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Chron File - July 1994 #1 [4]

Staff Office-Individual:

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	re: Part I Significant Military Exercise Brief (SMEB). [Poseidon 94] (1 page)	07/01/1994	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
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FOLDER TITLE:

Chron File - July 1994 #1 [4]

2016-0152-F

vz4596

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

NATIONAL SECURITY COUNCIL

July 13, 1994

TO: Jim Reed
THRU: Bob Bell *RJA*
FROM: Steve Jones *J*
SUBJECT: Edit of Feinstein B-2 Letter

I have made the minor edits indicated on the McLarty memo (Tab I) and have revised the proposed letter to Feinstein (Tab A) to emphasize Nancy's point that we do not have military requirements for more than the 20 B-2s authorized. Deutch also addressed this point in his letter to Senator Levin at Tab C.

THE WHITE HOUSE

WASHINGTON

7-12-94

→ Steve Jones

As Nancy's note indicates,
she'd like the proposed
response at Tab A to be
based more on requirements
rather than affordability
problems.

—JWR

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

5302

July 7, 1994

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH: ROBERT G. BELL *RGB*
 FROM: STEVEN R. JONES *SJ*
 SUBJECT: Senator Feinstein Letter RE: B-2 Production in California

Senator Feinstein has written Mack McLarty regarding the B-2 stealth bomber, asking for Administration support for the \$150 million added by the Senate to preserve an option for one year to sustain B-2 production beyond 20 aircraft. On July 1, the Senate voted 55-45 to reject a Levin-Leahy Amendment that would have struck the \$150 million from the bill. Since the House did not approve any additional B-2 funding, this issue will have to be resolved in House-Senate authorization conference.

The proposed reply to Senator Feinstein at Tab A is consistent with recent Perry and Deutch letters (Tabs B and C).

As this \$150 million B-2 funding issue heads for the House-Senate authorization conference, you, Mack and others need to discuss and confirm the Administration's position with Secretary Perry and Deputy Secretary Deutch. The proposed response to Senator Feinstein at Tab A reiterates the previous DoD positions. We should realize, though, that since the \$150 million will now be a conference issue the Administration will need to decide whether to continue to oppose the funding outright or negotiate at some point with Senator Nunn on some form of compromise.

Concurrences by: *In Draft* Bill Danvers, *In Draft* Gordon Adams (OMB)

RECOMMENDATION

That you and Susan Brophy forward the memorandum at Tab I to Mack McLarty which includes a letter to Senator Feinstein for his signature.

Attachments

Tab I Memorandum for Mack McLarty
 Tab A Response to Senator Feinstein
 Tab B Secretary Perry February 23 B-2 Letter
 Tab C Defense Secretary Deutch June 22 B-2 Letter
 Tab II Incoming Correspondence

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR MACK McLARTY

FROM: ANTHONY LAKE
SUSAN BROPHY

SUBJECT: Senator Feinstein Letter RE: B-2 Production in
California

Purpose

To respond to Senator Feinstein's June 20 letter asking for Administration support for the \$150 million added by the Senate to preserve an option for one year to sustain B-2 stealth bomber production beyond 20 aircraft.

Background

The Administration requested \$891.2 million for the B-2 program this year in support of the \$44.4 billion B-2 program agreed upon in 1992 by the Congress and President Bush and endorsed by President Clinton. Our FY 94 and FY 95 budget requests did not provide for more than 20 aircraft, nor did they preserve the industrial base required to maintain an option for more than 20.

The House members (especially Dellums-Kasich) are adamant that the 20 aircraft agreement be maintained. However, the California delegation, Northrop and some parts of the Air Force have been campaigning for more than 20. Their argument is that tens of thousands of jobs are at risk (many in California), the B-2 is our only remaining bomber production line, that each B-2 beyond 20 could be bought for "only" \$595 million (vice \$828 million for each of the first 20), and that we don't have enough bombers to make the BUR whole.

As a result, the SASC included \$150 million to preserve as an option for one year to sustain B-2 production beyond 20 (the last bomber is now slated to come off the line in 1998), but did not authorize production of the 21st B-2. On July 1 Senator Levin offered an amendment to remove this \$150 million and transfer it to base closures. In a 55-45 roll call vote, the Senate rejected the Levin amendment and maintained the \$150 million B-2 add-on. This issue will now go to conference.

Perry and Deutch letters to Feinstein and Levin in February and June (Tabs B and C) stated the Administration's position that we support neither further purchases of B-2 aircraft beyond the 20 authorized, nor added funding for the bomber industrial base to support additional B-2 production beyond the 20. Our concern remains that additional funding and production of the B-2, while highly desirable, would most likely have to come at the expense of military readiness.

The proposed reply to Senator Feinstein at Tab A is consistent with the Perry and Deutch letters.

RECOMMENDATION

That you send the letter at Tab A to Senator Feinstein.

Attachments

Tab A	Response to Senator Feinstein
Tab B	Secretary Perry February 23 B-2 Letter
Tab C	Defense Secretary Deutch June 22 B-2 Letter

THE WHITE HOUSE

WASHINGTON

Dear Dianne:

Thank you for your letter of June 20th regarding the B-2 bomber program and the bomber industrial base.

In his February 23 letter to you, Secretary Perry emphasized that given the military importance of stealth technology, he was determined that the Administration make the right decision concerning our stealth bomber production capacity. I share his view that we have indeed gotten this one right.

In a June 22 letter to Senator Levin, Deputy Secretary Deutch outlined the Administration's rationale for not supporting further purchases of B-2 aircraft beyond the 20 authorized or actions that would contribute to that end. Although the Senate voted to authorize funding for the bomber industrial base for FY 1995, the President's principal concern remains that we neither have the requirement for, nor can we afford additional B-2 aircraft in the following years. Although we are continuing to review our requirements with regard to maintaining the current inventory of B-1 and B-52 bombers as we prepare our FY 1996 defense budget request, we are not considering the option of requesting additional B-2 bombers beyond the 20 authorized.

Again, thank you for your letter. I want to assure you that this Administration is committed to ensuring that the B-2 program and other equally critical elements of our overall defense program are properly balanced to meet the formidable challenges confronting our national security.

Sincerely,

Thomas F. McLarty
Chief of Staff to the President

The Honorable Dianne Feinstein
United States Senate
Washington, D.C. 20510



DEPARTMENT OF DEFENSE
WASHINGTON, DC 20301-1000

B-2

February 21, 1994

Honorable Dianne Feinstein
United States Senate
Washington, D.C. 20510

Dear Dianne,

Thank you for your recent letter about protecting our defense industrial base and our bomber production base. As you know, I very much share your conviction that we must preserve our ability to develop and build what we militarily need as we contract our forces.

To do this right will be as hard as it is important. Since we won't have enough money to protect all our traditional industrial base, we could jeopardize our most critical assets unless we invest strategically. This means we must carefully and freshly define the most essential and fragile segments of our defense industries and then find the resolve to discipline our defense budgets accordingly.

Last year we took a major step towards an investment strategy when we defined our post-Cold War military requirements in the Bottom-Up Review. This effort produced a solid basis for the investment choices we are proposing to protect our industrial base over the next five years and especially in the FY 1995 budget.

This year we are taking the next step. In January, I initiated a systematic inventory of our entire defense industrial base, segment by segment, to deepen our understanding of which elements would be most difficult to replace. We are identifying the industrial capabilities which are unique to defense and thereby not easily recoverable from civilian industry if we fail to protect them with defense dollars. We also expect to identify defense industrial capacities which are virtually not recoverable at all, even at great expense over time. For example, it would be almost impossible to replace resilience, and recertify the industrial assets we now use to produce nuclear reactors for our submarines.

The combination of these two efforts should help us refine our investment strategy, so we can continue to protect the most critical parts of our general defense industrial base in later budgets.

One of the most difficult questions we have thus far faced in our strategic planning about our defense industrial base is the one you raised about our stealth bomber production capacity. Given my deep personal convictions about the military importance of stealth for nearly two decades, you can well imagine why I have wanted to make sure we get this one right. And I believe we have.

First, we have fully budgeted the funds necessary to complete the \$44.4 billion B-2 program agreed upon in 1992 by the Congress and Presidents Bush and endorsed by President Clinton. This year alone we requested \$997.7 million for the B-2 program, one of the largest requests in DOD's FY 1995 budget, even though the competition for funds is extraordinarily fierce. The program we are fully funding will not only produce the superior military capabilities of 20 operational B-2 bombers, but it will also provide us with a wealth of manufacturing technology and experience that our defense industry will draw on in our development and procurement of other systems, even after the B-2 line closes down.

Second, we have been making every effort to stabilize the program in practical ways within the funding the Congress has provided. Last year, with your help, we worked with the conferees on the FY 1994 Defense Authorization bill, so that they accepted our certification of the sound management of the program. They therefore released the funds from previous years which were so critical to the financial stability of the program. We also deferred the movement of some B-2 logistical support from Palmdale and Pico Rivera.

I have carefully considered your suggestion that we should have also added money to support the B-2 production line beyond what would be needed to complete the 20 authorized planes. For several reasons I still believe our decision not to do so is still the right one.

We should recognize now that any additional money added next year to sustain the B-2 line would be only the tip of a budget wedge. The large amounts required either to buy more B-2's or to sustain the B-2 production line without producing more planes would have to be taken from more pressing military priorities. Our investment strategy over the next few years quite deliberately protects military readiness by limiting weapon modernization, and more B-2's are desirable as they might be, should not come at the cost of readiness. Among all our modernization programs, we have placed more immediate priority on armor, rather than additional bombers.

We should also beware of the possible consequences of reopening the debate on the B-2. One of the most devilish threats to any weapons program is instability -- financial and political. For years, the B-2 program was plagued by not knowing how many planes we were going to build or how much money would be available. Whatever one's personal views on the substance of the 1992 B-2 agreement, it has given the program an essential stability so that we are now able to get the job done.

In sum, our FY 1995 B-2 request is a necessary part of an overall investment strategy. It fully supports our most essential priorities for the B-2 -- to complete the 20 authorized aircraft, to ensure they can perform their military missions, and to manage the program well so that we can live within the fiscal constraints of the DOD budget and the 1994 cost cap.

I look forward to continuing to work with you, and I always appreciate your support.

Sincerely,

Bill Perry



THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301-1000

22 June 1994



Honorable Carl Levin
United States Senate
Washington, D.C. 20510

Dear Senator Levin:

This is in response to your recent inquiry about the Department's possible interest in additional B-2 aircraft beyond the 20 currently authorized. Based on a careful analysis of the industrial base, warfighting, and budgetary implications of an enlarged B-2 fleet the Department cannot support further purchases of B-2 aircraft or actions that would contribute to that end.

The Department has taken the necessary steps to deal with B-2 industrial base and programmatic issues. As you know, the ~~Department is committed to completing successfully the 20 B-2 program agreed to in 1992 by the Congress and President Bush and endorsed by President Clinton.~~ Even in these difficult budgetary times we have included nearly \$900 million in our FY1995 request to produce an aircraft with superior military capabilities, as well as to provide us with a wealth of manufacturing technology and experience that our defense industry will draw on in our development and procurement of other systems, even after the B-2 line closes down.

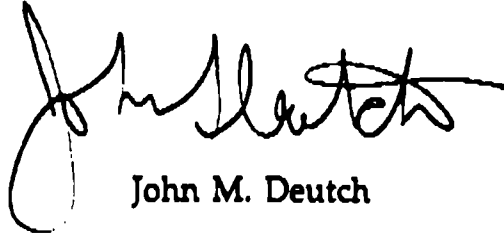
Working with the Congress the Department has been making every effort to stabilize the program from both a management and financial perspective. The Department's certification of the sound management of the program -- as required by the National Defense Authorization Act for Fiscal Year 1994 -- was a major step in settling outstanding issues in this regard. Therefore, the introduction of additional funding uncertainty in the future of the B-2 program would be an unfortunate return to a period that we have put behind us.

The Department has continuously examined the role of the B-2 from a warfighting perspective within the context of our ongoing analysis of the bomber force. No requirement has emerged from this analysis to change the recommendation in the Bottom Up Review for 20 B-2 aircraft.

Finally, absent an unlikely budget windfall for Defense or a radical shift in our budget priorities, we simply can't afford additional B-2 aircraft. The billions of dollars that would be needed to sustain such an effort are not affordable. Funds for additional aircraft would have to be taken from higher priority Defense needs that support the readiness and modernization of our forces and a viable support infrastructure.

When fielded, the authorized force of 20 B-2s will make a substantial contribution to our nation's defense. The Department's careful stewardship of this program -- working in harmony with the Congress -- ensures that essential industrial base tasks will be completed.

I trust this letter responds to your questions and stand ready to provide further details if needed.

A handwritten signature in black ink, appearing to read "John M. Deutch". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

John M. Deutch

From the Office of the Chief of Staff

LINDA RATHBONE

~~Bill Burton, Policy Director~~

Phone: 202/456-6798

Fax: 202/456-2271 2464

Date:

6/28

Response needed by:

ASAP

	Action	FYI		Action	FYI
Joan Baggett			DeeDee Myers		
Lee Brown			Bernie Nussbaum		
Rahm Emanuel			Leon Panetta		
Mark Gearan			John Podesta		
David Gergen			Jack Quinn		
Jack Gibbons			Carol Rasco		
Pat Griffin			Bob Rubin		
Marcia Hale			Ricki Seidman		
Alexis Herman			George Stephanopoulos		
Nancy Bernreich			Laura D'Andrea Tyson		
Harold Ickes			Christine Varney		
Mickey Kantor			David Watkins		
Phil Lader			Maggie Williams		
Tony Lake			NSC	X	
Bruce Lindsey					
Ira Magaziner					
Katie McGinty					

Remarks:

PLS. SEE ATTACHED LETTER.
MARK HAS ASKED FOR DRAFT
LANGUAGE IN RESP. TO SEN.
FEINSTEIN. MY # IS X61972.

THANK YOU.

Response:

(WE HAVE ALSO SENT THIS TO
OMB FOR COMMENT)

United States Senate

WASHINGTON, DC 20510-0504

JUN 27 1994

June 20, 1994

Mr. Thomas F. McLarty, 3rd
Chief of Staff
The White House
Washington, D.C. 20500

Dear Mack:

I am writing to request White House support for the B-2 "stealth" bomber program, which is particularly important to the State of California.

I have personally visited the B-2 production facility in Palmdale, California, received a comprehensive briefing on the program, and spoken to Air Force test pilots. I strongly believe that the B-2 is an important program to U.S. national security and will help keep America strong well into the next century. The B-2 is capable of penetrating deep into enemy territory, unescorted and undetected, and dropping precision guided conventional "smart" bombs right on target. The B-2 is also the only bomber that can take off from a base in the United States, strike anywhere in the world with only one mid-air refueling, and return safely home. Because fewer unescorted B-2 aircraft due the job of scores of other bombers, fighters and tankers, I am convinced that the stealth technology of the B-2 puts fewer lives at risk and is, in the long-run, cost-effective.

As you may know, the Senate Armed Services Committee recently provided \$150 million in FY95 to preserve the bomber industrial base for one year. However, there will most likely be an attempt on the Senate floor to eliminate this provision from the Defense Authorization Act. I believe that support from the Administration is key to maintaining these needed funds.

The dissolution of the only bomber production facility in the United States is of great concern to me. The first operational B-2 bomber was delivered to the Air Force on December 17, 1993. By the end of this year, five B-2 aircraft will be operational and the last B-2 will be well into final fabrication at the assembly facility in Palmdale.

The Bottom-Up Review (BUR) endorsed a force of up to 184 long-range bombers, with 100 bombers needed for a single major regional conflict. However, due to a lack of assets, the Air Force cannot meet this stated military requirement today, nor will they be able to in the future under current plans. As a follow-up to the BUR, the Pentagon is conducting a "roles and missions" study of its fighting forces, including long-range bombers. This study will not be complete until next year, and

Mr. Thomas F. McLarty, 3rd
June 20, 1994
Page 2

may very well recommend that the U.S. needs additional long-range bombers.

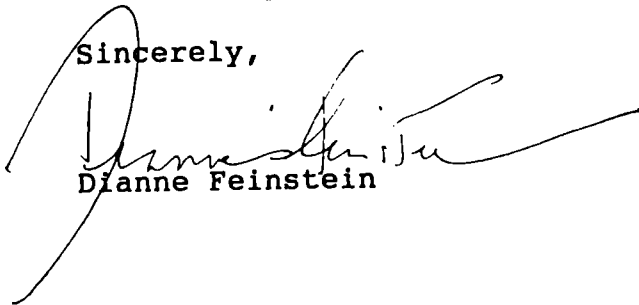
Unless action is taken in FY95 to preserve the B-2 industrial base, the only bomber production facility in the nation will virtually evaporate within a few years. Once the B-2 industrial base disappears -- including all the facilities, skilled workforce, key suppliers and management capability -- it is unlikely that the budget resources will be available in the future to recreate the more than \$20 billion already invested in the program.

Additionally, the BUR endorsed the concept of sustained production of submarines, tanks and aircraft carriers to ensure the industrial capability to meet future inventory requirements. The same logic would seem to apply to long-range bomber production capability. A modest investment in FY95 -- not requiring a commitment to new aircraft -- would hold the B-2 industrial team together until further consideration can be given to the future of the B-2 force.

The defense industrial base, particularly the bomber industrial base, is a vital national security asset that must be preserved. This is especially true in California, where nearly 15,000 high-quality, high-skilled jobs directly depend on the B-2 program.

I urge the White House to support the Senate Armed Services Committee's recommendation to provide \$150 million in FY95 to preserve the bomber industrial base. I believe your support is needed on this important issue. With the Defense Authorization Act on the Senate floor as early as this week, I look forward to your favorable response as soon as possible.

Sincerely,



Dianne Feinstein

DF:ram

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

July 13, 1994

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH:

ROBERT GA. BELL *RB*

FROM:

ANNE WITKOWSKY *AW*

SUBJECT:

State Proposed Response on Rep. Bereuter's Draft
Resolution RE: U.S.-Berlin Friendship

State legislative affairs recommends approving the draft Bereuter resolution on U.S.-Berlin friendship and suggests that the resolution be presented to Berlin authorities by an appropriate U.S. official. State officers have been working informally with Bereuter staff to craft the resolution. Although unstated in the letter, State hopes the Vice President will make the presentation when he is in Berlin on September 8-9 for a Berlin garrison departure ceremony. We believe this would be appropriate.

Concurrences by:

Julien LeBourgeois *JLB*, Bill Danvers, and Rick *RMS*
Saunders

RECOMMENDATION

That you send the attached memo approving the proposed response.

Attachments

Tab I Memo to OMB

Tab A Incoming Correspondence

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

MEMORANDUM FOR RONALD K. PETERSON

FROM: WILLIAM H. ITOH

SUBJECT: State Proposed Response on Rep. Bereuter's Draft
Resolution RE: U.S.-Berlin Friendship

NSC staff recommends approval of the proposed State response to Representative Bereuter's draft resolution on Berlin.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503

5695
URGENT

July 12, 1994

LEGISLATIVE REFERRAL MEMORANDUM

LRM #M-1647

TO: Legislative Liaison Officer -

NSC - William H. Itoh - (202)395-3723 - 249
JUSTICE - Sheila F. Anthony - (202)514-2141 - 217
DEFENSE - Samuel T. Brick, Jr. - (703)697-1305 - 325

FROM: RONALD K. PETERSON (for) *H. Fitts for*
Assistant Director for Legislative Reference

OMB CONTACT: Annette ROONEY (395-7300)
Secretary's line (for simple responses): 395-6194

SUBJECT: STATE Proposed Report on Rep. Bereuter's
draft resolution regarding US-Berlin
friendship and US troop *withdrawal*.

DEADLINE: 4:00 July 13, 1994

THIS TRANSMISSION CONTAINS 8 PAGE(S) (total).

OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or receipts for purposes of the the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

B. Sasser
J. Schuhart

You may also respond by (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); (2) sending us a memo or letter; or (3) if you are an OASIS user in the Executive Office of the President, sending an E-mail message. Please include the LRM number shown above, and the subject shown below.

FROM: _____ (Date)
 _____ (Name)
 _____ (Agency)
 _____ (Telephone)

The following is the response of our agency to your request for views on the above-captioned subject:

_____ Concur
_____ No objection
_____ No comment
_____ See proposed edits on pages _____
_____ Other: _____
_____ FAX RETURN of _____ pages, attached to this
_____ response sheet

Dear Mr. Chairman:

Thank you for soliciting the views of the Department of State on Congressman Bereuter's proposed resolution reaffirming U.S.-Berlin friendship and marking the departure of U.S. forces from the German capital. We support and welcome the resolution. Indeed, if the House of Representatives adopts the text, we would propose that a framed copy of the resolution be presented to Berlin authorities by a senior U.S. official on an appropriate occasion.

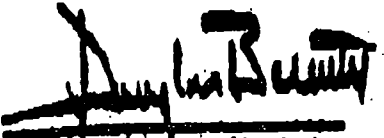
The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the adoption of this resolution.

I hope this response is useful to you. Please do not hesitate to contact us again if you have additional questions.

Sincerely,

Wendy R. Sherman
Assistant Secretary
Legislative Affairs

The Honorable
Lee Hamilton,
Chairman, Committee on Foreign Affairs,
House of Representatives.


(Original signature of Member)

103RD CONGRESS
2^D SESSION

H. RES. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. BEREMER submitted the following resolution; which was referred to the
Committee on _____

RESOLUTION

Congratulating the people of Germany and the citizens of
Berlin on the occasion of the withdrawal of United States
troops from Berlin, and reaffirming United States-Berlin
friendship.

Whereas the people of the United States and Germany have
enjoyed warm and amicable relations for 5 decades:

Whereas throughout the Cold War the existence of a free and democratic West Berlin served as a symbol of Western resolve in the face of totalitarian aggression;

Whereas the armed forces of the United States have maintained a continuous presence in defense of the city of Berlin for 49 years;

Whereas in 1948 and 1949, the United States came to the assistance of the people of Berlin during the 462 days of the Berlin airlift;

June 30, 1994 (12:46 a.m.)

Whereas following the construction of the Berlin wall, the armed forces of the United States stationed in Berlin demonstrated the American resolve to participate in the defense of Western Europe;

Whereas the United States takes pride in having ^{admirably} ~~satisfactorily~~ fulfilled its administrative responsibilities over its sector in the city of Berlin;

Whereas the citizens of Berlin have reciprocated ^{for} the United States' commitment by demonstrating ^a warm and genuine hospitality and willingness to integrate the American community deeply into the life of the city;

Whereas the ^{German people} ~~United States~~ shared the joy of the German people at the collapse of the Berlin wall and German unification;

Whereas the termination of the Warsaw Pact and the subsequent unification of Germany reduced the strategic requirement for a continued United States military presence in Berlin;

Whereas the United States Berlin Brigade, together with French and British contingents stationed in Berlin, are now preparing for their departure from Berlin; and

Whereas the history of friendly relations and longstanding

commercial and cultural bonds between the people of Berlin and the United States form a sound basis for continued warm and positive relations: Now, therefore, be it

1 *Resolved*, That the House of Representatives—

2 (1) congratulates the people of Germany on the
3 unification of the Nation and the city of Berlin as
4 it prepares to resume its position as the seat of gov-

5 ernment of united Germany;

June 30, 1994 (12:46 p.m.)

1 (2) congratulates the armed forces of the Unit-
2 ed States, civilian administrators, and the American
3 people for 5 decades of sacrifice and steadfast sup-
4 port for the city of Berlin;

5 (3) recognizes and salutes the contribution of
6 British and French ~~colleagues~~ ^{allies} in the defense of Ber-
7 lin;

8 (4) reaffirms the North Atlantic Treaty Organi-
9 zation obligations of the United States and Ameri-
10 ca's continued support for a free, democratic, and
11 united Germany; and

12 (5) welcomes the ^{further} enrichment of the relationship
13 between the United States and the city of Berlin
14 based on an approach fostering new traditions in
15 economic and cultural links.

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

July 13, 1994

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH:

ROBERT BELL *RB*

FROM:

KEITH HAHN *KH*

SUBJECT:

Justice Conference Document RE: HR 4301, National
Defense Authorization Act for Fiscal Year 1995

At Tab II Justice objects to the "Department of Defense Review of Antitrust Cases with National Security Implications" provisions included in the House FY95 Defense Authorization Act. Justice believes that the inclusion of DoD on the advisory board which studies mergers involving firms in the defense and related industries provides sufficient participation by DoD.

Contacts with DoD indicate that they have yet to take a position on this -- despite yesterday's due date. We believe that DoD's position on the advisory board provides sufficient oversight of defense related mergers and that, as a matter of principle, less congressionally-mandated management of the Executive Branch is better than more.

Concurrences by:

hds Bill Danvers and Alan Kreczko *AK*RECOMMENDATION

That you sign the memorandum at Tab I concurring in the Justice conference document.

Attachments

Tab I Memorandum for Signature
Tab II Incoming Correspondence

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

MEMORANDUM FOR RONALD K. PETERSON

FROM: WILLIAM H. ITOH

SUBJECT: Justice Conference Document RE: Hr 4301, National
Defense Authorization Act for Fiscal Year 1995

The National Security Council staff concurs in the Justice
conference document.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503

URGENT

July 12, 1994

LEGISLATIVE REFERRAL MEMORANDUM

LRM #I-3223

TO: Legislative Liaison Officer -

DEFENSE - Samuel T. Brick, Jr. - (703)697-1305 - 325

FTC - Dorian Hall - (202)326-2195 - 313

NSC - William H. Itoh - (202)395-3723 - 249

FROM: RONALD K. PETERSON (for) *HR/Ida*
Assistant Director for Legislative Reference**OMB CONTACT: MIKE GOAD (395-7301)**
Secretary's line (for simple responses): 395-6194**SUBJECT: Justice Conference Document RE: HR 4301,**
National Defense Authorization Act for Fiscal
Year 1995**DEADLINE: 4:00 P.M., TODAY, TUESDAY, July 12, 1994****THIS TRANSMISSION CONTAINS 2 PAGE(S) (total).****COMMENTS: If you do not respond by the deadline, we will**
assume that your agency has no comment.OMB requests the views of your agency on the above subject before
advising on its relationship to the program of the President, in
accordance with OMB Circular A-19.Please advise us if this item will affect direct spending or
receipts for purposes of the the "pay-as-you-go" provisions of
Title XIII of the Omnibus Budget Reconciliation Act of 1990.**CC:**

J. Schuhart

H. Meyers

S. Barkeloo

J. Palmieri

P. Griffin



U.S. Department of Justice
Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

The Honorable Ronald V. Dellums
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This letter provides the views of the Department of Justice on H.R. 4301, "The National Defense Authorization Act for Fiscal Year 1995." For the reasons set forth below, the Department strongly objects to inclusion of section 857, entitled "Department of Defense Review of Antitrust Cases with National Security Implications."

We are aware of concerns that have been expressed by the Department of Defense about mergers that involve firms in the defense and related industries, which may involve national security implications. For that reason, both we and the Federal Trade Commission, the other federal agency having antitrust law enforcement responsibility, participated with the Department of Defense on an advisory board to study the implications of such transactions. We are also aware of the board's recent report recommending that the Secretary of Defense be able to provide input to the Department of Justice and the Federal Trade Commission with respect to such transactions, and we welcome that report. In light of the board's report, there is no reason to codify statutorily the recommendation. Moreover, by providing a statutory basis for the Secretary to participate in this Department's law enforcement decisions, section 857 constitutes a very troubling and unwise precedent for possible injection of other entities into the Department's law enforcement role. Accordingly, we strongly urge deletion of Section 857 from the bill.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

Sheila F. Anthony
Assistant Attorney General

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

July 14, 1994

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH: ROBERT BELL *RB*FROM: KEITH HAHN *KA*SUBJECT: Defense Conference Document RE: HR 4301, National
Defense Authorization Act for Fiscal Year 1995

At Tab II Defense expresses its opposition to the Frank-Shays amendment passed in the House version of the National Defense Authorization Act. Defense cites the same concerns contained in the State conference document on the same subject that we cleared on yesterday.

Due to the short suspense on this LRM, I cleared on this by phone. Tab I is provided for documentation purposes.

Concurrence by: Bill Danvers *BD*RECOMMENDATION

That you sign the memorandum at Tab I concurring in the Defense conference document.

Attachments

Tab I Memorandum for Signature
Tab II Incoming Correspondence

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20508

5712

MEMORANDUM FOR RONALD K. PETERSON

FROM: WILLIAM H. ITOH

SUBJECT: Defense Conference Document RE: HR 4301, National
Defense Authorization Act for Fiscal Year 1995

The National Security Council staff concurs in the Defense
conference document.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503

July 14, 1994

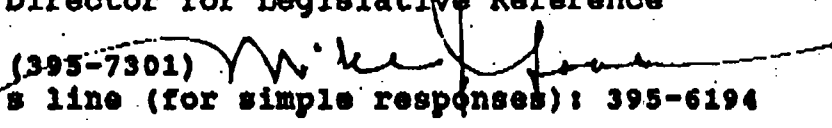
LEGISLATIVE REFERRAL MEMORANDUM

LRM #I-3267

TO: Legislative Liaison Officer -

NSC - William H. Itoh - (202)395-3723 - 249
STATE - Julia C. Norton - (202)647-4463 - 225

FROM: RONALD K. PETERSON (for)
Assistant Director for Legislative Reference

OMB CONTACT: MIKE GOAD (395-7301) 
Secretary's line (for simple responses): 395-6194

SUBJECT: Defense Conference Document RE: HR 4301,
National Defense Authorization Act for Fiscal
Year 1995

DEADLINE: 2:00 P.M., TODAY, THURSDAY, July 14, 1994

THIS TRANSMISSION CONTAINS 3 PAGE(S) (total).

COMMENTS: If you do not respond by the deadline, we may assume
that your agency has no comment.

OMB requests the views of your agency on the above subject before
advising on its relationship to the program of the President, in
accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or
receipts for purposes of the the "Pay-As-You-Go" provisions of
Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

J. Schuhart
B. Sasser
J. Palmieri
P. Griffin

_____ Concur
_____ No objection
_____ No comment
_____ See proposed edits on pages _____
_____ Other: _____
_____ FAX RETURN of _____ pages, attached to this
_____ response sheet

JUL 14 '04 01:40 FROM ODD LRD

TO PETERSON

PAGE.002

Honorable Ronald V. Dellums
Chairman, House Armed Services Committee
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

We are writing to express our concern about the potential damage to U.S. national interests if the Frank-Shays amendment passed in the House version of the National Defense Authorization Act for Fiscal Year 1995 is included in the final bill.

With the end of the Cold War, it is still imperative that the U.S. work closely with its allies to address the challenges of this new era. At the January NATO Summit, the President reaffirmed the U.S. commitment to Europe and embarked on an historic initiative to engage all European states, including those of Eastern Europe and the former Soviet Union, in a Partnership for Peace.

This legislation undermines our efforts in Europe and brings into question our commitment to building a stable, long-term transatlantic security environment. Rather than compelling European allies to share the burden, the legislation would force the withdrawal of U.S. troops from Europe, sacrificing our leadership position and potentially shattering an extremely effective NATO security structure which has proved vital to our national interests for the past forty-five years. Furthermore, not only would this legislation effect U.S. military forces in Europe, which carry out our defense commitments to European security, but it would also effect vital capabilities for the security of Israel and the defense of other U.S. interests in the Middle East and around the world.

We share Congress's concern about equitable "burdensharing." However, this provision is ill-timed and misdirected at the very heart of U.S. global security arrangements. Moreover, this provision ignores the contribution of European allies to common security interests, such as Western European financial assistance to emerging democracies in Central and Eastern Europe.

In the aftermath of World War II our predecessors recognized that unless the U.S. remained actively engaged overseas, our victory would be frail and our great sacrifice betrayed. They realized our own interests were best served by constructing and securing an international community of allies and partners who share our interests and aspirations.

General John Shalikashvili
Chairman, Joint Chiefs of Staff

William J. Perry
Secretary of Defense

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

July 14, 1994

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH:

ROBERT BELL *RB*

FROM:

JIM SEATON *JS*

SUBJECT:

1993 Annual Report of the Board of Visitors (BOV)
to the United States Military Academy

After reviewing the 1993 West Point BOV Report, it appears that the nature of the report does not require a press release or any further action other than a thank you note to Secretary Perry.

RECOMMENDATIONS

That we not request DoD issue a press release announcing receipt of the report, and that you sign the memo at Tab I to Secretary Perry acknowledging receipt of the report.

Attachments

Tab I Thank you note to Secretary Perry

Tab II Incoming Correspondence

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HONORABLE WILLIAM J. PERRY
The Secretary of Defense

SUBJECT: 1993 Annual Report of the Board of Visitors to the
United States Military Academy

Thank you for the 1993 Report of the U. S. Military Academy Board
of Visitors. The Board's efforts are greatly appreciated.

Anthony Lake
Assistant to the President
for National Security Affairs

NATIONAL SECURITY COUNCIL EXECUTIVE SECRETARIAT STAFFING DOCUMENT

TIME STAMP

SYSTEM LOG NUMBER: **5568**

ACTION OFFICER: **Hahn**

DUE: _____

☒ Prepare Memo For Lake/Berger

☐ Appropriate Action

☐ Prepare Memo For Podesta

☐ Prepare Memo For Itoh

☐ Prepare Memo _____

to _____

CONCURRENCES/COMMENTS*

PHONE* to action officer at ext. _____

Concur	FYI	Concur	FYI	Concur	FYI
☐	☐ Andreasen	☐	☐ Hahn	☐	☐ Reed
☐	☐ Andricos	☐	☐ Hammonds	☐	☐ Rice
☐	☐ Aoki	☐	☐ Harris	☐	☐ Rossin
☐	☐ Beers	☐	☐ Holl	☐	☐ Rosner
☒	☐ Bell	☐	☐ Indyk	☐	☐ Satterfield
☐	☐ Beyrle	☐	☒ Jones	☐	☐ Schifter
☐	☐ Burns	☐	☐ Kreczko	☐	☐ Schwartz
☐	☐ Canas	☐	☐ Kristoff	☐	☐ Steinberg
☐	☐ Clarke	☐	☐ Kyle	☐	☐ Tenet
☐	☐ Claussen	☐	☐ Laipson	☐	☐ Van Eron
☒	☒ Danvers	☐	☐ Leary	☐	☐ Waddell
☐	☐ Darragh	☐	☐ LeBourgeois	☐	☐ Wales
☐	☐ DeShazer	☐	☐ Liu	☐	☐ Walker
☐	☐ Fauver	☐	☐ Manzanares	☐	☐ Walsh
☐	☐ Feaver	☐	☐ Menan	☐	☐ Whyman
☐	☐ Feinberg	☐	☐ Mislock	☐	☐ Wiedemann
☐	☐ Forsythe	☐	☐ Mitchell	☐	☒ Wilson
☐	☐ Fried	☐	☐ Murase	☐	☐ Witkowski
☐	☐ Froman	☐	☐ Owens-Kirkpatrick	☐	_____
☐	☐ Genton	☐	☐ Poneman	☐	_____
☐	☐ Gottemoeller	☐	☐ Punke	☐	_____

INFORMATION

☐ Itoh

☐ Kenney

☐ Soderberg

☒ Exec Sec Desk

☐ Lake

☐ Berger

☐ Wolin

☒ Records Mgmt.

COMMENTS

Logged By _____

Return to Records Mgmt.
379 OEOB

~~SECRET~~ STAFF

Document No. 036555

WHITE HOUSE STAFFING MEMORANDUM

DATE: July 10, 1994 ACTION/CONCURRENCE/COMMENT DUE BY: _____

SUBJECT: 1993 ANNUAL REPORT OF THE BOARD OF VISITORS OF THE
UNITED STATES MILITARY ACADEMY

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	MYERS	☐	☐
McLARTY	☐	☐	QUINN	☐	☐
LADER	☐	☐	RASCO	☐	☐
ICKES	☐	☐	RUBIN	☐	☐
PANETTA	☐	☐	SEGAL	☐	☐
BAGGETT	☐	☐	SEIDMAN	☐	☐
CUTLER	☐	☐	STEPHANOPOULOS	☐	☐
EMANUEL	☐	☐	TYSON	☐	☐
GEARAN	☐	☐	VARNEY	☐	☐
GERGEN	☐	☐	WATKINS	☐	☐
GIBBONS	☐	☐	WILLIAMS	☐	☐
GRIFFIN	☐	☐	_____	☐	☐
HALE	☐	☐	_____	☐	☐
HERMAN	☐	☐	_____	☐	☐
LAKE	☐	☒	_____	☐	☐
LINDSEY	☐	☐	_____	☐	☐
McGINTY	☐	☐	_____	☐	☐

REMARKS: PLEASE RETURN REPORT TO THIS OFFICE AFTER REVIEW.
IF COPY OF REPORT IS NEEDED, CONTACT THIS OFFICE.

RESPONSE:

JOHN D. PODESTA
Assistant to the President
and Staff Secretary

THE WHITE HOUSE

WASHINGTON

June 28, 1994

MEMORANDUM FOR TIMOTHY SAUNDERS
ACTING EXECUTIVE CLERK

FROM: ALPHONSO MALDON, JR. *A. Maldon*
DEPUTY ASSISTANT TO THE PRESIDENT AND
DIRECTOR, WHITE HOUSE MILITARY OFFICE

SUBJECT: 1993 Annual Report of the Board of Visitors
to the United States Military Academy

As required by Title 10, United States Code, section 4355(f), the Department of Defense (DoD) has forwarded the attached Report of Visitors to the United States Military Academy for 1993.

Attachment



THE SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1000

21 JUN 1994

MEMORANDUM FOR THE PRESIDENT

SUBJECT: 1993 Annual Report of the Board of Visitors to the United States Military Academy

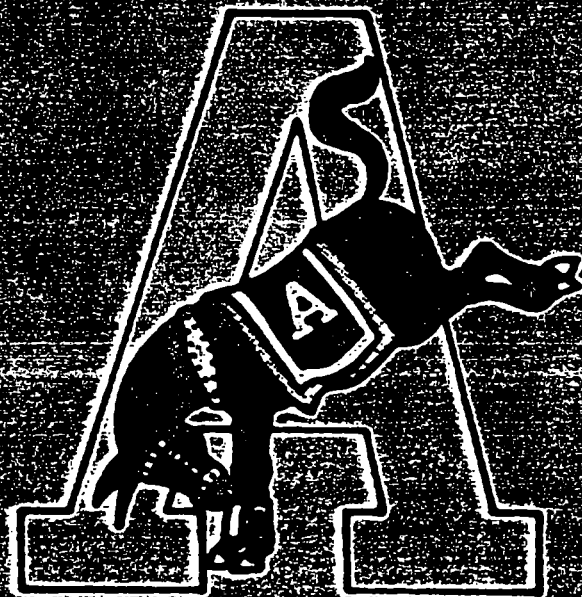
Attached for your review is the 1993 Report of the Board of Visitors to the United States Military Academy. Section 4355 (f) of Title 10, United States Code, requires the Board to submit a written report of its actions to the President.

The Board met during February, May, and October of 1993 to study matters pertaining to the United States Military Academy; the outcome of those meetings is contained in the Board's report. My staff will take appropriate action in response to this report.

William J. Perry

Attachment:
As Stated

ANNUAL REPORT
UNITED STATES
MILITARY ACADEMY
BOARD OF VISITORS



DECEMBER 31, 1993

THIS REPORT IS NOT RELEASABLE UNTIL ACTED UPON BY THE
PRESIDENT OF THE UNITED STATES

CS

N.P. -

COPY OF LAST YEAR'S REPORT

PACKAGE FOR INFORMATION -

ID # 000929

CLERK

WHITE HOUSE

ND012-08

CORRESPONDENCE TRACKING WORKSHEET

☐ O - OUTGOING☐ H - INTERNAL☒ I - INCOMINGDate Correspondence
Received (YY/MM/DD)

93105127

Name of Correspondent:

The Hon. William J. Perry

☐ MI Mail Report

User Codes: (A) _____

(B) _____

(C) _____

Subject: Submit the 92 Annual Report of the
Board of visitors to the U.S. Military
Academy

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
MO Davg	ORIGINATOR	93105126		C	93105126
EC Geis	Referral Note: A	93105127		C	93105127
SS Pock	Referral Note: A	93106020		C	930602
AMWATK	Referral Note: I	93106103	CS	C	93106103
MO GAUG	Referral Note: I	930603	CS	C	9310603
EC GEIS	Referral Note: I	930603	CS	C	930603

ACTION CODES:

A - Appropriate Action
C - Comment/Recommendation
D - Draft Response
F - Furnish Fact Sheet
to be used as Enclosure

I - Info Copy Only/No Action Necessary
R - Direct Reply w/Copy
S - For Signature
X - Interim Reply

DISPOSITION CODES:

A - Answered C - Completed
B - Non-Special Referral S - Suspended

FOR OUTGOING CORRESPONDENCE:

Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments:

Not for the President's Recall to the Congress.

Keep this worksheet attached to the original incoming letter.

Send all routing updates to Central Reference (Room 75, OEOB).

Always return completed correspondence record to Central Files.

Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 06/03/93 ACTION/CONCURRENCE/COMMENT DUE BY:

SUBJECT: 1992 ANNUAL REPORT OF THE BOARD OF VISITORS TO THE
UNITED STATES MILITARY ACADEMY

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	MONTOKA	☐	☐
McLARTY	☐	☐	NUSSBAUM	☐	☐
GEARAN	☐	☐	PASTER	☐	☐
NEEL	☐	☐	RASCO	☐	☐
PANETTA	☐	☐	RUBIN	☐	☐
EMANUEL	☐	☐	SEGAL	☐	☐
GIBBONS	☐	☐	STEPHANOPOULOS	☐	☐
HALE	☐	☐	TYSON	☐	☐
HERMAN	☐	☐	VARNEY	☐	☐
LAKE	☐	☐	WATKINS	☐	☒
LINDSEY	☐	☐	WILLIAMS	☐	☐
McGINTY	☐	☐	GAUGHAN	☐	☒
			CLERK		☒

REMARKS:

PLEASE HANDLE AS APPROPRIATE

RESPONSE:

JOHN D. PODESTA
 Assistant to the President
 and Staff Secretary
 Ext. 2702

THE WHITE HOUSE
WASHINGTON

JUN - 2 1993

John/Todd:

The attached report is submitted for your review. It was sent to the President as required by law, but not for his transmittal to the Congress.

Occasionally, the President has sent a letter of appreciation to the Board's President, but the usual action is to have DoD issue a press release stating that the President has received the report.

Respectfully submitted,



William McCathran
Assistant to the
Executive Clerk

TO DAVID WATKINS
JOHN BANGHAM
Please handle
as appropriate
JDP

THE WHITE HOUSE

WASHINGTON

May 26, 1993

MEMORANDUM FOR RONALD R. GEISLER
EXECUTIVE CLERK

FROM: ~~JOHN H. GAUGHAN~~
DIRECTOR, WHITE HOUSE MILITARY OFFICE

SUBJECT: 1992 Annual Report of the Board of Visitors
to the United States Military Academy

As required by Title 10, United States Code, section 4355(f), the Department of Defense (DoD) has forwarded the attached Report of Visitors to the United States Military Academy for 1992.

As this is the first such report during this Administration, we will await your guidance concerning the extent of the President's involvement or acknowledgement for these reports.

Please advise the Military Office if you wish DoD to make a press release and/or sign a letter of appreciation to the board President.

Attachment



THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

22 MAY 1993

MEMORANDUM FOR THE PRESIDENT

SUBJECT: 1992 Annual Report of the Board of Visitors to the United States Military Academy

Attached for your review is the 1992 Report of the Board of Visitors to the United States Military Academy. Section 4355 (f) of Title 10, United States Code, requires the Board to submit a written report of its actions to the President.

The Board met during February, July, September, and November 1992 to discuss matters pertaining to the United States Military Academy; the outcome of those meetings is contained in the Board's report. I will take appropriate action in connection with this report.

William J. Perry

Attachment:
As Stated

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

July 15, 1994

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH: ROBERT BELL *RGB*FROM: KEITH HAHN *KH*

SUBJECT: Membership on the President's National Security Telecommunications Advisory Committee (NSTAC)

The National Security Telecommunications Advisory Committee (NSTAC) currently is made up of 27 members, most of whom are CEOs of large telecommunications firms. Criteria for NSTAC membership are provided at Tab D. Three changes to the membership of the NSTAC have been proposed by the Manager of the National Communications System (NCS):

- Replace Mr. Robert C. Brown, III, outgoing Chairman of the Board, United States Telephone Association (USTA) with Mr. Bob A. Boaldin, incoming Second Vice Chairman of USTA. In subsequent years, Mr. Boaldin will advance to First Vice Chairman and then Chairman of USTA.
- Replace Dr. Paul Stern with Mr. Roy Merrills, who is Chairman of the Board, Northern Telecom Incorporated (NTI).
- Replace Mr. Arthur E. Hitsman with Mr. Stanley C. Beckelman, President, Boeing Computer Support Services and a Vice President of The Boeing Company.

Biographies on the new members are included at Tabs A, B and C. Discussions with Presidential Personnel indicate that a joint memorandum from you and Veronica Biggins to the President is the proper method of ensuring that these nominees are vetted and recognized.

RECOMMENDATION

That you forward the memorandum at Tab I to Veronica Biggins.

Attachments

Tab I	Memorandum for Signature
Tab A	Biography of Mr. Bob A. Boaldin
Tab B	Biography of Mr. Roy Merrills
Tab C	Biography of Mr. Stanley C. Beckelman
Tab D	Criteria for NSTAC Membership

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE
VERONICA BIGGINS

SUBJECT: Membership on the President's National Security
Telecommunications Advisory Committee (NSTAC)

Executive Order 12382 established the National Security Telecommunications Advisory Committee (NSTAC) which is composed of up to thirty telecommunications industry executives. In coordination with the Secretary of Defense, the Manager of the National Communications System (who serves as the NSTAC Designated Federal Official) has forwarded the nominations of three new members. NSTAC membership criteria are provided at Tab D. The proposed changes in membership are:

- Replace Mr. Robert C. Brown, III, outgoing Chairman of the Board, United States Telephone Association (USTA) with Mr. Bob A. Boaldin, who will advance to Chairman of USTA. His biography is provided at Tab A.
- Replace Dr. Paul Stern, who retired as Chairman of the Board, Northern Telecom Incorporated (NTI), with Mr. Roy Merrills, newly appointed CEO, whose biography is provided at Tab B.
- Replace Mr. Arthur E. Hitsman with Mr. Stanley C. Beckelman, President, Boeing Computer Support Services and a Vice President of The Boeing Company. His biography is provided at Tab C.

Attachments

Tab A Biography of Mr. Bob. A. Boaldin
Tab B Biography of Mr. Roy Merrills
Tab C Biography of Mr. Stanley C. Beckelman
Tab D Criteria for NSTAC Membership

cc: Vice President
Chief of Staff

ELKHART TELEPHONE CO., INC.

"Your Tele-Communication Specialist"

617 SOUTH COSMOS • P.O. BOX 817 • ELKHART, KANSAS 67950

(316) 697-2111 Fax (316) 697-9997



Bob Boaldin is President and General Manager of Elkhart Telephone Company in Elkhart, Kansas. After working for the phone company for 20 years, Bob and his wife, Dian purchased the company in 1977. A few months later in 1978 they also purchased the Cable T V system in Elkhart.

Bob has been active in the community; serving one term as city councilman and three terms as mayor. He has been president of the Lions Club and served terms on the Chamber of Commerce Board of Directors. He was active several years with the Point Rock Riders Riding Club and was a Morton County Emergency Medical Technician. He is a director and founder of the First National Bank of Elkhart. Currently he serves as Vice Chairman of Morton County Commissioners.

In the state of Kansas Bob served 1974 to 1977 and 1981 to 1984 on the Kansas Telephone Association Board of Directors, and served as President in 1977. He received the Kansas Telephone Association Outstanding Leadership to the Communications Industry Award in 1977.

Nationally Bob served as a USITA Expanded Services Round Table Leader in 1980 and 1981. 1986 he was elected to the USTA Board of Directors, and was chosen to receive the 1990 USTA Pacesetter Award. For two years he was chairman of the USTA Small Company Committee in 1990 and 1991. 1992 Bob was nominated and elected Third Vice Chairman of USTA. For OPASTCO he has been on the Board of Directors since 1975, and was the 1984 President of OPASTCO. Presently he is Treasurer of OPASTCO. In 1979 he received the OPASTCO award of Outstanding Pioneer Spirit in Developing Technology. He was awarded the 1990 OPASTCO President's Award. Bob has dedicated his work to promote telephone and cable television service to the rural areas.

Bob and his wife, Dian, have farming and ranching interests in Morton County. They maintain a small cattle operation. Dian is Secretary of Elkhart Telephone Company, Elkhart T V Cable Company, and the cattle company. Bob and Dian have a daughter and two sons. One son is Director of Administration and accountant for the phone company and for the T V company. The other son received a Bachelor Degree of Electronic Engineering Technology and is Director of Operations and engineer for the phone company and the T V company. Their daughter received a Masters Degree in Religious Education. Her husband is pastor of a church at Modesto, California.

June 2, 1993

LTG Alonzo E. Short, Jr., USA
Manager, National Communications System
701 South Court House Road
Arlington, VA 22204-2198

Dear General Short,

I am writing you at the suggestion of Mr. Ben Morriss. I previously served as a member of the NSTAC virtually from the time of its organization until I retired as Chairman of Northern Telecom Inc. in June 1990. I was succeeded by Dr. Paul G. Stern, who became Chairman of Northern Telecom Inc. upon my retirement and who served in this capacity until March 1993. Dr. Stern has now resigned as Chairman of Northern Telecom Inc. and the Company wishes to nominate Mr. Roy Merrills to succeed him as an NSTAC representative.

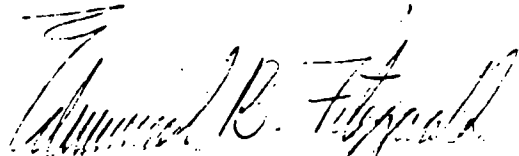
Mr. Merrills succeeded Dr. Stern as Chairman of Northern Telecom Inc. Prior to being Chairman of Northern Telecom Inc., Mr. Merrills was President of Northern Telecom Inc., which office he assumed in 1988. From 1983 until 1988, Mr. Merrills was Group Vice President of Northern Telecom Inc. for Integrated Network Systems (INS) at the Northern Telecom Network Systems complex in Research Triangle Park, North Carolina. Mr. Merrills, who is 59 years old, joined Northern Telecom in November 1957, and has served the Corporation in many technical, marketing and management positions in North America. He is an engineering graduate of the Liverpool College of Technology and is a registered professional engineer. He is a citizen of the United States and holds a SECRET security classification. He is a member of the Board of Trustees of the Aspen Institute. He is married, has four children, and lives in Nashville, Tennessee. Having served as a member of the NSTAC, I can highly recommend Roy Merrills as a new NSTAC representative.

Page 2

Northern Telecom has very much enjoyed its association with the NSTAC and has labored diligently to make contributions to the organization's success. Although I have retired as an employee of the Company, I still serve as a member of its Board of Directors and as a member of its Executive Committee.

If there any questions regarding Mr. Merrills or if you require additional information concerning him, please contact me.

Sincerely,



Edmund B. Fitzgerald

Boeing Computer Services
P.O. Box 24346
Seattle, WA 98124-0346

Biography

?
Stanley C Beckelman
The Boeing Company
?

Stan Beckelman is president of Boeing Computer Support Services, a Boeing subsidiary, and vice president of Information Services for The Boeing Company. In this capacity, he is directly responsible for all of the external business activities of the Company's computer services division.

BOEING

Information Services is a rapidly growing entity within Boeing and supports such programs as the Department of Energy's Hanford Site in Richland, Washington; NASA's Technical and Management Information System (TMIS) for the Space Station Freedom program, Reston, Virginia; NASA's Integrated Information Systems for Program Support Communications and Computational Mission Services, Huntsville, Alabama; and the Department of the Army's Reserve Component Automation System (RCAS), Vienna, Virginia.

Information Services, with major offices in Bellevue, Washington and Vienna, Virginia is an industry leader in managing and developing large, complex integrated information systems. The organization provides custom-designed, computer-based information and telecommunication systems -- including hardware, software and network systems.

Beckelman joined Boeing in 1958, and has held a number of key engineering and management positions within the aerospace division. Beckelman earned distinction for his role as program manager on NASA's Saturn V Systems Engineering and Integration effort. During the Apollo space program, the Saturn V rocket boosted the command module which carried man to the moon.

Beckelman moved to the computer services division in 1971, where he has held positions in headquarters marketing and sales, management of Government Information Services, and more recently, management of Systems Integration services.

Beckelman is an alumnus of the University of Washington and holds a bachelor of science degree in aeronautical engineering. He is a resident of Renton, Washington.

March, 1993

FOR MORE INFORMATION, CONTACT:
Communications (206) 865-5166

CRITERIA FOR NSTAC MEMBERSHIP

1. Represent elements of the Nation's telecommunications industry - must provide information and advice from the perspective of the telecommunications industry.

Basis: Executive Order, Section 1(a), 2(a).

2. Particular knowledge and expertise in the field of telecommunications.

Basis: Executive Order, Section 1(a).

3. Participate on behalf of a corporate or other organization and not in an individual and independent role.

Basis: (Office of Government Ethics Memorandum, 9/3/82).

4. Willingness to commit top-level management to NSTAC and Industry Executive Subcommittee participation (e.g., NSTAC - Chairman, CEO, President; IES representative - Senior Vice President, Senior Director).

Basis: To ensure full commitment of industry entity and its resources.

~~CONFIDENTIAL~~

5757

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20508

July 18, 1994

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH: ROBERT BELL *RGB*

FROM: KEITH HAHN *KA*

SUBJECT: Significant Military Exercise POSEIDON 94

Attached at Tab I is a proposed memorandum for the Executive Secretary, Department of Defense, concurring in military exercise POSEIDON 94. At Tab II Defense recommends approval and State concurs.

POSEIDON 94 is a low-key U.S. Navy salvage ship and Romanian Navy bilateral diver training and submarine rescue exercise. It will involve one U.S. ship, the USS Grapple, and approximately 20 Romanian personnel. It is scheduled to take place August 5-10 in the Black Sea within 50nm of the coast of Romania.

The critical cancellation date is July 25, 1994.

Concurrence by: Dan Fried *DF/RL*

RECOMMENDATION

That you sign the memorandum at Tab I concurring in the exercise.

Attachments

Tab I Memorandum for Signature
Tab II Incoming Correspondence

DECLASSIFIED

E.O. 13526

White House Guidelines, September 11, 2006

By *W* NARA, Date *10/3/2016*

7016-052-F

~~CONFIDENTIAL~~

Declassify on: OADR

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508

MEMORANDUM FOR COL. ROBERT P. MCALEER
Executive Secretary
Department of Defense

SUBJECT: Significant Military Exercise POSEIDON 94

The National Security Council staff concurs in military exercise
POSEIDON 94.

William H. Itoh
Executive Secretary

~~CONFIDENTIAL~~

5757



OFFICE OF THE SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

14 JUL 1994

MEMORANDUM FOR EXECUTIVE SECRETARY, NATIONAL SECURITY COUNCIL

SUBJECT: Significant Military Exercise - POSEIDON 94

The Department of Defense recommends NSC approval of the attached Significant Military Exercise Brief, Exercise POSEIDON 94. The Department of State concurs with this recommendation.

Please note the critical cancellation date is 25 July 1994.

Robert P. McAleer
Robert P. McAleer
Executive Secretary

Attachment:
As stated

This memo is UNCLASSIFIED when separated from its enclosure.

~~CONFIDENTIAL~~

Sec Def Com Nr.

X71485

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	re: Part I Significant Military Exercise Brief (SMEB). [Poseidon 94] (1 page)	07/01/1994	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 265

FOLDER TITLE:

Chron File - July 1994 #1 [4]

2016-0152-F
vz4596

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

NATIONAL SECURITY COUNCIL

July 15, 1994

TO: Neal Wolin
FROM: Steve Jones ✓
SUBJECT: Edit of Feinstein B-2 Letter

After discussing with Jim Reed and Bob Bell the consensus was to still recommend Mack McLarty respond to Feinstein, but under his new title of Special Counselor to the President. I have changed McLarty's signature block on the Feinstein letter accordingly.

NATIONAL SECURITY COUNCIL

July 13, 1994

TO: Jim Reed
THRU: Bob Bell *RGH*
FROM: Steve Jones *J*
SUBJECT: Edit of Feinstein B-2 Letter

I have made the minor edits indicated on the McLarty memo (Tab I) and have revised the proposed letter to Feinstein (Tab A) to emphasize Nancy's point that we do not have military requirements for more than the 20 B-2s authorized. Deutch also addressed this point in his letter to Senator Levin at Tab C.

THE WHITE HOUSE

WASHINGTON

7-12-94

→ Steve Jones

As Nancy's note indicates,
she'd like the proposed
response at Tab A to be
based more on requirements
rather than affordability
problems.

JWR

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

5302

July 7, 1994

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH: ROBERT G. BELL *RGB*
 FROM: STEVEN R. JONES *SJ*
 SUBJECT: Senator Feinstein Letter RE: B-2 Production in California

Senator Feinstein has written Mack McLarty regarding the B-2 stealth bomber, asking for Administration support for the \$150 million added by the Senate to preserve an option for one year to sustain B-2 production beyond 20 aircraft. On July 1, the Senate voted 55-45 to reject a Levin-Leahy Amendment that would have struck the \$150 million from the bill. Since the House did not approve any additional B-2 funding, this issue will have to be resolved in House-Senate authorization conference.

The proposed reply to Senator Feinstein at Tab A is consistent with recent Perry and Deutch letters (Tabs B and C).

As this \$150 million B-2 funding issue heads for the House-Senate authorization conference, you, Mack and others need to discuss and confirm the Administration's position with Secretary Perry and Deputy Secretary Deutch. The proposed response to Senator Feinstein at Tab A reiterates the previous DoD positions. We should realize, though, that since the \$150 million will now be a conference issue the Administration will need to decide whether to continue to oppose the funding outright or negotiate at some point with Senator Nunn on some form of compromise.

Concurrences by: *In Draft* Bill Danvers, *In Draft* Gordon Adams (OMB)

RECOMMENDATION

That you and Susan Brophy forward the memorandum at Tab I to Mack McLarty which includes a letter to Senator Feinstein for his signature.

Attachments

Tab I Memorandum for Mack McLarty
 Tab A Response to Senator Feinstein
 Tab B Secretary Perry February 23 B-2 Letter
 Tab C Defense Secretary Deutch June 22 B-2 Letter
 Tab II Incoming Correspondence

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR MACK McLARTY

FROM: ANTHONY LAKE
SUSAN BROPHY

SUBJECT: Senator Feinstein Letter RE: B-2 Production in
California

Purpose

To respond to Senator Feinstein's June 20 letter asking for Administration support for the \$150 million added by the Senate to preserve an option for one year to sustain B-2 stealth bomber production beyond 20 aircraft.

Background

The Administration requested \$891.2 million for the B-2 program this year in support of the \$44.4 billion B-2 program agreed upon in 1992 by the Congress and President Bush and endorsed by President Clinton. Our FY 94 and FY 95 budget requests did not provide for more than 20 aircraft, nor did they preserve the industrial base required to maintain an option for more than 20.

The House members (especially Dellums-Kasich) are adamant that the 20 aircraft agreement be maintained. However, the California delegation, Northrop and some parts of the Air Force have been campaigning for more than 20. Their argument is that tens of thousands of jobs are at risk (many in California), the B-2 is our only remaining bomber production line, that each B-2 beyond 20 could be bought for "only" \$595 million (vice \$828 million for each of the first 20), and that we don't have enough bombers to make the Bottom-Up-Review whole.

As a result, the SASC included \$150 million to preserve as an option for one year to sustain B-2 production beyond 20 (the last bomber is now slated to come off the line in 1998) but did not authorize production of the 21st B-2. On July 1, Senator Levin offered an amendment to remove this \$150 million and transfer it to base closures. In a 55-45 roll call vote, the Senate rejected the Levin amendment and maintained the \$150 million B-2 add-on. This issue will now go to conference.

Perry and Deutch letters to Feinstein and Levin in February and June (Tabs B and C) stated the Administration's position that we support neither further purchases of B-2 aircraft beyond the 20 authorized, nor added funding for the bomber industrial base to support additional B-2 production beyond the 20. Our concern remains that additional funding and production of the B-2, while highly desirable, would most likely have to come at the expense of military readiness.

The proposed reply to Senator Feinstein at Tab A is consistent with the Perry and Deutch letters.

RECOMMENDATION

That you send the letter at Tab A to Senator Feinstein.

Attachments

Tab A	Response to Senator Feinstein
Tab B	Secretary Perry February 23 B-2 Letter
Tab C	Defense Secretary Deutch June 22 B-2 Letter

THE WHITE HOUSE

WASHINGTON

Dear Dianne:

Thank you for your letter of June 20th regarding the B-2 bomber program and the bomber industrial base.

In his February 23 letter to you, Secretary Perry emphasized that given the military importance of stealth technology, he was determined that the Administration make the right decision concerning our stealth bomber production capacity. I share his view that we have indeed gotten this one right.

In a June 22 letter to Senator Levin, Deputy Secretary Deutch outlined the Administration's rationale for not supporting further purchases of B-2 aircraft beyond the 20 authorized or actions that would contribute to that end. Although the Senate voted to authorize funding for the bomber industrial base for FY 1995, the President's principal concern remains that we neither have the requirement for, nor can we afford additional B-2 aircraft in the following years. Although we are continuing to review our requirements with regard to maintaining the current inventory of B-1 and B-52 bombers as we prepare our FY 1996 defense budget request, we are not considering the option of requesting additional B-2 bombers beyond the 20 authorized.

Again, thank you for your letter. I want to assure you that this Administration is committed to ensuring that the B-2 program and other equally critical elements of our overall defense program are properly balanced to meet the formidable challenges confronting our national security.

Sincerely,

Thomas F. McLarty
Special Counselor to the President

The Honorable Dianne Feinstein
United States Senate
Washington, D.C. 20510



THE SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1000

B-2

February 21, 1994

Honorable Dianne Feinstein
United States Senate
Washington, D.C. 20510

Dear Dianne,

Thank you for your recent letter about protecting our defense industrial base and our bomber production base. As you know, I very much share your conviction that we must preserve our ability to develop and build what we militarily need as we contract our forces.

To do this right will be as hard as it is important. Since we won't have enough money to protect all our traditional industrial base, we could jeopardize our most critical assets unless we invest strategically. This means we must carefully and freshly define the most essential and fragile segments of our defense industries and then find the resolve to discipline our defense budgets accordingly.

Last year we took a major step towards an investment strategy when we defined our post-Cold War military requirements in the Bottom-Up Review. This effort produced a solid basis for the investment choices we are proposing to protect our industrial base over the next five years and especially in the FY 1995 budget.

This year we are taking the next step. In January, I initiated a systematic inventory of our entire defense industrial base, segment by segment, to deepen our understanding of which elements would be most difficult to replace. We are identifying the industrial capabilities which are unique to defense and thereby not easily recoverable from civilian industry if we fail to protect them with defense dollars. We also expect to identify defense industrial capacities which are virtually not recoverable at all, even at great expense over time. For example, it would be almost impossible to replace resilience, and recertify the industrial assets we now use to produce nuclear reactors for our submarines.

The combination of these two efforts should help us refine our investment strategy, so we can continue to protect the most critical parts of our general defense industrial base in later budgets.

One of the most difficult questions we have thus far faced in our strategic planning about our defense industrial base is the one you raised about our stealth bomber production capacity. Given my deep personal convictions about the military importance of stealth for nearly two decades, you can well imagine why I have wanted to make sure we get this one right. And I believe we have.

First, we have fully budgeted the funds necessary to complete the \$44.4 billion B-2 program agreed upon in 1992 by the Congress and President Bush and endorsed by President Clinton. This year alone we requested \$1.7 billion for the B-2 program, one of the largest requests in DOD's FY 1995 budget, even though the competition for funds is extraordinarily fierce. The program we are fully funding will not only produce the superior military capabilities of 20 operational B-2 bombers, but it will also provide us with a wealth of manufacturing technology and experience that our defense industry will draw on in our development and procurement of other systems, even after the B-2 line closes down.

Second, we have been making every effort to stabilize the program in practical ways within the funding the Congress has provided. Last year, with your help, we worked with the conferees on the FY 1994 Defense Authorization bill, so that they accepted our certification of the sound management of the program. They therefore released the funds from previous years which were so critical to the financial stability of the program. We also deferred the movement of some B-2 logistical support from Palmdale and Pico Rivera.

I have carefully considered your suggestion that we should have also added money to support the B-2 production line beyond what would be needed to complete the 20 authorized planes. For several reasons I still believe our decision not to do so is still the right one.

We should recognize now that any additional money added next year to sustain the B-2 line would be only the tip of a budget wedge. The large amounts required either to buy more B-2's or to sustain the B-2 production line without producing more planes would have to be taken from more pressing military priorities. Our investment strategy over the next few years quite deliberately protects military readiness by limiting weapon modernization, and modernization programs, we have placed more immediate priority on them, rather than additional B-2's.

We should also beware of the possible consequences of reopening the debate on the B-2. One of the most devilish threats to any weapons program is instability -- financial and political. For years, the B-2 program was plagued by not knowing how many planes we were going to build or how much money would be available. Whatever one's personal views on the substance of the 1992 B-2 agreement, it has given the program an essential stability so that we are now able to get the job done.

In sum, our FY 1995 B-2 request is a necessary part of an overall investment strategy. It fully supports our most essential priorities for the B-2 --- to complete the 20 authorized aircraft, to ensure they can perform their military missions, and to manage the program well so that we can live within the fiscal constraints of the DOD budget and the 1994 cost cap.

I look forward to continuing to work with you, and I always appreciate your support.

Sincerely,

Bill Berg



THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301-1000

22 June 1994



Honorable Carl Levin
United States Senate
Washington, D.C. 20510

Dear Senator Levin:

This is in response to your recent inquiry about the Department's possible interest in additional B-2 aircraft beyond the 20 currently authorized. Based on a careful analysis of the industrial base, warfighting, and budgetary implications of an enlarged B-2 fleet the Department cannot support further purchases of B-2 aircraft or actions that would contribute to that end.

The Department has taken the necessary steps to deal with B-2 industrial base and programmatic issues. As you know, ~~the Department is committed to completing successfully the 20 B-2 program agreed to in 1988 by the Congress and President Bush and endorsed by President Clinton.~~ Even in these difficult budgetary times we have included nearly \$900 million in our fiscal year 1995 request to produce an aircraft with superior military capabilities, as well as to provide us with a wealth of manufacturing technology and experience that our defense industry will draw on in our development and procurement of other systems, even after the B-2 line closes down.

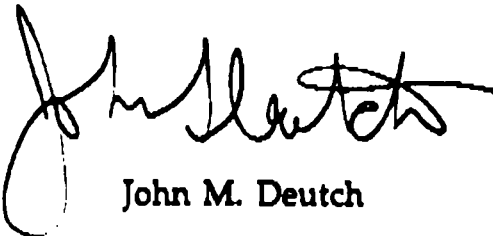
Working with the Congress the Department has been making every effort to stabilize the program from both a management and financial perspective. The Department's certification of the sound management of the program -- as required by the National Defense Authorization Act for Fiscal Year 1994 -- was a major step in settling outstanding issues in this regard. Therefore, the introduction of additional funding uncertainty in the future of the B-2 program would be an unfortunate return to a period that we have put behind us.

The Department has continuously examined the role of the B-2 from a warfighting perspective within the context of our ongoing analysis of the bomber force. No requirement has emerged from this analysis to change the recommendation in the Bottom Up Review for 20 B-2 aircraft.

Finally, absent an unlikely budget windfall for Defense or a radical shift in our budget priorities, we simply can't afford additional B-2 aircraft. The billions of dollars that would be needed to sustain such an effort are not affordable. Funds for additional aircraft would have to be taken from higher priority Defense needs that support the readiness and modernization of our forces and a viable support infrastructure.

When fielded, the authorized force of 20 B-2s will make a substantial contribution to our nation's defense. The Department's careful stewardship of this program -- working in harmony with the Congress -- ensures that essential industrial base tasks will be completed.

I trust this letter responds to your questions and stand ready to provide further details if needed.

A handwritten signature in black ink, appearing to read "John M. Deutch". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

John M. Deutch

5302

From the Office of the Chief of Staff
 LYNDA RATHBONE

~~Bill Burton, Policy Director~~

Phone: 202/456-6798 Fax: 202/456-2271 2464

Date: 6/28

Response needed by: ASAP

	Action	FYI		Action	FYI
Joan Baggett			DeeDee Myers		
Lee Brown			Bernie Nussbaum		
Rahm Emanuel			Leon Panetta		
Mark Gearan			John Podesta		
David Gergen			Jack Quinn		
Jack Gibbons			Carol Rasco		
Pat Griffin			Bob Rubin		
Marcia Hale			Ricki Seidman		
Alexis Herman			George Stephanopoulos		
Nancy Hernreich			Laura D'Andrea Tyson		
Harold Ickes			Christine Varney		
Mickey Kantor			David Watkins		
Phil Lader			Maggie Williams		
Tony Lake			NSC	X	
Bruce Lindsey					
Ira Magaziner					
Katie McGinty					

Remarks:

PLS. SEE ATTACHED LETTER.
 MAX HAS ASKED FOR DRAFT
 LANGUAGE IN RESP. TO SEN.
 FEINSTEIN. My # is x61972.

THANK YOU.

Response:

(WE HAVE ALSO SENT THIS TO
 OMB FOR COMMENT)

United States Senate

WASHINGTON, DC 20510-0504

JUN 27 1994

June 20, 1994

Mr. Thomas F. McLarty, 3rd
Chief of Staff
The White House
Washington, D.C. 20500

Dear Mack:

I am writing to request White House support for the B-2 "stealth" bomber program, which is particularly important to the State of California.

I have personally visited the B-2 production facility in Palmdale, California, received a comprehensive briefing on the program, and spoken to Air Force test pilots. I strongly believe that the B-2 is an important program to U.S. national security and will help keep America strong well into the next century. The B-2 is capable of penetrating deep into enemy territory, unescorted and undetected, and dropping precision guided conventional "smart" bombs right on target. The B-2 is also the only bomber that can take off from a base in the United States, strike anywhere in the world with only one mid-air refueling, and return safely home. Because fewer unescorted B-2 aircraft due the job of scores of other bombers, fighters and tankers, I am convinced that the stealth technology of the B-2 puts fewer lives at risk and is, in the long-run, cost-effective.

As you may know, the Senate Armed Services Committee recently provided \$150 million in FY95 to preserve the bomber industrial base for one year. However, there will most likely be an attempt on the Senate floor to eliminate this provision from the Defense Authorization Act. I believe that support from the Administration is key to maintaining these needed funds.

The dissolution of the only bomber production facility in the United States is of great concern to me. The first operational B-2 bomber was delivered to the Air Force on December 17, 1993. By the end of this year, five B-2 aircraft will be operational and the last B-2 will be well into final fabrication at the assembly facility in Palmdale.

The Bottom-Up Review (BUR) endorsed a force of up to 184 long-range bombers, with 100 bombers needed for a single major regional conflict. However, due to a lack of assets, the Air Force cannot meet this stated military requirement today, nor will they be able to in the future under current plans. As a follow-up to the BUR, the Pentagon is conducting a "roles and missions" study of its fighting forces, including long-range bombers. This study will not be complete until next year, and

Mr. Thomas F. McLarty, 3rd
June 20, 1994
Page 2

may very well recommend that the U.S. needs additional long-range bombers.

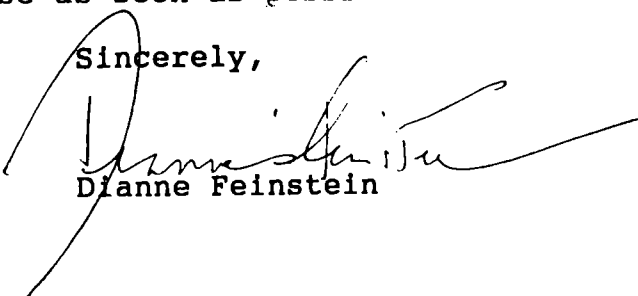
Unless action is taken in FY95 to preserve the B-2 industrial base, the only bomber production facility in the nation will virtually evaporate within a few years. Once the B-2 industrial base disappears -- including all the facilities, skilled workforce, key suppliers and management capability -- it is unlikely that the budget resources will be available in the future to recreate the more than \$20 billion already invested in the program.

Additionally, the BUR endorsed the concept of sustained production of submarines, tanks and aircraft carriers to ensure the industrial capability to meet future inventory requirements. The same logic would seem to apply to long-range bomber production capability. A modest investment in FY95 -- not requiring a commitment to new aircraft -- would hold the B-2 industrial team together until further consideration can be given to the future of the B-2 force.

The defense industrial base, particularly the bomber industrial base, is a vital national security asset that must be preserved. This is especially true in California, where nearly 15,000 high-quality, high-skilled jobs directly depend on the B-2 program.

I urge the White House to support the Senate Armed Services Committee's recommendation to provide \$150 million in FY95 to preserve the bomber industrial base. I believe your support is needed on this important issue. With the Defense Authorization Act on the Senate floor as early as this week, I look forward to your favorable response as soon as possible.

Sincerely,



Dianne Feinstein

DF:ram