

President's Speech on Military Spending and a New Defense

WASHINGTON, March 23 — Following is the text of President Reagan's speech tonight, as made available by the White House:

Thank you for sharing your time with me tonight. The subject I want to discuss with you, peace and security, is both timely and important. I have reached a decision which offers a new way for our children in the 21st century — a decision I will tell you about in a few minutes — and I am confident that you must make for yourselves. This subject involves the most basic duty that any President and any people share — the duty to protect and strengthen the peace.

At the beginning of this year, I submitted to the Congress a defense budget which reflects my best judgment, and the best understanding of the experts and specialists in the field, about what we and our allies must do to protect our people in the years ahead. That budget is much more than a long list of numbers, for behind all the numbers lies America's ability to prevent the greatest of human catastrophes and preserve our free way of life in a sometimes dangerous world. It is part of a careful, long-term plan to make America strong again after too many years of neglect and mistakes. Our efforts to rebuild America's defenses and strengthen the peace in the two years ago when we requested a major increase in the defense program. Since then the Congress has increased by half through improvements in management and procurement and other savings. The budget request I am now before the Congress has been trimmed to the limits of safety. Further deep cuts cannot be made without seriously endangering the security of the nation. The choice is up to the men and women you have elected to the Congress — and that means the choice is up to you.

Not About Arithmetic

Tonight I want to explain to you what this defense debate is all about, and why I am convinced that the budget now before the Congress is necessary, responsible and deserving of your support. And I want to offer hope for the future.

But first let me say what the defense debate is not about. It is not about spending arithmetic. I know that in the last few weeks you've been bombarded with numbers and percentages. Some say we need only a 1 percent increase in defense spending. So-called alternate budget backed by liberals in the House of Representatives would lower the figure to 3 or 4 percent, cutting our defense budget by \$183 billion over the next five years. The trouble with all these numbers is that they tell us little about the defense program America needs or the benefits in security and freedom that our defense effort buys for us.

What seems to have been lost in all this is the simple truth that our defense budget is arrived at. It isn't done by deciding to spend a certain number of dollars. That's the way that are occasionally heard charging that the Government is trying to solve a security problem by throwing money at it as nothing more than noise based on ignorance.

We start by considering what must be done to maintain peace and security. All the possible threats against our security. Then a strategy for strengthening peace and defending against those threats must be agreed upon. And finally our defense establishment must be evaluated to see what is necessary to protect against any of the potential threats. The cost of achieving these ends is totaled up and the result is the budget for national defense.

What to Eliminate

There is no logical way you can say let's spend X billion dollars less. You can only say, which part of our defense measures do we believe we can do without and still be able to stand against all contingencies? Anyone in the Congress who advocates a percentage or specific dollar cut in defense spending should be asked to show what part of our defenses he would eliminate, and he should be candid enough to acknowledge that in some cutting our commitments to allies or inviting greater risk to both.

Current Role of Deterrence

This strategy of deterrence has not changed. It still works. But what it takes to maintain deterrence has changed. It took one kind of military force to deter an attack when we had far more nuclear weapons than any other power; it takes another kind now that the Soviets have equal numbers, even though we have more powerful nuclear weapons to destroy virtually all of our missiles on the ground. This is not to say the Soviet Union is planning to make war on us. Nor do I believe a war is inevitable — quite the contrary. But we must be prepared to meet all threats.

There was a time when we depended on coastal forts and artillery batteries; because with the weaponry of that day, any attack would be based on come by sea. This comes from the world and our defenses must be based on recognition and awareness of the

weaponry possessed by other nations in the nuclear age. We must believe we will never be threatened. There have been two world wars in my lifetime. We did start them and, indeed, did everything we could to avoid being drawn into them. But we were ill-prepared for both — had we been better prepared, peace might have been preserved.

For 20 years, the Soviet Union has been accumulating enormous military might. They did it step when their forces exceeded all requirements of a legitimate defensive capability. And they haven't stopped now.

The Soviet Gains

During the past decade and a half, the Soviets have built up a massive arsenal of new strategic nuclear weapons — weapons that can strike deep into the United States.

As an example, the United States introduced its last new intercontinental ballistic missile, the Minuteman III, in 1969, and we are now developing our even older Titan missiles. But what has the Soviet Union done in these intervening years? Well, in 1969, the Soviet Union has built five new classes of ICBMs, and upgraded those eight times. As a result, their missiles are much more accurate than ours and they continue to develop them, while ours are increasingly obsolete.

The same thing has happened in other areas. Over the same period, the Soviet Union built up a massive submarine-launched ballistic missile force and over 600 missile submarines. We built two new missile submarines, the missiles and actually withdrew 10 submarines from strategic missions. The Soviet Union built over 100 new Black Jack bombers, and their brand new Black Jack bomber is now under development. We haven't built a new long-range bomber since World War II. We deployed about a quarter of a century ago, and we've already retired several hundred of those because of old age. Indeed, despite what many people think, our strategic forces only cost about 15 percent of the defense budget.

Medium-Range Nuclear Arms

Another example of what's happened in 1979, the Soviet Union has built intermediate-range nuclear missiles based on land and were beginning to build SS-20 — a new, highly accurate mobile missile, with 10 warheads. We had none. Since then the Soviets have strengthened their lead. In 1979, the Soviet Union announced that they had a "balance now exists," the Soviets had over 800 warheads, while we had only 450. This month, Mr. Brezhnev pledged a moratorium, or freeze, on SS-20 development. But by last August, they had 1,200 warheads and some freeze. At this time Soviet Defense Minister Ustinov said that the Soviet definition of parity is a box score of 1,300 to nothing, in their favor.

So, together with NATO allies, we decided in 1979 to buy new weapons, beginning this year, as a deterrent to their SS-20s and as an incentive to protect against any of the serious arms control negotiations. We will begin that deployment late this year. The only way we can win, however, we are willing to cancel our program if the Soviets will dismantle theirs. This is what we have called a zero-to-zero arms control program.

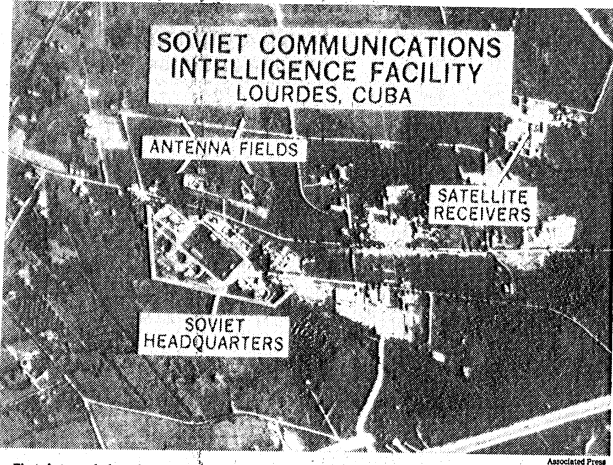
Conventional Forces

Now let's consider conventional forces. Since 1974, the Soviet Union has produced 3,050 tactical combat aircraft. By contrast, the Soviet Union has produced 61. For armored vehicles and main battle tanks, we have produced 11,200. The Soviet Union has produced 34,000, a nearly 3-to-1 ratio in their favor. Finally, with artillery, we have produced 850 artillery and rocket launchers while the Soviets have produced more than 13,000, a staggering 14-to-1 ratio.

There was a time when we were able to offset superior Soviet numbers with higher quality. Our tanks are building weapons as sophisticated and modern as our own. The Soviets have increased their military power, they have been emboldened to extend that power. They are spreading their military influence in the Middle East, in the Caribbean, and in other parts of the world. We are working with them and our other friends around the world to do more. Our defensive strategy means we need military forces that can move very quickly — forces that are trained and ready to respond to any emergency.

Largest in the World

This Soviet intelligence collection effort is more than 100 miles from our coast is the largest of its kind in the world. The acres and acres of antenna fields and intelligence monitors are targeted on key U.S. installations and sensitive activities. The installation, in Lourdes, Cuba, is being staffed by 1,000 Soviet technicians, and the satellite ships that conduct instant communications with Moscow. This 28-square mile facility has grown by more than 100 percent in capability during the past decade. In western Cuba, we see this military complex and a complex of modern Soviet-built MIG-23 fighters. The Soviet Union uses this Cuban air-



First photograph shown by President Reagan last night, which he said illustrated Soviet military presence in Cuba.

field for its own long-range reconnaissance missions, and earlier this month two modern Soviet antisubmarine warfare aircraft began operating from it. During the past two years, the level of Soviet arms exports to Cuba can only be compared to the levels reached during the Cuban missile crisis 20 years ago.

Grenada's Large Airfield

On the small island of Grenada, at the southern end of the Caribbean chain, the Cubans, with Soviet financing and backing, are in the process of building an airfield with a 10,000-foot runway. Grenada doesn't even have an air force. Who is it intended for? The Caribbean is a very important area for our interests, our commerce and military lines of communication. More than half of all American oil tankers pass through the Caribbean. The rapid build-up of Grenada's military potential is a direct and obvious threat to this island country of under 110,000 people, and totally at odds with the pattern of other Caribbean islands, most of which are unarmed. The Soviet-Cuban militarization of Grenada, in short, can only be seen as a power projection into the region, and it is in this important economic and strategic area that we are trying to bring about a change in the status of Costa Rica, Honduras and others in their struggles for democracy against guerrillas supported through Cuba and Nicaragua.

These pictures only tell a small part of the story. I wish I could show you this without using promising our most sensitive intelligence sources and methods. But the Soviet Union is also supporting Cuban military forces in Angola and Ethiopia, and in the Persian Gulf oil fields. They have taken over the island of Cam Ranh Bay in Vietnam, and now, for the first time in history, the Soviet Navy is a force to be reckoned with in the Pacific.

Question of Soviet Intentions

Some people may still ask: Would the Soviets ever use their formidable military power? Well, again, can we afford to believe they won't? There is no doubt in Poland, and in other places, they denied the will of the people and, in so doing, demonstrated to the world a misuse of military power could also be used to intimidate.

The final fact is that the Soviet Union is acquiring what can only be considered an offensive military force. They have continued to build up their intercontinental ballistic missiles than they could possibly need simply to deter an attack. Their conventional forces are trained and equipped not so much to defend against an attack as they are to permit sudden, surprise offensives of their own.

Our NATO allies have assumed a great defense burden, including the maintenance of most of our forces. We are working with them and our other friends around the world to do more. Our defensive strategy means we need military forces that can move very quickly — forces that are trained and ready to respond to any emergency.

Every item in our defense program — our ships, our tanks, our planes, our funds for training and spare parts — is intended for one important purpose — to keep the peace. Unfortunately, a decade of neglecting our military forces had led us into question-able territory to do that.

performed military personnel to stay on. There was a real question, then, about how well we could meet a crisis. And it was obvious that we had to begin a major modernization program to insure we could deter aggression and preserve the peace in the years ahead.

Change in Spending Pattern

The fact is that in the past few decades we have seen a dramatic shift in how we spend the taxpayer's dollar. Back in 1955, payments to individuals took up only about 20 percent of the Federal budget. For nearly three decades, these payments steadily increased, and this year will account for 40 percent of the budget. By contrast, our defense budget, which has fallen to a low of 23 percent, is now being increased. This year, defense will still amount to only 23 percent of the budget.

Appeals to Congress

This is why I am speaking to you tonight to urge you to tell your Senators and Congressmen that you know we must continue to restore our military strength. If we stop in midstream, we will not only jeopardize the progress we have made to date — we will mortgage our future. The system of military cuts and arms reductions, and we will send a signal of decline, of lessened will, to friends and adversaries alike.

Bombers and Submarines

We have not built a new long-range bomber for 21 years. Now we're building the B-1. We had not launched one since the B-52 in 1955 for 17 years. Now, we're building our Trident submarine a year. Our land-based missile force is being increasingly threatened by the many huge, new Soviet ICBMs. We are determining how to solve that problem. At the same time, we are working to strengthen our submarine force, with the goal of achieving deep reductions in the strategic and intermediate nuclear arsenals of both sides.

We have also begun the long-needed modernization of our conventional forces, which amount to the first new tank in 20 years. The Air Force is modernizing. We are rebuilding our Navy, which shrank from about 1,000 ships in the late 1960's to 483 ships in 1979. Our nation needs a superior Navy to support our military forces in the Indian Ocean. We are now on the road to achieving a 600-ship Navy and increasing the amphibious capabilities of our Marines, who are now serving the cause of peace in Lebanon. And we are building a real capability to assist our friends in the Persian Gulf, Indian Ocean and Persian Gulf region.

This adds up to a major effort, and it is not cheap. It comes at a time when there are many other pressures on our budget and when the American people have already had to make major sacrifices during the recession. But we

must not be misled by those who would make defense once again the scapegoat of the Federal budget.

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Yes, we pay a great deal for our weapons and equipment we give our military forces. And, yes, there has been some waste in the past. But we are now paying the real cost of our neglect in the 1970's. We would only be fooling ourselves, and endangering the future, if we let the bills pile up for these bills always come due, and the more they come due, the more they cost in treasure and in safety.

As we pursue our goal of defensive technologies, we recognize that our allies rely on our strategic offensive power to deter attacks against them. Their vital interests and ours are inextricably linked — their safety and ours are one. And no change in technology can or will alter that reality. We must and shall continue to honor our commitments.

Clearly recognize that defensive systems have limitations and raise certain problems and ambiguities. If paired with offensive systems, they can be viewed as fostering an aggressive policy and no one wants that.

But with these considerations firmly in mind, I call upon the scientific community who gave us nuclear weapons to turn their great talents to the cause of making and maintaining peace; to give us the means to rendering these nuclear weapons impotent and obsolete.

Tonight, consistent with our obligations under the ABM Treaty and recognizing the need for consultation with our allies, I am taking an important first step. I am directing a comprehensive and intensive effort to define a long-term research and development program to begin to achieve our ultimate goal of eliminating the threat posed by strategic nuclear missiles. This could pave the way for arms control measures to eliminate the weapons themselves. We seek neither military superiority nor political advantage. Our only purpose is to reduce the danger of nuclear war.

Specter of Retaliation

If the Soviet Union join with us in our effort to achieve major arms reductions we will have succeeded in stabilizing the nuclear balance. Nevertheless it will still be necessary to rely on the specter of retaliation — on mutual threat, and that is a sad commentary on the human condition. Would it not be better to save lives than to avenge them? Are we not capable of demonstrating our peaceful intentions by applying all our abilities and our ingenuity to achieving a truly lasting stability? I think we are — indeed we must!

After careful consultation with my advisers, including the Joint Chiefs of Staff, I believe there is a way. Let me share with you a vision of the future which offers hope. It is that we embark on a program to counter the awesome Soviet missile threat with measures that are designed to meet the very strengths in technology that spawned our great industrial base and that have given us the quality of life we enjoy today.

Up until now we have increasingly based our strategy of deterrence upon the threat of retaliation. But what if free people could live secure in the knowledge that their security did not rest upon the threat of instant U.S. retaliation to deter Soviet attack? What if we could intercept and destroy strategic ballistic missiles before they reached our own soil or that of our allies?

A Long Effort

I know this is a formidable technical task, one that may not be accomplished before the end of this century. But current technology has attained a level of sophistication where it is responsible for us to begin this effort. It will take years, probably decades, of effort on many fronts. There will be failures and setbacks just as there will be successes and breakthroughs. And as we proceed, we must remain constant in preserving the nuclear deterrent and maintaining a solid capability for flexible response. But is it not worth every investment necessary to free the world from the threat of nuclear war? We know it is!

In the meantime, we will continue to pursue real reductions in nuclear arms through negotiations from a position of strength that can be insured only by modernizing our strategic forces. At the same time, we must take steps to reduce the risk of a conventional military conflict escalating to nuclear war by improving our nonnuclear capabilities. America does possess — now the technologies to attain very significant improvements in the effectiveness of our conventional forces. Proceeding boldly with these new technologies, we can significantly reduce any incentive that the Soviet Union may have to threaten attack against the United States or its allies.

An Identity of Interests

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Hope for the Future

Thus far tonight I have shared with you my thoughts on the problems of national security we must face together. My predecessors in the Oval Office have appeared before you on many occasions to describe the threat posed by Soviet power and have proposed steps to address that threat. But since the advent of nuclear weapons, those steps have been directed toward deterrence of aggression through the promise of retaliation. The notion that no national nation would launch an attack that would inevitably result in unacceptable losses to themselves. This approach to stability through offensive threat has worked. We and our allies have succeeded in preventing nuclear war for three decades. In recent months, however, my advisers including in particular the Joint Chiefs of Staff, have underscored the seriousness of the threat before us.

Over the course of these discussions, I have become more and more convinced that the human spirit must be capable of rising above dealing with other nations and human beings by threatening their existence. I believe we must thoroughly examine every opportunity for reducing tensions and for insuring greater stability in our strategic relations on both sides. One of the most important contributions we can make is, of course, to lower the

Pentagon Announces Plans For Sale of Missiles to Israel

WASHINGTON, March 23 (AP) — The Pentagon has proposed the first time that the United States arms to Israel since the invasion of Lebanon last October. The move is a major step toward ending the long-standing strained relations between the two countries.

The Defense Department notified Congress on Tuesday that it wanted to sell Israel 200 Sidewinder air combat missiles for about \$16 million.

The formal notification went to Congress a day after the new Israeli Defense Minister, Moshe Arens, announced in Tel Aviv that Israel would provide the United States additional military assistance. The move is a performance of the United States weapons in the hands of Israel.