

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

C15-H-E3703

September 11, 1970

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National Security Decision Memorandum 84

TO: The Vice President
 The Secretary of State
 The Secretary of Defense
 The Director, Office of Management and Budget
 The Director of Central Intelligence
 The Director, Office of Emergency Preparedness

SUBJECT: Defense Program FY 72-76

ON-FILE NSC RELEASE INSTRUCTIONS
APPLY

As a result of the National Security Council meeting on August 19, 1970, the President has directed the budget guidelines displayed in the following table. These guidelines constitute a revision to Table 1 of National Security Decision Memorandum 27, dated October 11, 1969.

OSD Review Completed

| <u>Budget Outlays</u> ^{1/} | | | | |
|-------------------------------------|--------------|--------------|--------------|--------------|
| <u>FY 72</u> | <u>FY 73</u> | <u>FY 74</u> | <u>FY 75</u> | <u>FY 76</u> |
| 74.5 | 75 | 76 | 78 | 79 |

^{1/} a. Current dollars (to nearest billion beyond FY 72) including projected inflation, future pay raises, and the all-volunteer force. Also includes support of allies.

b. Vietnam assumptions are as stated in Table 4 of DPRC report, Defense Planning 1971-76 (Revision 7). Budget outlays should be adjusted to reflect actual Vietnam activity rates.

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The President has directed the following priorities for reductions in the current FY 72 defense program:

1. The President reaffirms his continuing commitment to the Volunteer Force concept. The FY 72 outlay includes about \$1.3 billion for the Volunteer Force, including cumulative costs. Precise allocations for FY 72 will be determined after considering the plan requested by NSDM 53. The guidelines for FY 73-76 include \$3.5 billion for Volunteer Force implementation.

2. Strategic programs (except for air defense) for FY 72 should reflect no visible reductions from existing levels pending resolution of the Strategic Arms Limitation Talks (SALT). The FY 72 outlays for strategic programs should be reduced by making reductions in air defense force and operating costs for strategic bombers.

3. The priority for General Purpose Forces reductions should be given to tactical air forces, ASW forces, escort ships and amphibious task forces. The Defense Program should maintain no fewer than 16-1/3 active divisions.

In the event of agreement on strategic arms limitations, the above guidelines will be adjusted to reflect such agreement.


Henry A. Kissinger

cc: The Chairman, Joint
Chiefs of Staff
The Chairman, Council
of Economic Advisers

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