THE SECRETARY OF DEFENSE WASHINGTON, D. C. 20301

26 JAN 7976

General Alexander M. Haig, Jr. Commander in Chief United States European Command APO New York 09128

Dear Al,

This responds to your letter of 24 October 1975 which concluded that infrastructure funding priorities should not be changed to provide greater reimbursement to the U.S., and which recommended a direct U.S. approach to the Military Committee to obtain NATO eligibility for all "assigned" aircraft.

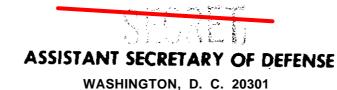
I am concerned that the inadequate scope of the current infrastructure program is impeding progress toward those badly needed increases in military capability noted in the SHAPE Flexibility Study, including additional shelters. I would be receptive to your views and recommendations concerning the best timing and forum for a major USG initiative to expand the infrastructure program from 400 MIL IAU to 600 MIL IAU.

I remain convinced of the value of shelters for the protection of our deploying aircraft. The continuation of the U.S. prefinancing program will receive close scrutiny by the Congress in FY 1977 and later Budget reviews. An expansion of NATO funding criteria to include all assigned aircraft, even without infrastructure funding actually being available now, could help in obtaining Congressional support. In this regard, I support the inclusion of the revised definitions of forces contained in MCM-37-75 in the appropriate NATO eligibility documents. I feel that it would be unncessarily cumbersome to submit new U.S. eligibility proposals through the Military Committee each time additional aircraft are made available to NATO.

Your support in gaining NATO acceptance for the expanded eligibility would be greatly appreciated, and I look forward to receiving your views on expanding the infrastructure program.

Sincerely,







PROGRAM ANALYSIS AND EVALUATION

6 JAN 1976

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Aircraft Shelters - ACTION MEMORANDUM

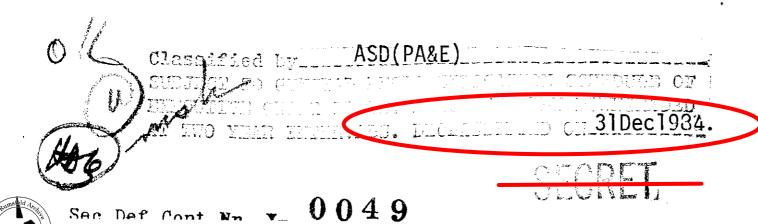
Attached at Tab A is a draft reply to a letter from General Haig (Tab B) which in turn responded to an earlier letter (Tab C) asking for greater NATO support for the U.S. aircraft shelter program.

The two objectives of the September 1975 letter (Tab C) to CINCEUR were to encourage:

- Repayment to the U.S. for shelters prefinanced in the FY 1975 budget. This would be about \$55 million dollars.
- Formal NATO determination that the remaining 70% of the U.S. tactical aircraft earmarked to SACEUR (M+3 to M+30) would be eligible for NATO funding of shelters.

SACEUR has recognized the goal of sheltering all tactical aircraft scheduled for deployment through M+30 as militarily important. However, he does not believe it is of sufficiently high priority to displace other critical programs for which the very limited current five year NATO infrastructure funds are now earmarked. Furthermore, there is pressure from Italy and Turkey to move away from military effectiveness as the primary criterion for allocating funds and towards a "something for everyone" concept. On this basis, continued USG pressure for reallocations may be counter productive.

Congressional support for shelters is increasingly contingent on greater NATO support. In the FY 1976 budget we requested \$175 million for shelters and Congress approved only \$53 million. In the FY 1977 budget preparation the Air Force programmed \$100 million but this was reduced to \$55 million by OSD/OMB for consistency with the FY 1976 Congressional appropriation.



I recommend that you use the widespread understanding of the military importance of aircraft shelters as a vehicle for expanding Ine infrastructure program to cover a much larger number of high priority projects, particularly those identified in the SHAPE Flexibility Study. An expanded infrastructure program could well be a major step forward in improving internal NATO coordination, although we would have to continue to respect sensitivities to the appearance of excessive U.S. influence.

With regard to eligibility criteria, General Haig recommended that the U.S. submit a proposal through the Military Committee. This would be unnecessary if SACEUR would incorporate in the appropriate NATO publication the revised definitions of assigned and earmarked forces approved by the Military Committee in MC-37-75. This would not only assure eligibility for current aircraft but would also preclude future submissions each time additional aircraft are made available. I therefore believe that you should continue to encourage General Haig to follow this course rather than making a separate approach through the Military Committee.

Attached for your signature is a letter to General Haig 1) acknowledging his assessment that infrastructure funds are "totally inadequate", 2) reiterating the request that eligibility for additional shelter funding be established through revision of appropriate NATO documents, and 3) soliciting his support for and views concerning a major U.S.

4 initiative promoting near term expansion of the infrastructure program.

Leonard Sullivan, Jr.

Assistant Secretary of Defer&e Program Analysis & Evaluation

Attachments

Concurrence:

ASD(ISA)

Acting ASD(I&L)

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MGen St John Vice Dir It Sti





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THE SECRETARY OF DEFENSE WASHINGTON. D. C. 20301

2 3 SEP 1975

General Alexander M. Haig, Jr., USA Commander-in-Chief United States European Command APO New York 09128

Dear Al:

- As you know, the U.S. has placed high priority on the sheltering of all tactical fighter aircraft that are identified as available for deployment to NATO. In the past, we have prefinanced aircraft shelters at a fasterrate than provided by the NATO Infrastructure Program'in order to speed construction. However, we now have a new situation in which Congress refuses to provide additional funds unless there is more indication of NATO support.
- (d) In FY 1975 the Allies provided co-located operating bases. and NATO decime u'u'. The rapid reactor (M:3) aircraft eligible for infrastructure funding. Tilt: U.S. financed and initiated a construction program for those aircraft. In the FY 1976 budget we requested \$175 million for additional shelters, including those for additional follow-on aircraft, but Congress has refused to fund more than approximately \$50 million on the ground that the remaining shelters are not being accorded a high priority by NATO or are not eligible for NATO infrastructure funding. This means that Congress is not likely to go along with the \$100 million a year over the next five years that we have programmed to prefinance aircraft shelters.
- forward storage sites, and SAS site improvements that take most of the infrastructure funds during the new five year program. I understand that the U.S. special infrastructure prbgran may provide perhaps \$40 million for shelters for U.S. rapid reactor aircraft above the 70% level (not eligible for normal infrastructure). However, indications are that if we are to continue the shelter building program, we will need 'to demonstrate to Congress that NATO continues to support the shelter program. I believe the most positive indication to Congress would be the near term recoupment in the regular infrastructure program of some portion of the approximately \$55 million for U.S. prefinanced rapid reactor shelters which are eligible under NATO criteria.

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- structure ends. By for shelters for additional follow-on aircraft. DPQ-75 will coarsische strategic reserve aircraft (about 180) as "NATO Assigned Forces". DPQ-75 will also show U.S. follow-on aircraft phasing in as "NATO Earmarked Forces" by 1980. It would be helpful if NATO could move toward extending eligibility to both assigned and earmarked aircraft by appropriate revision and clarification to the definitions contained in the proposed "SHAPE Recommended Criteria and Standards for Tactical and Transport Airfields -- 6th Edition", now under review by the Military Committee.
- for rapid reactor shelters and a NATO declaration of eligibility for our earmarked aircraft. In the longer term, it is obvious that the infrastructure program will-require more funds well before 1980. I will redouble my effort with my OPC colleagues to provide increased infrastructure funds before the end of the current five-year program.

Sin&rely,

SIGNED

JAMES R. SCHLESINGER

cc: Ambassador Bruce