15 December 1968

MEMORANDUM FOR: Dr. Kissinger

SUBJECT: Defense Organization and Management Procedures

1. This memorandum responds to your request for views concerning organization and operation of DOD at the OSD/JCS level. It undertakes to identify steps that might be considered to improve and strengthen this organization and operation.

- 2. The clear, guiding purpose and criterion for an inquiry of this kind should always be, I believe, the military security of the United States. It is against this criterion that the concerns currently voiced should be weighed. The concerns, in the aggregate, are that although significant innovations in management techniques have been made in recent years, serious problem areas have developed. As to the factors responsible, the following are repeatedly cited:
- a. Increased size and structure of OSD, involving increased centralization and inappropriate placement of responsibility for detailed program formulation.
- b. Arrangements which exclude the JCS from full and meaningful participation in the formulation of force and weapons programs.
- c. Insufficient recognition and consideration of military aspects of major security and strategic decisions, and of JCS advice thereon.
- 3. There is a feeling that the performance of the Military Departments, the JCS within the role permitted to them, and the field forces has been positive and effective. In contrast, there is a feeling that, at OSD level, there have been problems of delay, excessive impediments to new developments and processes, and substitution of less qualified civilian staff judgment for military judgment, particularly on program and international issues having deep military content.

CONFIDENTIAL

- 4. Proposals for improvement tend to focus on two things: a) major surgery at the ASD level; b) strengthening the JCS contribution, and making better use of it. Detailed suggestions selected from among these proposals are contained in the attached notes.
- 5. The overall effect of actions along the lines detailed therein would be to restore the role of OSD to one of control over the military structure rather than centralized performance of detailed programming and provision of military advice. As pointed out in the notes, the steps would place added responsibility on the Joint Chiefs of Staff and require them to strengthen their capability to discharge it.
- 6. The aim of the changes would be to improve the advice reaching the President and the Secretary of Defense, to improve the validity of the program-formulation process, and hence to give better support to the Secretary than he can receive from having this type of work performed in elements of the ASD-level staff. The changes thus should fulfill the purpose and criterion stated in paragraph 2, above.
- 7. One further effect should be noted. The changes will on occasion cause the President to be more directly confronted with the views of the JCS, and will result in these views having an identity of their own; rather than being embodied in OSD documents. The tendency for OSD to serve as an opaque buffer between the President and the JCS will thus be diminished. In a sense this shift may increase the burden on the President. The steps imply however that the JCS will themselves take increased responsibility and more of the burden of developing military plans and programs within a realistic total context--political, economic and military--conforming to the overall determinations of the President.
- 8. A source of difficulty in recent years has been the dictum that military requirements were supposed to be met, or would be met, without regard to economic and financial constraints. The purpose of this was widely thought to be one of avoiding the charge that a budget "ceiling" was being imposed upon military security needs. In actual fact there is no way to avoid the necessity of ultimately setting military programs with consideration of both military needs and financial resource availabilities. In consequence, the policy

as stated seems in practice to have been fulfilled through the technique of refusing to accept as requirements any recommendations which went beyond such constraints or "guidelines"; in the process, the determination (specifically, the application of the financial guidelines) was kept in OSD, beyond the knowledge and participation of the JCS. An implication of the proposals listed herein is that the JCS would have to accept, and to participate meaningfully in, the process of considering military needs against financial constraints.

9. Changes as far-reaching in their ramifications as those detailed herein should only be introduced after the most searching and thorough exploration and deliberation. Accordingly, they are presented here only as specific matters for consideration.

A. J. GOODPASTER
General, United States Army

NOTES ON CHANGES IN ORGANIZATION AND OPERATION -- OSD AND JCS (SUGGESTIONS FOR CONSIDERATION)

CHANGES AT OSD LEVEL

- l. In general, the proposals are to reduce the number of ASD's, and drastically reduce their staffs. Management should be decentralized and streamlined by pushing meaningful participation in decision making to JCS and Military Department level. ASD's should be taken out of the detailed programming business. Their role should be restored to one of reviewing, questioning, probing, and unifying the work of the Department, rather than superseding program development and military advisory functions in the JCS and the Military Departments. They should advise the Secretary and Deputy Secretary of Defense but should not undertake to "do it themselves." Their staffs should be a balance of civilian and military, and should be reduced in total numbers to accord with the reduced function. Specific steps for consideration include:
- a. Eliminate ASD (SA). Put a reduced systems analysis function under the Comptroller. Put a competent systems analysis function in the Joint Staff.
- b. Overhaul ISA, reducing it to a small advisory group. Transfer ISA's detailed planning and staff functions to the Joint Staff.
 - c. Eliminate ATSD (A/E).
- d. Continue ASD (Admin) with some reduction in personnel. Realign DINS to report to the Chairman JCS, but to provide inspection services for OSD elements.
- e. Reduce weapons development lead time from research to delivery. Encourage more starts; weed out nonperformers prior to major expenditures.
 - f. Reinstitute the Armed Forces Policy Council.

CONFIDENTIAL

CHANGES AT JCS LEVEL

- 2. In general, the proposals are intended to provide for more meaningful participation by the JCS, and provision of their judgment and advice on major issues; to place more responsibility on them; and to require steps that would strengthen their capability to discharge it. Specific steps for consideration are:
- a. Submit JCS advice on operational matters directly to the President, with SECDEF providing his comments and views if he desires.
- b. Insure that within DOD only SECDEF or DEPSECDEF will overrule JCS views and recommendations submitted to them, or change them, disregard them, set them aside or defer action on them, or hold them "for continuing consideration."
- c. Direct the Chairman JCS to provide for Joint Staff representation on interdepartmental groups within the National Security Affairs structure.
- d. Direct the Chairman JCS to provide for staff-level support, advice and assistance to OSD elements by the Joint Staff.
- e. Introduce an appropriate proportion of civilians into the Joint Staff. Raise the present restriction on the numbers of personnel in the Joint Staff.
- f. Require the Joint Chiefs of Staff to concentrate their attention on major issues and guiding policies. Eliminate every vestige of the "veto" by services at levels below the JCS themselves. Charge the Chairman with responsibility for procedures to achieve timely and valid action by the JCS on program issues, strategic advice and recommendations, and military advice at staff levels. Vest the Chairman with the authority and responsibility to implement decisions and act within established policy, utilizing the Joint Staff as necessary.
- g. Elevate the Chairman JCS to the next higher grade. Make the Director Joint Staff a four-star officer.