

Rocky
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Critics Shelling Fort McNamara

By Marquis Childs

THE VOLLEYS fired from Capitol Hill across the Potomac at the man in the Pentagon are slightly off target. What is more, Secretary of Defense Robert S. McNamara seems not in the least disturbed as the shot and shell fall around him.

Of all the strange aspects of perhaps the strangest war in America's history, the conflict between McNamara and his congressional critics ranks high. The conflict in and of itself is more of the same. Civilian secretaries have traditionally been the target for political critics.

But with McNamara determined to hold down costs and his congressional attackers bent on forcing him to spend more, it is the reversal of the traditional roles that makes this remarkable. Even those who talk loudest about economy have been helping to load the Defense budget with a half billion to a billion dollars of unwanted money. The Secretary is, of course, not compelled to spend funds that Congress appropriates above budgeted requests.

After a week's vacation climbing Mt. Rainier—a characteristic relaxation for McNamara—he will pick up the pruning shears again to cut costs still further. So confident is the Secretary in his estimate of the number of planes likely to be lost in the current fiscal year that he means to cut back production schedules. How—and where—the cutting will be done is still a carefully guarded secret. In testimony before the Senate Appropriations Committee, he put the probable loss at 580 planes.

WHILE IT is an oversimplification, the fundamental difference between McNamara and his congressional critics is that he believes the Vietnam conflict can be kept a limited war as against the view of those in Congress who want to pull out all the stops. Thus far the President has given unqualified support to his Secretary of Defense, whom he rarely fails to praise in glowing terms.

It is not that McNamara is unaware of the escalating cost of the Vietnam war. He is engaged in calculating how much of a supplemental appropriation he will have to call on Congress for,

and until all the returns are in, he will not give even a general estimate of how many billions will be in this added bill.

Until recently he had been confident that he could put off the grim day until early January. Now there is some doubt as, with the movement of troops up to 350,000 into Vietnam, the costs mount correspondingly. Congress, called back into session after the Nov. 8 election to vote the additional billions, might also be called on for a tax increase to pay for it.

Figures are by no means McNamara's sole preoccupation. He is making a speech in New York next Tuesday reportedly going to the heart of the most sensitive of all problems—manpower, the draft and the demand of his Senate critics that reservists be called up. He is likely to enlarge on the concept of national service for all youths, a proposal in his talk to the American Society of Newspaper Editors in Montreal in May that touched off loud repercussions.

So much stress does the Secretary put on this speech to the Veterans of Foreign Wars that his own early drafts are rated top secret and locked in his private safe.

“AS MATTERS STAND,” McNamara said at Montreal, “our present Selective Service system draws on only a minority of eligible young men. That is an inequity. It seems to me we could move toward remedying that inequity by asking every young person in the United States to give two years of service to his country—whether in one of the military services, in the Peace Corps, or in some other volunteer developmental work at home or abroad.”

He added that there were those who said such a proposal was inappropriate in the middle of a shooting war but that he believed precisely the opposite was the case. With American youths called on for universal service, we would show that we meant what we said about the central concept of security—a world of decency and development, in his words, where every man can feel that his personal horizon is rimmed with hope. At one extreme, his critics on the left charged that he proposed to put the whole nation in uniform.

Again and again McNamara has shown that he is a rarity in the Johnson Administration. Above all, this is because of his readiness to supply fresh thinking for old problems even as he tries to hold a tight rein on the wild horses in the Pentagon. Who is man? he asks. And he answers with his own conviction that he is a rational animal with a near infinite capacity for folly.

Post 9/20/66

McNamara Sees Corps Unaffected

Defense Secretary Robert S. McNamara has emphatically denied that the military's plan to salvage rejects could put the Job Corps out of business.

Rather, McNamara argued, there is little duplication either in training or the youth clientele served by the two programs.

"I think it would be a grave error if the announcement of the new Defense Department plan were to result in any reduction in the Administration's request for support of the Job Corps," the Defense Secretary has written to Sen. Joseph S. Clark (D-Pa.).

Fears Expressed

Some Job Corps officials have privately expressed fears that critics will use the military's plan for a renewed attack on their program. Anti-Poverty Chief Sargent Shriver predicted last week that cries will be raised that the "Job Corps is no longer needed because the Army can do a better job with the same youngsters."

In his letter to Clark, the Defense Secretary made it clear that he agrees with Shriver that the two programs can operate without competi-

tion because they have different aims and customers.

The Defense Department will take 40,000 draft rejects and substandard volunteers and give them special training to upgrade them to military standards within the next 10 months. Then the project would be geared to handle 100,000 a year.

Cites Differences

McNamara noted there are many men with educational deficiencies so severe that the armed forces cannot count on upgrading them even with improved training procedures. Here, he emphasized, is where the Job Corps can make a contribution—and it does send over a quarter of its graduates into military service.

He also emphasized these differences between the two programs:

- The Job Corps enrolls youths from 16 to 21 while the minimum draft age is 19. Three-quarters of the Job Corps enrollees are under draft age.

- The average reading ability of the recent Job Corps enrollees is reported at fourth-grade level. The new military program requires a minimum of a fifth-grade education achievement.

RICHARD WILSON

Raw 9/3/66

House Unit Finds Holes in McNamara Savings

A congressional committee has ripped gaping holes in Defense Secretary Robert S. McNamara's much vaunted cost reduction program, hailed in the Johnson administration as an example for all good government departments to follow.

Admittedly, there is much to be said on both sides of the argument for or against the McNamara claim of having saved \$14 billion in defense costs over a five-year period. The argument is an accountant's nightmare at best. It cannot be denied that McNamara has conserved large sums that otherwise might have been spent and has set a good example for other government big spenders.

But on the whole the concept that McNamara has wrought a miracle in defense costs is a delusion and a dangerous one, at that. It is a dangerous delusion because it seems to say that the more the government spends the more it saves, and for the added reason that McNamara's "savings" are used as justification for going ahead with the Great Society at home as if there were no war.

A House Armed Services subcommittee headed by Porter Hardy Jr., D-Va., has established that the biggest item of "savings" claimed by McNamara is a 25 percent figure arbitrarily applied to all defense contracts that have been shifted from a cost-plus or negotiated basis to a competitive bid basis. This reduction has even been claimed in the mammoth TFX plane contract awarded to the highest bidder at \$400 million higher than the next highest bid.

Perhaps the outstanding, if not typical, example of cost reduction concerns the Series A Bullpup missile eliminated from defense costs at a savings of \$50 million. Series B of

the Bullpup then came along and is gobbling up the entire \$50 million.

These disclosures would be less distressing if there had been less dissembling on how an independent firm of accountants had audited the McNamara claims and found them justified. What happened was that a firm of accountants made a general management survey and found that the techniques for cost reduction were probably reasonably based. But the firm of accountants did not confirm the authenticity of any claimed specific savings in any single project.

Accountants of the Hardy subcommittee tested out \$1.3 billion of the claimed \$5 billion saved in fiscal years 1964 and 1965. These accountants found that 37 percent or \$449 million in claimed savings could not meet the criteria the Defense Department itself had set, another 30 percent could not be proved, and the remaining 30 plus percent could be questioned as specious.

This is probably too harsh a judgment, but it does suggest that there is something wrong somewhere with the accounting.

Now all of this is not to say that McNamara has been a bad secretary of defense, or that he has failed to avoid many expenditures that were avoidable. He should get due credit for that.

It is the superman pretense, badly supported, which offends congressmen and causes them to think they are being bamboozled by high pressure public relations methods. Each year McNamara holds a televised press conference to outline his achievements in cost reduction. Flanked by numerous charts, he tells his story with firm, competent fluency in his well known rapid-fire and non-interruptable manner. This all goes out

over the nation's television stations to create the impression that the United States is getting its greatest bargain in defense in all its history and should be duly grateful.

There is neither time nor competence among his questioners for concurrent analysis of what McNamara claims in these presentations, but the Hardy subcommittee has now taken care of that if anyone will listen.

The trouble is that hardly anyone listens, and the delusion persists that McNamara

is saving all this money so it is perfectly OK to go ahead with non-defense projects which have already gotten completely out of hand.

How badly these expenditures have gotten out of hand is currently illustrated by the unexpected and hidden costs of the Medicare program, which only now are coming to light. As the cost of other programs rises, the time will soon come when even McNamara cannot claim to have saved enough money to defray them.

McNamara Reports \$4.5 Billion Saved

United Press International

With a pat on the back from President Johnson, Defense Secretary Robert S. McNamara announced yesterday that his defense economy program had saved the country \$4.5 billion in the past year despite heavy Vietnam war demands.

Moreover, McNamara said that over the past five years the Defense Department "cost reduction program" had brought about total savings of \$14.25 billion. By 1969, he said, Pentagon measures to improve efficiency and reduce costs

should produce savings at an annual rate of \$6.1 billion.

The President appended a memo to the McNamara report handed out to newsmen in which Mr. Johnson said he was "particularly encouraged" by achievement of savings in spite of Vietnam's "extraordinary demands."

"This confirms my belief that we can have both combat readiness and economy in defense," Mr. Johnson said.

McNamara's annual recital on savings from better buying practices, base closings and other economies was made public in advance of his customary July "cost reduction"

news conference, which is set for today.

One item in the new report, covering the year that ended June 30, tells how \$13,104 was saved on recent helicopter purchases by substituting a standard 40-cent bolt for a special heat resistant type that had cost \$34.

A more significant saving, \$5,889,576, was chalked up by the Army by modifying 155 millimeter projectiles at a unit cost of \$2.34 and thereby avoiding the purchase of 270,000 new ones at \$24.13 each.

McNamara's cost reduction program does not result in lower defense budgets, nor

does he claim it should. What he states is that for the same amount of defense as it has had in the past 12 months, America would have had to spend \$4.5 billion more without the savings program.

Actual defense spending, set at \$54.2 billion in the past 12 months, is slated to rise to \$58.3 billion in fiscal 1967.

To dramatize the economy effort, the Pentagon will have a public ceremony Tuesday at noon and certificates of merit will be presented to 17 persons who made contributions to the program.

War Needs Cut Into 3 Divisions

United Press International

Vietnam war demands have left three U.S. based divisions short of trained personnel, the Senate Preparedness Subcommittee reported yesterday.

Chairman John C. Stennis (D-Miss.), said the shortages could have been prevented by calling up selected reserves. But he predicted that gaps in the three divisions would soon be filled by men completing their tour of duty in Vietnam.

The divisions studied were the 101st Airborne at Ft. Campbell, Ky., the 82d Airborne at Ft. Bragg, N.C., and the 2d Marine at Camp Lejeune, N.C. The study was made in April and Stennis said it was possible the manpower situation had changed since then.

Stennis said the report showed "the extent to which our military services have had to struggle and strain in order to meet the demands for men and equipment imposed by the war in Southeast Asia."

[Stennis was somewhat critical of Defense officials and Pentagon censors whom he accused of impeding the subcommittee's work, Associated Press reported. He said the part dealing with the 2d Marine Division "has been so severely censored that the remaining portions are virtually meaningless."]