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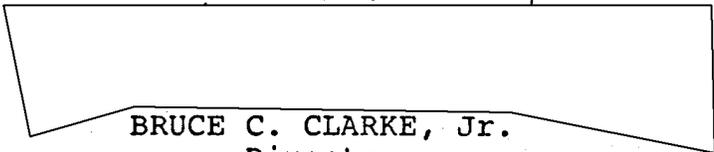
17 July 1969

MEMORANDUM FOR: The Honorable David Packard
Chairman, NSSM-3 Steering Group

SUBJECT : Annex to Report of the Foreign
Political and Military Reac-
tions Study Group: General
Purpose Forces

1. On behalf of the Foreign Political and Military Reactions Study Group for NSSM-3, I forward a revised table of contents and an annex to the report, which was submitted on 16 June 1969, on the general purpose force phase of our work. The annex discusses foreign political and military reactions to combinations of the US strategic and general purpose force postures considered in the earlier work of the study group.

2. Additional copies of the annex as well as the earlier reports of the study group are available if you require them.



BRUCE C. CLARKE, Jr.
Director
Strategic Research

Attachments: a/s

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Foreign Political and Military Reactions
to US Strategies and Forces
(NSSM-3: General Purpose Forces)

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ANNEX

Foreign Military and Political Reactions to
Combinations of US Strategic and
General Purpose Force Postures

Introduction

The earlier Study Group Report--*Foreign Political and Military Reactions to US Strategies and Forces (Strategic Forces)*, April 1969 and the main body of this report provide the detailed background and much of the basis for the judgments presented in this annex on foreign reactions to US strategic and general purpose forces considered in combination. An attempt has been made to avoid unnecessary repetition of the discussions already presented (and no attempt has been made here to summarize our earlier findings). This annex concentrates on those combinations of US forces that probably would engender foreign responses substantially different from those judged likely when strategic forces and general purpose forces are considered separately.

In the report assessing foreign reactions to the various US strategic forces, it was assumed that US general purpose force programs and deployment would proceed as currently planned. Similarly, in this report on foreign reactions to the various US general purpose forces, it was assumed that US strategic force programs and deployment would proceed as currently planned.

When the various US strategic force and general purpose force options are considered in combination, the task of assessing foreign reactions becomes considerably more complicated. The impact of this final stage in the analysis on our earlier judgments is presented in the next section of this annex.

In the case of the USSR, we believe that likely reactions depend not only on how the Soviets view the combination of US forces but also upon the interaction between Soviet strategic and general purpose forces

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policies. The final section of this annex discusses the general nature of this Soviet internal interaction process.

Reactions to Alternative Combinations of US Strategic and General Purpose Forces

USSR

Most of the conclusions previously drawn about the Soviet reactions to alternative US strategic force and general purpose force postures considered separately do not change when the various combinations of US forces are considered. The only important exceptions are in combinations involving the very high or the very low levels of US forces. In brief:

a. Combinations of the high US postures for both strategic and general purpose forces probably would lead to an increasing military orientation of Soviet political and economic policy.

b. Combinations of lower US postures might tend to reduce the military orientation of Soviet policy over the long run but almost certainly not in direct proportion to the cutback in US military programs included in the lowest US alternatives. Other considerations--such as the influence of the military bureaucracy on Soviet political decisions, the Soviet conflict with Communist China, and possible changes in Soviet views of the potential utility of military power if the US were unilaterally to select an extremely low military posture--we believe would act to prevent the combinations of Soviet force postures from becoming much lower than we postulated for the individual reaction forces.

Because the strategic force balance is of such overriding importance to the Soviets, we believe their reactions to alternative US strategic forces, as described in the earlier report, would be largely unaffected regardless of the particular general purpose force strategy the US adopted. We qualify this general conclusion in the one case where the US adopts Strategic Force Packages I or II in conjunction with General Purpose Force Strategies 3 or 4. In this case,

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the Soviets would almost certainly conclude that the possibility of direct military confrontation with the US had risen sharply. They would feel compelled to expand both their strategic and general purpose forces as rapidly as possible.*

US choices of the various strategic force postures, coupled with the resulting Soviet strategic force reactions, might stimulate Soviet general purpose force reactions somewhat different from those described in the report on general purpose forces.

Although the Soviets clearly place a very high priority on their military programs in general, it is clear that the resources made available for military purposes are not unlimited and that within the total defense budget a system of priorities must operate. Trends in Soviet defense spending since the early Sixties indicate that first priority has been given to strategic force programs designed to achieve a strong nuclear deterrent, and it seems likely that strategic force programs designed to maintain this capability will continue to receive first priority. Thus, the amount of resources available for general purpose programs probably will be affected by the level of spending on strategic forces even though there is not an absolutely fixed ceiling on total defense spending. If pressures to expand the Soviet strategic forces were reduced in reaction to US Strategic Force Category IV or V or an arms limitation agreement, expenditures for the Soviet general purpose forces could be expected to be slightly higher than previously projected. Conversely, if the Soviet strategic forces were increased in reaction to US Strategic Forces Category I or II, expenditures for the Soviet general purpose forces would probably be somewhat less than previously projected--except, as noted above, for the combinations with US General Purpose Force Strategies 3 or 4.

** The Joint Chiefs of Staff believe that the judgments in the last two sentences of this paragraph would not apply to the combinations of US forces which included Strategic Force Package II. They believe that the differences between Strategic Force Packages I and II are large enough to generate a substantially lower level of Soviet reaction than indicated.*

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NATO

In general and in contrast to the Soviet case, NATO attitudes and defense policies are more likely to be influenced by the way the US structures and deploys its general purpose forces than by relatively minor variations in the US strategic force posture. The NATO allies believe that their security depends ultimately on the deterrent strength of US strategic forces, but they value US conventional forces in Europe as an indication of the importance we attach to our commitments there and as a pledge toward the activation of our strategic forces when and if needed. They are, therefore, highly sensitive to changes in the deployment of US forces in Europe.

A major reduction in the US strategic posture that casts doubt on its deterrent capability--such as adoption of Strategic Force Package IV or V without an appropriate arms agreement--would cause the NATO countries great concern. A simultaneous substantial buildup in US general purpose strength in Europe would not ease this concern but only reinforce it. The allies would fear that such a combination of changes not only would weaken the credibility of the US nuclear deterrent, but also would leave the US capable only of fighting a prolonged conventional war in Europe.

A major reduction in US general purpose forces--such as adoption of General Purpose Strategies 0, 1, or 2B--not only would suggest a weakening of the US commitment to Europe in general, but also, in particular, it would raise doubts about the willingness of the US to use its strategic nuclear forces to defend Europe. This would cause the NATO countries great concern and, in our view, this concern could not be allayed by a simultaneous increase in US strategic forces.

Simultaneous major reductions in strategic forces and general purpose forces would cause great consternation in NATO and would probably destroy the alliance or render it ineffective. On the other hand, concurrent increases of the magnitude of Strategic Force Packages I and II and General Purpose Force Strategies 3 and 4 would cause some consternation, too. Many of the NATO nations would be afraid that

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the US was intensifying the arms race to a degree that would result in drastic reactions by the Soviet Union and increase the chances of war in Europe.*

China

Chinese reactions to alternative US strategic forces and general purpose forces can be considered independently as presented in the earlier reports. Under any of the US strategic force options under consideration the Chinese will be in such an inferior position during the foreseeable future that variations in US strategic forces have little effect on Chinese actions. In contrast, their attitudes and military policies are much more influenced by US general purpose force deployment. The degree of support that the Chinese give to "people's wars" or any other foreign policy moves will be influenced primarily by their perceptions of how and under what circumstances US general purpose forces might be used.

Japan

As with NATO, barring drastic changes in the US strategic force posture Japanese reaction depends primarily on how the US maintains and deploys its conventional forces. A marked unilateral reduction in US strategic forces or US general purpose forces probably would stimulate greater support for a stronger national defense effort and would add new weight to arguments for a national nuclear weapons program. Simultaneous reductions of both types of forces would reinforce these efforts. An acceleration of US strategic or general purpose programs probably would not greatly affect present Japanese military policy as long as it did not endanger the reversion of Okinawa or involve deployment of new forces to Japan or the establishment

* The Joint Chiefs of Staff believe that the judgments in the last sentence of this paragraph would not apply to the combinations of US forces which included Strategic Force Package II. They believe that the differences between Strategic Force Packages I and II are large enough to generate a substantially lower level of Soviet reaction than indicated.

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of new bases there. Unless the US were responding to a Communist threat, an acceleration of US general purpose deployment in Asia would probably be seen by the Japanese as an unnecessary attempt to intimidate Peking, Pyongyang, and Hanoi.

Other Far Eastern Countries

The attitudes and defense policies of the other Asian countries are influenced by US general purpose force deployment, but are relatively unaffected by US strategic force policy. Their reactions to the two types of US forces, therefore, can be considered independently.

Interaction Between Soviet Strategic Forces and Soviet General Purpose Forces

We believe that, in their reactions to US strategies, there is little interaction between Soviet strategic force programs and general purpose force programs in terms of substituting one type of force for the other. The Soviets have designed the two types of forces to fulfill fundamentally different kinds of missions and to counter completely different threats. On the other hand, it is prudent to recognize, as Soviet military doctrine does, the mutually supporting role of these forces, particularly in any likely conflict between the Warsaw Pact and NATO.

Some significant interaction may be caused by economic factors. How the expenditure implications of Soviet military programs might affect the interaction between Soviet strategic forces and general purpose forces is best viewed within the context of the current economic environment.

The Soviet economy has the capacity to support a large and diversified military establishment. The strategic buildup since the mid-Sixties, however, has been accompanied by economic policies which could cause trouble for Soviet planners during the next few years. Rates of growth in investment in heavy industry have been reduced to levels well below the average of early Sixties, and as a result, rates of growth in output of heavy industry--the source of both military and investment resources--may decline for the next few years.

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If the Soviets continue the policy of fairly high levels of investment in consumer goods industries and choose to restore rates of growth in investment in heavy industry, resources available for the military will be constrained, at least in the short run. On the other hand, if the Soviets do not increase the rates of growth in investment in heavy industry-- either by constraining the consumer sector or military programs--or greatly improve the efficiency and productivity of heavy industry, resources for the military might be even more constrained in the long run.

In the absence of marked changes in US strategic forces and general purpose forces from those previously planned, the USSR is expected to continue to spend the equivalent of about \$11 billion a year on its strategic forces and about \$30 billion on its general purpose forces and command and support functions. (This does not include other significant Soviet military expenditures such as research and development and military aid to other countries.)

The expenditure implications of the 15 combinations of Soviet strategic force and general purpose force reaction postures discussed in the basic studies are summarized in the table on page 40. As noted in the basic studies, the force postures and, therefore, the expenditure implications are illustrative only. They represent a general level of effort that could be achieved with other force options. For the higher levels of reaction forces, average expenditures during the early part of the period--as new deployment is under way--would considerably exceed the average for the entire period and would pose difficult resource allocation problems during 1971-75.

For some combinations of US forces, therefore, the Soviets probably would try to phase new programs so as to minimize the strain in the industrial investment and output goals. The extent to which this would affect Soviet decisions would depend, in the first instance, on the degree to which the leadership felt challenged by new US programs, and, secondly, on Soviet military considerations that might operate independently of US programs.

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Expenditure Implications of Combinations of Soviet
Strategic and General Purpose Force Packages:
Average Annual Outlays: 1969-1978*

Strategic Force Reactions	Billion US Dollars					
	General Purpose Force		Reaction			
	Force Package 1		Force Package 2		Force Package 3	
Force Package 1	Strategic	7.2	Strategic	7.2	Strategic	7.2
	GPF**	27.8	GPF**	29.8	GPF**	31.9
	Total	<u>35.0</u>	Total	<u>37.0</u>	Total	<u>39.1</u>
Force Package 2	Strategic	8.7	Strategic	8.7	Strategic	8.7
	GPF**	27.8	GPF**	29.8	GPF**	31.9
	Total	<u>36.5</u>	Total	<u>38.5</u>	Total	<u>40.6</u>
Force Package 3	Strategic	14.6	Strategic	14.6	Strategic	14.6
	GPF**	27.8	GPF**	29.8	GPF**	31.9
	Total	<u>42.4</u>	Total	<u>44.4</u>	Total	<u>46.5</u>
Force Package 4	Strategic	15.8	Strategic	15.8	Strategic	15.8
	GPF**	27.8	GPF**	29.8	GPF**	31.9
	Total	<u>43.6</u>	Total	<u>45.6</u>	Total	<u>47.7</u>
Force Package 5	Strategic	23.4	Strategic	23.4	Strategic	23.4
	GPF**	27.8	GPF**	29.8	GPF**	31.9
	Total	<u>51.2</u>	Total	<u>53.2</u>	Total	<u>55.3</u>

Base Case (Present National Intelligence
Projections at a level intermediate
between NIPP-Hi and NIPP-Lo)

Strategic	11.3
GPF**	29.8
Total	<u>41.1</u>

* This table shows--for illustrative purposes only--the cost implications of combining the various Soviet strategic force and general purpose force reactions described in our earlier reports. The purpose is to show what the expenditure levels would be if there were no interaction between strategic force and general purpose force programs. As discussed in the text, we believe that, for some of the combinations, expenditures would be influenced by such interaction, but because of the large number of variables involved we are unable to quantify the effect. The dollar values in the table indicate what the Soviet programs would cost if purchased in the US--in terms of 1966 purchasing power.

** Includes expenditures for command and support functions.

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The combination of the high Soviet strategic reaction force (Force 5) with any one of the three general purpose reaction force postures would result in an average rate of growth of military expenditures in excess of 7 percent per year for the next few years. This compares with an annual average rate of growth of 2 percent for 1960 through 1968 and an annual average rate of growth of 5 percent for 1965 through 1968 for current programs. Strategic Reactions Force 5 combined with the high general purpose reaction force (Force 3) would imply a military expenditure growth rate approaching 10 percent per year, or about double the expected average growth rate in the economy.

We believe the Soviets will do whatever is necessary to maintain a strong deterrent force and to support their claim to equal power status with the US.* At the same time they will want to seek improvements in general purpose forces to meet the growing Chinese threat and to achieve greater airlift and sealift capabilities.

Because the requests of the Soviet military, if granted, probably would exceed the resources the Soviet leadership feels able to provide, we expect to see an intensification of competition for resources within the military, even with presently programed US forces. Similarly, without an arms agreement the competition between the military and other sectors of the economy probably will also intensify. In the absence of an arms limitation agreement, it is unlikely that the Soviets will be able to keep a tight lid on expenditures in the early Seventies, even

* *The Joint Chiefs of Staff and the Office of the Secretary of Defense (International Security Affairs) believe that "deterrence" and "parity" are only minimum Soviet objectives. Clearly the Soviet range of strategic options is broader than one-for-one reaction to US choices and decisions. The Soviets have resources to fashion strategic forces that fully exploit their advancing technology, support their world outlook and related ambitions, and take reasonable cognizance of US capabilities and force postures. On the record, they are likely to do so. Accordingly, JCS and OSD (ISA) wish to emphasize that the reactive Soviet strategies identified herein must be used with caution.*

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though the Soviet leaders will endeavor to keep the growth in total military spending down.

Those programs intended to maintain the credibility of the Soviet nuclear deterrent will be funded first and the general purpose forces will be forced to compete among themselves for the remainder. Thus, if the Soviets feel compelled to undertake major new strategic programs, resources available for general purpose forces could be constrained. If, on the other hand, the Soviets feel secure in their deterrent--e.g., by means of an arms limitation agreement--the general purpose forces probably would benefit, although competition with civilian claimants would be sharp.

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The footnote on page 10 of the basic report on general purpose forces, dated June 1969, should be changed to read as follows:

Representatives of the Department of State and the Office of the Secretary of Defense (International Security Affairs) believe that prudence on their part might cause the Soviets to maintain their present level of military force in Central and Eastern Europe to pursue political objectives there--and quite possibly more long-range goals than they can now imagine as feasible.

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