U)



Initial TRIDENT I Deterrent Patrol: On Sunday, the USS OHIO will depart Strategic Weapons Facility, Bangor, Washington on her first deterrent patrol. Armed with twenty-four TRIDENT I (C-4) missiles, the OHIO's milestone deployment will mark the introduction of the TRIDENT I Strategic Weapons System into the Navy inventory. It will also mark the initiation of one aspect of our planned enhancement of our nuclear deterrent posture.

Defense Support of the Federal Aviation Administration (FAA):

As you know, when the air controllers' strike began in 1981, we started supporting the Federal Aviation Administration through the deployment of military air traffic controllers. From August 3 to November 1, 1981, we deployed over 1000 military controllers from all Services to 128 FAA air traffic control facilities. At that time, we planned on an incremental withdrawal of these personnel beginning January 1, 1982, with the last of them to be removed by September 1. However, at FAA's request we extended a number of these personnel and now plan on a new June 30, 1983 program termination date.

Since the beginning of the program in August 1981, 1024 military controllers have been involved (612 Air Force, 248 Army, and 164 Navy). Currently, we have 195 military controllers in place at FAA facilities. We originally anticipated that we would lose many of these controllers because of the lucrative and available FAA jobs. I am very pleased indeed, however, to report that we retained nearly all these valuable people, partially as a result of timely application of increased reenlistment incentives and the substantial military pay raise. Even so, they are making less than they could as civilian controllers and we are glad to have them back. (U)

Defense Physical Fitness Program: Tuesday I met with George Allen to discuss the Department's Physical Fitness Program. I was pleased to brief him on the program and I believe you may be interested in some of its key points.

We have developed a new program directive that includes both physical fitness and weight control and have established an office to be responsible for oversight and guidance. We also established a Department Committee for Physical Fitness with Service representation which meets on a periodic basis. During the past year we have worked closely with your Council on



Physical Fitness and Sports and have also been in regular contact with non-government physical fitness organizations.

The Department Program Directive places primary emphasis on fielding quality programs and secondary emphasis on evaluation and training. It requires each Service to determine and conduct physical training to suit particular Service needs and to enhance general health and lifestyle. It also establishes a uniform standard weight based on percent body fat, requires a medical screen for high risk of heart disease prior to participation, and requires all ages to be tested. I believe we have an excellent program and will continue to press for full participation. (U)

Combined Federal Campaign: Sharing your own personal interest in the Combined Federal Campaign and the benefits that it imparts to the 290 charity organizations it supports, I have taken a personal part in the initiation of the Department's participation in this year's drive. You may recall that last year, with 72% of the National Capital Area Department of Defense personnel contributing, we raised \$4,018,872, 112% of our goal. This year I have accepted a 15% increase for the Department, including my own staff here in the Pentagon. We will be working with all of our Components and other Federal Agencies to make this year's drive even better than the last. (U)







THE WHITE HOUSE WASHINGTON

SECRET ATTACHMENT

October 2, 1982

MEMORANDUM FOR THE PRESIDENT

FROM:

WILLIAM P. CLARK

SUBJECT:

Secretary Weinberger's Weekly Report

Attached is Cap Weinberger's Weekly Report dated October 1, 1982.

cc: The Vice President

Ed Meese Jim Baker Mike Deaver







WASHINGTON, THE DISTRICT OF COLUMBIA

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October 1, 1982

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MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report of Defense Activities

Legislative Affairs: Following extensive negotiations by Frank Carlucci with Representative Bill Nichols, agreement was reached on a bill that will authorize a 4 percent military pay increase effective today. The bill, which passed the House by voice vote on Wednesday, also extends authority to pay important reenlistment bonuses to military personnel and contains Congressionally imposed restrictions on contracting-out that we have adamantly opposed.

Senate consideration of the pay bill has been delayed until the post-election session because of the threat of an unwanted amendment by Senator Bill Armstrong that would reauthorize the GI bill. We do not support Armstrong at the present time for fiscal reasons and because of the favorable recruiting results we have already achieved through increased pay and benefits programs we have initiated. We hope that in a post-election session this issue will be less volatile and that our position will prevail. Meanwhile, the Continuing Resolution will permit continuation of important bonus programs that would otherwise expire October 1.

On Monday the Senate passed the FY 1983 Military Construction Appropriations Bill which provides funding for important Defense programs, including such items as the construction at Ras Banas, the much needed headquarters for European command, and chemical warfare programs designed to give us an effective deterrent to counter the Soviets. A House-Senate Conference Committee met yesterday and completed action on the bill, which should be ready for your signature before the Congressional recess.

In coordination with State, we were very active this week in personally contacting House members to oppose strongly the bill to repeal the sanctions against the Soviet pipeline. As you know, the House Foreign Affairs Committee's ranking Republican Congressman, Bill Broomfield, did an outstanding job in presenting the Administration's position. The close 206 to 203 victory for the Broomfield substitute was especially encouraging in view of the intense pre-election pressure which led to the repeal effort.

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The Continuing Resolution that will enable us to continue operations until the FY 1983 Appropriations Bill is passed came out of Conference Committee last night and will be considered in both the full House and Senate today. The major hurdle was the Conference Committee and we anticipate no problem in today's floor action. The Continuing Resolution will fund essential Defense programs at levels much higher than the FY 1982 budget and near the levels in the FY 1983 Appropriations Bill. We will continue to work very hard to get the FY 1983 Appropriations Bill passed as soon as Congress returns from the upcoming recess. (U)

Visit of Japanese Minister for Defense Ito: Japanese Minister for Defense Soichiro Ito is here for a visit at my invitation. In my discussions with him on Thursday, I stressed that, in view of the seriousness of the threat and the Congressional mood, it is essential that Japan increase its defense spending for FY 1983 by a greater percentage than it did this year. also stressed the need for real reciprocity in technology transfer between Japan and the United States. On a positive note, Minister Ito informed me that the Government of Japan has agreed in principle to our deployment of two F-16 squadrons to Misawa, on the far northern tip of Honshu, a location that is better for us strategically. Japan will seek to cover associated construction costs through Host Nation Support arrangements. Minister Ito left me with a distinct impression that he is personally supportive, but unable to make any promises on behalf of his Government. Nonetheless, he will once again convey the points we made to Prime Minister Suzuki.

Survey of Lebanese Defense Requirements: Yesterday I sent to Beirut a thirteen-man Defense Survey Team to examine the capabilities, assets and requirements of the Lebanese Armed Forces. The team left on Thursday evening and will arrive in Lebanon on Saturday. Led by Army Brigadier General Gerald T. Bartlett, the team will provide recommendations to me on how we might best assist the Lebanese government to meet its legitimate defense needs.

This was something I promised to Bashir Gemayel when I met with him in Beirut a few days before his assassination. It is a vital first step in the process of dismantling all the private armies and militia and getting them integrated into the Lebanese Armed Forces. (S)

Visit with Panamanian President de la Espriella: I met with President de la Espriella of Panama yesterday, after receiving him with a full honors ceremony. As you know, he is well-disposed toward the United States and has halted the anti-U.S. rhetoric of his predecessor, President Royo. We discussed the on-going implementation of the Canal Treaty, including major improvements to accommodate anticipated traffic increases in



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the mid-1990s. He pointed out that Panama has recently completed a trans-isthmian pipeline which will result in a temporary traffic reduction of tankers going through the canal. We also discussed the security situation in the region, and he informed me that he is providing police training for Costa Rica, which he fears is susceptible to an externally-supported insurgency. He added that he had recently denied landing privileges for Aeroflot.

We believe the request provides a good opportunity to advance our strategic interests in Saudi Arabia, and have undertaken to comply with their requests to the greatest extent we can.

Because of the wide-ranging implications of this issue we have discussed it with State and will continue to ensure that appropriate liaison is maintained as the matter develops. We plan a two-phased response to the latest request, the first phase of which will be a policy response through State advising the Saudis of our willingness to help and outlining what we believe is necessary. The second phase will consist of providing what we outline in the policy response-specifically, information and materials prepared by JCS and intelligence agencies, data, materials, and guidance. (S)

Activation of Special Fraud Investigation Unit: In an effort to pursue, to the maximum possible extent, your commitment to eliminating fraud and corruption in government, I recently announced the creation of a new, specialized investigative unit. The unit is staffed by attorneys and investigators from Justice who will work hand-in-hand with their counterparts here in Defense, and I believe this will provide us a more coordinated and aggressive posture toward identifying and punishing white collar crime.

The unit is now operating, and I believe it will help us in expediting criminal indictments and civil complaints in difficult procurement cases that often have not received priority attention in the past. I also believe that the knowledge of this unit, combined with establishment of the Department of Defense Office of Inspector General that you signed into legislation on September 8, will serve as a powerful deterrent to future fraud and corruption. (U)

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Initial TRIDENT I Deterrent Patrol: On Sunday, the USS OHIO will depart Strategic Weapons Facility, Bangor, Washington on her first deterrent patrol. Armed with twenty-four TRIDENT I (C-4) missiles, the OHIO's milestone deployment will mark the introduction of the TRIDENT I Strategic Weapons System into the Navy inventory. It will also mark the initiation of one aspect of our planned enhancement of our nuclear deterrent posture.

Defense Support of the Federal Aviation Administration (FAA):
As you know, when the air controllers' strike began in 1981, we started supporting the Federal Aviation Administration through the deployment of military air traffic controllers. From August 3 to November 1, 1981, we deployed over 1000 military controllers from all Services to 128 FAA air traffic control facilities. At that time, we planned on an incremental withdrawal of these personnel beginning January 1, 1982, with the last of them to be removed by September 1. However, at FAA's request we extended a number of these personnel and now plan on a new June 30, 1983 program termination date.

Since the beginning of the program in August 1981, 1024 military controllers have been involved (612 Air Force, 248 Army, and 164 Navy). Currently, we have 195 military controllers in place at FAA facilities. We originally anticipated that we would lose many of these controllers because of the lucrative and available FAA jobs. I am very pleased indeed, however, to report that we retained nearly all these valuable people, partially as a result of timely application of increased reenlistment incentives and the substantial military pay raise. Even so, they are making less than they could as civilian controllers and we are glad to have them back. (U)

Defense Physical Fitness Program: Tuesday I met with George Allen to discuss the Department's Physical Fitness Program. I was pleased to brief him on the program and I believe you may be interested in some of its key points.

We have developed a new program directive that includes both physical fitness and weight control and have established an office to be responsible for oversight and guidance. We also established a Department Committee for Physical Fitness with Service representation which meets on a periodic basis. During the past year we have worked closely with your Council on





Physical Fitness and Sports and have also been in regular contact with non-government physical fitness organizations.

The Department Program Directive places primary emphasis on fielding quality programs and secondary emphasis on evaluation and training. It requires each Service to determine and conduct physical training to suit particular Service needs and to enhance general health and lifestyle. It also establishes a uniform standard weight based on percent body fat, requires a medical screen for high risk of heart disease prior to participation, and requires all ages to be tested. I believe we have an excellent program and will continue to press for full participation. (U)

Combined Federal Campaign: Sharing your own personal interest in the Combined Federal Campaign and the benefits that it imparts to the 290 charity organizations it supports, I have taken a personal part in the initiation of the Department's participation in this year's drive. You may recall that last year, with 72% of the National Capital Area Department of Defense personnel contributing, we raised \$4,018,872, 112% of our goal. This year I have accepted a 15% increase for the Department, including my own staff here in the Pentagon. We will be working with all of our Components and other Federal Agencies to make this year's drive even better than the last. (U)



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SECRETARY WEINBERGERS WEEKLY REPORT

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THE WHITE HOUSE WASHINGTON

SECRET ATTACHMENT

October 8, 1982

MEMORANDUM FOR THE PRESIDENT

FROM:

WILLIAM P. CLARK

SUBJECT:

Secretary Weinberger's Weekly Report

Attached is Cap Weinberger's Weekly Report dated October 8, 1982.

cc: The Vice President
Ed Meese
Jim Baker
Mike Deaver





WASHINGTON, THE DISTRICT OF COLUMBIA

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October 8, 1982

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report of Defense Activities

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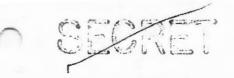
Legislative Affairs: As a result of our being forced to operate under a Continuing Resolution, we are experiencing increasing difficulty due to the number of restrictions that are imposed by the resolution. It is essential that Congress complete action on a final FY 1983 Defense Appropriations Bill by mid-December to remove these restrictions.

Your push for final Congressional action on the Defense Appropriation Bills will prove very helpful when the election recess ends. The House Defense Appropriations Subcommittee has agreed to come back early--November 15, 16, 17--to mark-up a bill so that it can go to full committee once Congress returns on November 29. Meanwhile, the Senate Defense Appropriations Subcommittee could finish with the Bill and have it ready to take to the floor the first week of December. (U)

European Manpower End-Strength Reduction: As you know, Senator Ted Stevens caused us great trouble with NATO by trying to reduce our European troop strength by including in the Senate Appropriations Committee report a provision that would hold us to the actual end-FY 1980 levels. Senator Stevens seems to think that if we limit U.S. personnel and funding contributions to Europe our NATO Allies will automatically assume a greater share of the defense burden. But the report language could require a significant cut from June 1982 actual levels as well as from the FY 1983 European personnel plan, and will please the Soviets greatly.

We had substantially increased Navy personnel afloat in European waters in June 1982, so a total decrease of 23.3 thousand below June 1982 levels would be required to reach end-FY 1980 levels. Even if numbers of personnel afloat were reduced to end-FY 1980 levels, we still would have to reduce forces ashore in Europe by 5.9 thousand to satisfy the report language. (Of course we can easily evade the Stevens Amendment by simply moving our ships a few miles from "European waters" for a few days before the end of the fiscal year and then moving them back in afterwards—much as many businesses did in California to avoid the old inventory tax—but this would probably lead to much more harsh action by the Senate.)





We would all like to see our NATO Allies assume a greater share of the burden for their own security, but the Stevens Amendment seems to me to be the worst way to accomplish it. Rather, the proposed end-strength reduction certainly reduces the deterrent value of our own forces in Europe and is very likely to elicit strong negative reactions from our European Allies. We will be working hard to remove or modify the report language when the regular Defense Appropriation Bill is raised after the election recess. (U)

Army BLACK HAWK Helicopter Contract Developments: Last April, we contracted with Sikorsky Aircraft Corporation for the multiyear production of UH-60A BLACK HAWK helicopters for the FY 1982-1984 time frame. As a result of this multiyear contract alone, we would have realized an \$81.1 million savings compared to a series of one year contracts covering the same period. Last Friday, after discussions with Sikorsky officials, we agreed to accept an additional two aircraft per month over the numbers specified in the original contract during Calendar Year The result of this accelerated delivery will be an additional \$4 to \$8 million in savings. In addition to the substantial cost savings we will realize, this multiyear contract and accelerated delivery schedule stabilizes the Sikorsky and vendor work forces and encourages greater contractor capital investment in the industrial base during a period of weak commercial sales. (U)

Agreement with McDonnell-Douglas on F-18: In my Weekly Report of September 4, I discussed press accounts of Navy Secretary John Lehman's efforts to achieve a lower price quotation on the F-18 aircraft. You may have read stories this week indicating that we finally secured a price on the F-18 that is acceptable. At \$22.5 million per aircraft, the FY 1982 F-18s will cost \$1.2 million each less than the FY 1981 versions. Under the new price agreement we will be able to buy 1366 planes in the \$39.7 billion program. As you may be aware, several of our allies have expressed interest in the F-18 for possible use in modernizing their air defense capability. The success we have achieved in this latest round of price negotiations will help make these aircraft affordable for them and enable them to buy more aircraft than they otherwise might have. (C)

Battleship NEW JERSEY's First Sea Trial: Last week, the battle-ship NEW JERSEY returned to Long Beach Naval Shippard after successfully completing a four-day sea trial. This marked the first time in 13 years that the ship had been to sea on her own power. While at sea, she successfully completed preliminary tests of the main engineering plant and auxiliary systems, initial checkout of many of the electronic systems, including search and fire control radar, aids to navigation and communications equipment. Helicopter operations were also conducted.





Later this month the 16-inch guns will be fired for the first time since the Vietnam War.

Work progress on NEW JERSEY continues ahead of schedule, with installation of armored box launchers and associated equipment for the TOMAHAWK cruise missile currently in progress. We anticipate delivery and commissioning of the battleship in January 1983, below originally estimated cost. (U)

Counterterrorist Joint Task Force Demonstration: ln recognition of the growing threat of international terrorism, the Counterterrorist Joint Task Force was activated at Fort Bragg, North Carolina in October 1980. Since that time the Task Force has worked to develop counterterrorist capabilities, tactics and techniques. In view of the possibility that we could be required to employ these capabilities on short notice, I thought it prudent to have selected Defense and other government people see them. This week we have conducted demonstrations for this purpose at Fort Bragg and at North Field, South Carolina. The demonstrations started yesterday morning as a C-141 carrying the officials from Andrews Air Force Base provided the opportunity for an in-flight Joint Communication Unit demonstration. Static displays and field demonstrations at Fort Bragg in the afternoon were followed by additional activities under conditions of darkness at North Field. The officials returned to Andrews in the early morning hours today. (S)

Visit with the Omani Minister of State for Foreign Affairs

Yusuf al-Alawi: Yesterday I met with the Omani Minister of

State for Foreign Affairs Yusuf al-Alawi. Minister al-Alawi
stated that his government has some problems with the implementation of the Access Agreement and would like to hold bilateral
talks to come to a mutual understanding on this. We also
discussed Oman's current economic problems. He asked for more
assistance from us to help them operate and maintain the Omani
facilities we have constructed and intend to use during crises.
I reaffirmed the importance of our relationship with Oman, and
told him we would do what we could in the budget and the Congress to support his request. We also discussed at great length
your Middle East Peace Initiative, which the Omanis endorse
wholeheartedly. (S)

Visit with Pakistan's Foreign Minister Yaqub Khan: I met with Pakistan's Foreign Minister, Yaqub Khan yesterday at his request to exchange views on events in the Middle East. He agreed that a renewed U.S. drive for peace is timely and essential. However, from his Islamic perspective, he underscored the necessity for the U.S. to put some distance between its policies and those of Israel. On bilateral issues, he stressed Pakistan's dependency on the \$275 million in FY 1983 Foreign Military Sales credits we have promised if his country is to meet its contractual commitment for purchase of U.S. military equipment. He also registered the importance his government



attaches to obtaining the USAF-standard ALR-69 radar warning receiver. So far we have not included this item in Pakistan's F-16 aircraft package. We closed with a discussion of Iran, where Pakistan has been trying patiently to exert some moderating influence. Minister Yaqub fears a "convulsion" in Iran after Khomeini, and an especially tempting target for the Soviets. (S)

Visit with Foreign Media Representatives: Separate meetings with representatives of the Japanese and Italian press on Thursday in the Pentagon afforded me opportunities to push your Defense programs. I believe that my discussions with these representatives resulted in a better understanding on their part of the relationships between our efforts to build up U.S. military forces and the security interests of both the U.S. and our Pacific and NATO Allies. (U)

Frank Carlucci's Trip to Europe: Frank left Wednesday evening on a trip with initial stops in Denmark and Norway, a courtesy visit to Bucharest, Romania at State's request, and a side trip to Lebanon. On Tuesday in Beirut, he will visit with our Marines on the peacekeeping force and talk with senior Lebanese officials. A major stop on the trip will be Athens, Greece where he will have preliminary discussions with Prime Minister Papandreou in preparation for our upcoming base rights negotiations. The last major stop will be in Lisbon, where Frank's long and close association with Portuguese officials will enable him to discuss the entire spectrum of Portuguese and NATO defense issues. (C)

Visit with UK Minister for Armed Forces Peter Blaker: Frank Carlucci met_last Friday with his British counterpart, Minister Peter Blaker, to discuss a British request for us to renegotiate the 1973 U.S.-UK Cost Sharing Arrangement. This agreement establishes the terms under which the UK makes government and private land available to our forces in the UK and under which they perform construction and maintenance services for our forces. The old agreement can be terminated with one-year's notice after April 1983 and the British have proposed a new agreement that would shift more of the financial burden for these expenses to us. We have offered a counterproposal which would shift more of the burden to the UK.

Frank explained our great reluctance to renegotiate this agreement at a time when there are strong Congressional pressures to reduce our forces in Europe (although there are some changes we would like to make to the agreement). Minister Blaker said that they needed these negotiations to forestall problems in Parliament. The two agreed that additional, technical-level discussions could be held within a few weeks to determine if any changes should be made to the existing agreement. We will soon propose to the UK that a small team visit London later this month for preliminary discussions aimed at identifying possible elements of the agreement that might be changed. (C)



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National Employ the Handicapped Week at the Department of Defense: In keeping with your proclamation designating this as National Employ the Handicapped Week, we have observed the week with various ceremonies and displays that acknowledge the contributions of disabled persons as workers and citizens. I started the week with an "Outstanding Handicapped Employees" ceremony at the Pentagon on Monday, in which we paid tribute to seven outstanding handicapped employees, one from each of the Military Departments and four of our Defense Agencies. In order to reinforce our commitment to utilizing the talents of disabled citizens in Defense, I also issued guidance to insure strong action programs for disabled persons consistent with Federal regulations, and solicited full cooperation in expanding the employment and promotion options available to disabled citizens. (U)

Micronesian Defense Developments: Several developments in Micronesia have led us to focus on that area in recent weeks. First, Ambassador Zeder's recent visit to Palau marked final approval of a 50-year Compact and associated agreements. Through this action we obtained perpetual denial and a 50-year option for contingency basing rights in exchange for 50 years of Compact-level funding and \$45 million "up front" money subject to Congressional approval.

Talks are currently in progress in Honolulu toward agreements on mutual security (denial) and status of forces with the Federated States of Micronesia (FSM). We have no basing requirements in the FSM, but will have to resolve some issues related to claims and waste disposal by transiting nuclear-powered warships. The FSM Compact will be for fifteen years, but we are seeking perpetual denial provisions as mandated by the Senate Energy Committee.

In the Marshall Islands, the 15-year Compact and associated agreements signed last May providing for use of the Kwajalein Missile Range for up to 50 years has encountered strong opposition from three groups. Northern Marshallese from Eniwetok and Bikini are dissatisfied with the lump-sum monetary settlement; other Northern Marshallese want to retain the right to take nuclear radiation-related claims to U.S. courts rather than accept a general settlement; and landowners of the Kwajalein atoll who object to the U.S. 50-year option demonstrated by occupying substantial parts of the Kwajalein Missile Range by boat. Taking the position that we would not negotiate until the demonstration was halted, we gained an agreement with the demonstrators to cease their activities and have reopened talks on a number of substantive issues. (C)

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