

257.

January 23, 1962

NSEC 180/1

**MEMORANDUM TO: Director
Bureau of the Budget**

Dave:

The President sent the attached over to McNamara and called him yesterday afternoon. He indicated he would like to have you and Max Taylor talk to McNamara on this subject. When you and Max are both back, perhaps you should concert an initiative.

Carl Kaysen

**SECRET Enclosure
Pres memo to SecDef
dtd 1/22/62**

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NSEC 180/2

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January 22, 1962

MEMORANDUM FOR

THE SECRETARY OF DEFENSE

My attention has been called to the fact that the Army is still planning its strength under budgetary criteria which assume that the Active Army will reach 940,000 by July 1, 1962 and that all reservists will be returned to an inactive status in the time period. As these assumptions are no longer completely valid, I would like your recommendations as to the modified guidance which should be promulgated.

As I understand the situation, we would like to do a number of things which, unfortunately, are not entirely compatible. For example, we would like to return all reservists to an inactive status as soon as possible without having to call on additional reservists. At the same time, for both military and political reasons, it seems advisable to maintain the strength of the U.S. Army in Europe essentially at the present level for some time to come. In the same period, we want strong Army forces in strategic reserve in the U.S. ready for deployment to Europe or to any other threatened area. Finally, we would like to accomplish the foregoing objectives within a Fiscal Year 1963 Active Army strength of 960,000.

In connection with the return of reservists to an inactive status, I was surprised to learn that the now Active Army divisions will not be combat ready until November 15 and December 15, 1962, respectively. At our conference at Palm Beach, I received the impression that a considerably earlier date was possible and had hoped to return the National Guard divisions to a non-federal status by early summer. As a part of the present study, I wish that you would reexamine those readiness dates and see what can be done to advance them.

In summary I would like to be shown the alternatives which we should consider in trying to reconcile the following desiderata:

- a. An early return of reservists to an inactive status.

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- b. Maintenance of present U.S. Army strength in Europe.
- c. A strong deployable Strategic Army Force in the United States.
- d. An active Army strength of 960,000 for FY 1962.

Apart from the military and political aspects of these alternatives, I would like also an indication of their budgetary impact.

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