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Interview with W. Graham Claytor, Jr.

Deputy Secretary of Defense

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Interviewers:

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Goldberg: This is an oral history interview with W. Graham Claytor, Jr., Deputy Secretary of Defense, on January 8, 1981, in Room 3E 944, The Pentagon, 11:30 A.M. I'd appreciate it, Mr. Claytor, if you would speak to these prepared questions and permit us to interject a few as we go along.

Claytor: The first question: Of the many roles you have had to play, which consumed most of your time and which do you consider the most important? In this Administration, the most important and the most time consuming tasks of the Deputy Secretary all have had to do with the preparation and selling of the program and budget. A major portion of the work and the time is spent on that. During the "Congressional hearing season," from February to April each year, there is a very substantial amount of testimony before the Congress--preparation and presentation of testimony and a good deal of back and forth communication, all on the program and budget. We nearly always have a supplemental appropriation request, and that involves another round of the same thing. And by the time this begins to quiet down, we're in the budget cycle for the following year. As a matter of fact, for each of the last three years in August and September we have had three budgets going at once--the last supplemental of the year that's about to run out, the final touches on the year that's about to start, and POMs from the Services on the year beyond that. So with three budgets going at once the busiest time of the year tends to be a very bad time of the year--August--when most people would like to be off on a vacation. I think that is the most important thing

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that the Deputy Secretary has to do as well as the most time consuming.

Goldberg: What other roles would you classify as being important and time consuming in addition to the budget?

Claytor: Well, I think the usual problems of administration that involve keeping a number of very strong-willed and very able people, working together and not fighting with each other --that's a routine executive problem in any organization. I think the Deputy is closer to that than the Secretary, who's got to worry about so many external things. Problems in that area arise all the time, and I think they're pretty important. It's very important to preserve a good working relationship, not only within OSD but between OSD and the Services. The controversies that inevitably arise between the Services and various parts of OSD, between the ^{military} chiefs of staff and various parts of OSD, and within OSD, take a good deal of time and need a lot of attention. If you just let that go, your organization instead of being a team ends up being a bunch of little enclaves, each of which frequently is more interested in beating somebody else's head in than in getting the job done.

Goldberg: I think some of the later questions bear on that point. I hope you'll be able to expand on that somewhat further.

Claytor: A third thing is that every now and then problems on which I need to do a substantial amount of personal work come up, such as working with the Armed Services Committee on a scheme to avoid reducing, as the Committee suggested, the number of general and flag officers

by 45 or 50. I made an agreement with Sam Nunn, eventually incorporated into the Senate Armed Services Committee report, involving a commitment to reallocate general and flag officers among the Services and within the Services in order to have them all follow more consistently a set of criteria and also be more consistent with each other. While MRA&L did the ground work on it, I necessarily did most of the work in actually putting the memoranda together in a way that would satisfy the Hill and also keep the Services from getting so upset that they wanted to shoot me. That's a typical job. It's going on right now and has taken hours and hours. So has developing the homosexual regulations, which I've been involved in from Navy days, in a way that will be acceptable to the Services and which we can support in court. I've been doing that personally with the general counsel. I must have spent 50 hours on that one item. And things like that--just single projects--come up from time to time. If such a problem came up during the middle of a budget cycle it just wouldn't get done. It would get postponed, because it's priority is not as high. But those things need to be done by the Deputy Secretary from time to time because frequently nobody else can actually do them. To the extent possible I delegate all that to one of the Assistant Under Secretaries. But there are some that I have to do myself.

The next question, on controls: Which tools have you found the most useful in exercising effective controls over various areas and in which areas did you not get or could you not get and exercise

the kind of control you would have liked? Well, I don't know that I have much of an answer to that. The greatest help that the Deputy Secretary has comes from his two military assistants. I would always say to an incoming Service Secretary or Deputy Secretary of Defense that the most important thing he's got to do initially is to select military assistants that are highly competent. They generally are, and the Secretary or Deputy Secretary can work with them on a really close basis because they're the primary conduits to everybody in the building. And I rely more on them than on anyone else to get what I need when I need it. They have to be people to whom you can say, "I need something or other," and describe it in general terms and not draw a blueprint. The two that I've got are superb. I brought Jack Baldwin with me from the Navy, and Colin Powell who was already here, is just incredibly good. Of course, drawing on the resources of all the under and assistant secretaries and the staff is the other tool that you have. I have had very little difficulty in getting what I want from these people. We have very good executives in charge, and they've come through.

Of course another resource that is useful in this area is the Special Assistant, Peter Hamilton, who works for me as well as for the Secretary. I try not to impose on him unnecessarily because he's so damn busy with things the Secretary has to do. But when it comes to liaison, which happens all the times, with the depths of the White House, and all kinds of problems, the Special Assistant is really the one who can best handle that for the whole department. And I don't hesitate to use him.

The third question, what are your thoughts on the respective responsibilities of the Secretary and Deputy Secretary? Well, I think the way Harold Brown has worked it is probably the best way. In essence, the Secretary and Deputy Secretary are alter egos, because one or the other of them usually has to be out of town on trips, particularly the Secretary who has to be away a good deal at NATO meetings and that sort of thing. And so if the Deputy Secretary is not pretty well up to date on things going on both outside and inside the department, something is going to fall through the crack. Harold's been very good at insisting that in intergovernmental relations the Deputy is the alter ego Secretary, and that when he goes to a meeting the Deputy goes with him, and he's gotten away with that. There's occasionally been some ruckus about that from other people. But I have attended all of the SCC (Special Consulting Committee) meetings, practically all of the NSC meetings, and cabinet meetings whenever he's been out of town. And when he has these weekly breakfast meetings with the Secretary of State and the National Security advisor, at which major external issues are discussed, he always briefs me thoroughly from his own notes immediately after getting back. I think that's good; so much goes on that unless there are two people who are reasonably well informed, there could be trouble. If one of them is out of whack for any reason for a little while, and the other guy hasn't gotten the word, serious problems can arise. I think Harold has handled that well.

However, leaving that out, the division of labor basically is inside man versus outside man. The Secretary has so

many statutory and inevitable commitments--to deal with other cabinet heads, State and NSC particularly, and also with foreign countries, the foreign defense ministers, the NATO committees, almost everything, that he really ought not to be bothered with internal management operations and with the day to day give and take of putting together budgets. He must be the principal witness before Congress on major issues. We try to keep him away from minor issues before subcommittees and restrict his testimony to really important things. Although he is the principal witness on the budget before the full committee, the details can be handled by somebody else. You can't always get away with that. You have to do what Congress tells you. But fundamentally the breakdown is and should be, I think, inside man, internal management, versus outside man. And it's worked pretty well that way as far as I could see.

As for the responsibilities of the secretaries of the military departments, that is always going to depend to some extent on who the Secretary is. My own view is that theoretically there's too much centralization and micromanagement in OSD. The Service secretaries ought to handle a lot more things with a lot more freedom than they have. I would, if I were doing it over, establish a much better framework for a close liaison between the Service Secretaries and the Deputy Secretary of Defense. I have lunch with them all once a month and I call them for consultation whenever we have a common problem. In recent years, OSD has looked upon the Service Secretaries

as primarily partisan representatives who have got to represent the views of their services and are not really part of the OSD team. I think that's wrong. I think the Service Secretary should be a major part of the OSD team and should be brought into it and used much more than he is by OSD. He should not be treated just as a partisan representative of the Service. I would decrease very substantially the amount of staff work that's done on budget in OSD. We do the budget in the service, we redo it in OSD, it's done again in OMB and then Congress does it another time. I don't think all this improves its quality at all. So I would decentralize. We're too much centralized in this organization. I felt so when I was Secretary of the Navy and I feel so even more as Deputy Secretary of Defense. Now Harold Brown doesn't entirely agree with that. He's running the show so doing nothing about it. If I were doing it, I would decentralize very significantly.

Goldberg: In what other ways than the budget?

Clayton: Well, frankly, the budget controls almost everything. You just can't overemphasize the extent to which the entire management problem here revolves around budget and its implementation.

Goldberg: This has been true from the very beginning. Our earlier volumes of OSD history in preparation--the first three cover the first nine years--are extremely heavy on budget. This has been the problem from the very beginning, we've found, since James Forrestal became Secretary of Defense.

Clayton: Well, I'll give you a theoretical approach on this: I feel that the primary function of the staff of OSD, the Office of the Secretary of Defense as distinct from the decisions the Secretary has to make, should be to resolve those issues which are necessarily interservice. I don't mean just rows between the services but things that are common to the services, that need to be done uniformly. There are a lot of questions which have to be decided when one service does something impinging on another one. But the staff work ought to be primarily devoted to the common problems that all the services have to deal with jointly and less on internal decisions made by the service on its own problems. Diversity in many areas within the services is desirable. There's no reason on God's green earth to have uniformity in the way something is done internally unless it has an external impact. In fact there's some desirability in having diversity because if the services do it in different ways, you may find that one's better than another and people can learn from that. So I think we've centralized too much. The whole federal government is tending to do that.

Goldberg: Do you think this is true of the research and engineering area also?

Clayton: Only to some extent. Much less so than in programming. It's the programming area that bothers me. I think we've programmed centrally too much. In R&E, I would concentrate on having the assistant secretaries for Research and Engineering in each of the services work very closely with the OSD R&E man to insure a minimum of

duplication. Perry has done this, but it hasn't always been so and I think before we were here it was clearly not so. You don't need too much supervision. In many areas the project is purely a service project and the R&E man up here really just needs to be sure that it's being run decently so he can report to the Secretary that they're doing a good job, without trying to run it himself, and I think Perry's done that. R&E up here has to realize that it's all a function of people. If you get a damn fool as the service R&E Assistant Secretary, either because he's incompetent scientifically or because he's incompetent as a manager, who wants to throw his weight around and establish his own turf in one of the services, everything can get all screwed up. I guess you have to throw your weight around up here on that. But the desirable thing to do which can't always be done--I'm not sure it's going to be done by the incoming group--would be to have first rate, competent and hopefully reasonably knowledgeable Service Secretaries. And have the Service Secretaries and the OSD people cooperate on getting really good assistant secretaries, particularly in these technical areas. I think it's most important that the R&E man in each of the services be a first rate guy who can work with the other R&E's and with the one up here. If you don't have that you're going to have a problem. You may have to have more of the R&E run by the OSD man. He's got more than he can say grace over anyway, much less trying to run the R&E programs for the individual services.

Goldberg: Well, it's hard to get people for the assistant jobs in the services unless you can offer them some real stature.

Claytor: Well, that's right, I think you should be able to do that. They should be in charge. Another thing that can happen, of course-- if you get the wrong guy in there, you can get rid of him. These are not tenure jobs and that's one of the great advantages. There's always some reluctance, politically and otherwise, to fire someone who is not doing the job. But we really ought to be tough about that. You would be in a business. If you appoint a vice president and he turns out to be a disaster, you get rid of him. It's just too bad. You don't like to fire vice presidents, but I've fired them. It has to be done. But with the right people in charge I'd give more responsibility to the services. R&E at the top would provide liaison and general supervision. There's a hell of a lot of stuff, not exclusively service things, that have to be done in R&E. The Stealth program, for example; it cuts across the services. A major new program like the use of lasers, space operations, the space shuttle (which is Air Force in part but with tremendous implications for the Navy), these are the kinds of things to which the R&E guy up here needs to devote his main attention. He should not try to supervise the internal R&D development of coatings for underbodies of naval ships. I think Perry's done a great job. But there is great opportunity for misuse if you get the wrong guy in it.

Goldberg: We've had an interview already with Dr. ^{Perry} and we're having another one tomorrow. We're getting a great deal of information.

Claytor: Right. You ask whether my views on the relationship of OSD and the Service Secretaries have changed since I've been here.

No, they have not. My experience up here has reaffirmed my view that there's too much centralization. We ought to try to move in the other direction, assuming we get the right people in the right spots.

Goldberg: Do you believe that you're the exception, that most people in OSD do not see it your way even if they've had experience in the services before?

Claytor: No, it varies. I think Perry and Robin Pirie believe that. I don't think Russ Murray does, I think he believes the contrary.

Goldberg: And Brown does not--

Claytor: Brown, I'm quite sure, on the basis of his experience thinks that it needs to be run from up here. He may be right. I don't necessarily have all the answers. My own view though, is to the contrary. One of the problems is that the Defense Department is too big. When the federal government talks about developing an overall governmental procurement policy, they ought to have their heads examined. We've got too much centralized procurement in Defense. The Defense Logistics Agency does a good job in certain areas, but as anyone who has been in business and tried to look at the ^{problem of} span of control knows, the idea that it ought to take over all procurement is a blueprint for disaster. It's just too big to manage. GSA, the greatest

example, is probably the worst federal disaster we have. And it's not essentially any individual's fault. It's unmanageable. It's too big. You cannot cope with it. The Penn Central is an excellent example from private business. They put two companies together without any concept as to how they were going to be managed. They were unmanageable and the damn thing collapsed much sooner than they would have separately. I think additional centralization is called for from time to time but it needs to be looked at very carefully. You need to avoid centralization for the sake of centralization.

Goldberg: I think it is necessary to pay more attention to practice and somewhat less to theory.

Claytor: That's right. I think that's absolutely right.

You ask about interservice rivalry. Interservice rivalry is always going to be a problem but it's a manageable problem. It's not, in my view, something on which we're going to run aground. It's always going to be there. The worst example of it is in the Joint Chiefs of Staff. The Joint Chiefs are unable to make (in peacetime anyway, in my experience) a military decision if it involves strong opposing views among the services. That's inherent in the system. The Chairman is not a Chief of Staff of the Department of Defense. He's the Chairman of the Joint Chiefs, and he is supposed to bring them together. When they run into a problem, for example, about whether the Marines or the Army should do something the chiefs just get so constipated they can't act. They'll

make a recommendation, perhaps by a 3 to 2 vote, but there will always be majority and minority reports. It won't be a decision. It'll be a presentation of the issues to the Secretary for decision. I guess that's inherent in the system. That's where the rivalry causes the most difficulty. That's what OSD is here for--to settle those damn things. It's hard for a bunch of civilians to settle military issues, which present a different problem. But most of the issues that come up are not military issues, they are commercial, civilian, jurisdictional, or what not. And there is where the Secretary of Defense's organization has got to make firm decisions.

Trask: Can you recall some examples of interservice rivalry during your period?

Clayton: Well, there was a hell of a row several years ago about who should decide whether we should have a common missile for the Trident submarine and the MX and if so who should have charge of developing it. They finally decided not to have a common missile, but when they were thinking of a common missile the Navy and the Air Force absolutely locked horns. Each of them said that a missile developed by the other one would be a total disaster. They were both wrong. But that's a typical situation.

Goldberg: This problem has always existed, it's classical. It's gone on since World War II.

Clayton: Well, when I was in the Navy in World War II I had some horrible

experiences with rivalry. I'll tell you about just one of them. I was running that ship there [points to a model] up and down the coast of Japan just after the surrender. There were six such ships, and we were delivering mail and 15 or 20 passengers from Tokyo to Nagoya, Wakayama and various cities on a regular coastal steamship schedule. One of the six ships sailed every other day, and we did a regular run back and forth. The war was over and we wanted to go home. After doing this for six weeks I noticed that the Japanese railroads were all running again. I went over to the port director, and since I was a reserve I didn't mind sticking my neck out. I said "Look, why do you have these six ships, two hundred men on a ship, running up and down with 10 trunks, 50 sacks of mail, and 10 or 15 passengers to serve the naval bases and all these cities? The trains are all running now. You can handle all of this by rail internally and let these ships go home." This four stripe captain drew himself up to his full height and said "Young man, don't you know that the Navy takes care of it's own? Those railroads are handled by the Army. We can't do that." End of conversation. Well, we still have rivalry, but the primary job of OSD is to put an end to that kind of crap. And I think we do a pretty good job of it, and I don't think its big within the building at least. When you get out in the field you still have it. But within the building, in the areas we can handle, I think it's handled pretty well.

Goldberg: Do you see a need for any basic changes in the responsibilities and organization of the services?

Claytor: No, I don't think so except I would tend to do less micromanaging of programs and that sort of thing up here and try to have a better working liaison so that we can exchange more information about what we're doing. And we should not tell them what to do unless they get off the reservation in some serious way or conflict develops. On organization Bill Brehm has done a study on which there's been lots of comment. Fundamentally, I think probably we ought to have three under secretaries--R&E, Policy, and Resource Management. Robin Pirie's [Assistant Secretary, MRA&L] responsibilities even now are greater than some of the under secretaries and that ought to be an under secretary's job, with a deputy under secretary for manpower and a deputy under secretary for logistics and readiness. Whether or not acquisition should be put under him or stay under R&E I think depends on the people. Bill Perry could handle it. Dave Mann, to use an example, could not; he is an R&E man. Many of the guys who hold R&E jobs are true research scientists who are just not going to be either very interested or very experienced in the handling of commercial acquisition contracts. My inclination would be to change the wiring diagram to provide that acquisition would remain in R&E only through DSARC II and would then shift to a resource man, to under secretary for resource management. This would occur as soon as you get to full scale production. That's the way we did it in the Navy and it worked very well, after we butted some heads together about where to shift. It's like chopping from one command to another. The R&E man has

got to make contracts for research and for development. But once you've finished full scale development and you are going to regular production that's purely a business operation. And I think that ought to be on the other side.

Goldberg: Still on the organizational question, what about all the other assistant secretaries and the like who've not been placed under the under secretaries? You still have as many people reporting to the secretary as before.

Claytor: I would change some of that. Once the personalities get straightened out I'd make ISA a deputy of the under secretary rather than an assistant secretary. That would take care of that one. I wouldn't have an assistant secretary, such as the situation in Perry's shop with an undersecretary and an assistant secretary working for him. I'd get rid of the assistant secretaries and split them up. You have to make some changes there. But you have to watch Congressional problems. Congress has an interest in some of these positions and you might not be able to change some of them. You may need to keep the title; but even if he had the title as an assistant secretary, I'd make him report to the Under Secretary and treat him just as if he were deputy under.

Goldberg: What would you do with the Comptroller and Health Affairs and PA&E and the like?

Claytor: The financial man ought to report direct to the Secretary. He ought to be just as he is, an Assistant Secretary and Comptroller. For the present I would leave the Assistant Secretary for Medical Affairs

as is because he doesn't fit in particularly anywhere else. He could be in with the manpower people, but I'd be inclined to leave him separate.

Goldberg: On that health affairs matter, Congress has always had a great interest. On previous occasions they have prevented the Secretary from downgrading that function.

Clayton: Well, I think Congress is probably right. We have a doctor there now who is really a first rate hot rock guy, the first one we've had for some time. He is working closely with the surgeons general of the Services for the first time and getting some better liaison. I'd leave it alone for the present. But the control would be separate. The general counsel of course should report directly to the Secretary. So you've got three undersecretaries, the General Counsel, the PA&E. Bill Brehm would put PA&E under one of the others, and I would reduce PA&E's function somewhat because I think they do too much. But the Secretary needs a program appraisal group that can assist him directly, and I would leave that the way it is too. But the question is whether or not they have too many people who generate too many issue papers and raise too many minor questions when the POMs come up. I think they scrub the POMs far too greatly. They should not get into things that are small internal matters within the service.

You ask about the military-industrial complex. Well, Eisenhower was talking about a situation in which fifty percent of the federal budget was defense. We are now talking about a situation in which we're struggling to get 23 percent of the federal budget

for defense. And it's totally inadequate. I don't think there's anything to that anymore. I think that's of another era.

Priorities: Are the current major deficiencies of the military services chiefly related to weapon systems and technology or to manpower and training?

Well, It's both, obviously. I think the greatest neglect since the Viet Nam war ended has been in personnel. We just haven't paid them enough. We've been screaming about it for three years. We've finally got some action. That's going to continue to be a problem. And of course our weapons systems, our technology is the one area in which we are still ahead of the Soviets. They are ahead of us in numbers in most things. We've got to continue to pour more money into R&D including basic research in order to stay ahead. We've got to concentrate on improving our weapon systems. And of course manpower--by that I mean pay, allowances, how we treat our people, way of life--is a big area. Operational readiness is a third big area. Our operational readiness is not as bad as people make out. I think the C rating system is misleading when used outside of the building and out of context. I keep saying that during WWII I commanded three ships, and those ships would have been never higher, under the present setup, than C3 and probably C4 more than half the time we were fighting the war. We got along all right. We fought the damn war. We escorted the convoys. But I crossed the Atlantic at least three times with my gyros out, completely. The radio communication was on and off,

the radars would go out without batting an eye, but this is just inherent in the beast. I think it's good to have those reports for comparison purposes in the chain of command. But I object when they start taking them up on the Hill and say "C3, marginally ready," our whole fleet is marginally ready, and "C4, we're totally unready." A C4 ship might go out and knock the hell out of the Russians. The definitions are good for purposes of management control, but they're terrible for purposes of trying to give the layman an idea of whether or not we're able to fight. I don't know what you can do about that. It's a hell of a mess.

Goldberg: What is your position on volunteer military forces versus the draft?

Clayton: Oh, I think we can get by with the volunteer military force and I think we're going to have to because it's politically impossible, in the absence of a much more severe crisis than we're in now, to get a draft. I think it was very foolish to let the draft expire. We ought to have the draft. I think universal military service is good for the country. It's good for the youth. And it provides us particularly with a very solid reserve. That's it's most important feature, to give us an automatic trained reserve which we wouldn't otherwise have and are not going to get with the volunteer system. So I'd be for the draft, but I think that's whistling in the wind. We certainly should have draft registration as we now have so that we could get manpower in a

hurry if we had to. And I would like to see some form of universal military training. I think it would be highly desirable militarily and otherwise. I've always thought so. But I remember that during WWII we passed the draft extension act three months before Pearl Harbor by only one vote. So it's hard to do.

The next question is, have you been satisfied with the advice you've been receiving from the military services?

The answer is yes, I have, and I haven't encountered difficulties in getting objective advice. I think the quality of our military people is extremely high compared to similar positions in the civilian economy. I think they're better than most of the management you run into.

Goldberg: Are you speaking about both civilian and military OSD and the military services?

Clayton: Well, this question deals with the military services. Yes, I think when I've asked for military advice I've gotten good advice. Every now and then I disagree with it and take them to task on it. Particularly if they give me a recommendation about how to handle the legal problem of homosexuality I tell them they're full of beans. But that's all right, that's a difference of opinion; but the advice I get is straightforward and honest and backed up and I like it. I've had no problem with getting advice from the Joint Chiefs, except when they are asked to give advice on a service controversy and then you get nothing. You get it on the one hand and on the

other, but we understand and that's al¹right. But if you go down and ask the Air Force how long it'll take them to move something from here to there, or if you ask the Navy whether they can lay mines in such and such--you'll get a good answer, and when we check up on it and follow up later it'll turn out to be pretty thoroughly done. I'm impressed with it.

What advice would I give an incoming Secretary and Deputy Secretary?

Well, I hope we get the Deputy Secretary appointed soon. Time's running out. I have a whole box full of issues that I want to raise with him. But my general advice is just "get with it and learn things as you come along. Rely very heavily in the early days of your job on your military assistants." Because the new Deputy will keep the two that I've got and they're the best that could be had. As for general advice, it would just be "Play it as you see it, and when you don't know don't hesitate to ask. Don't do things without asking questions. The secret is to get the facts before you act and the facts are always going to be available on a whole lot of specific issues." When I see the new Deputy, I'm going to point out things he's going to have to be looking out for.

Goldberg: Any particular warnings?

Clayton: No. I don't think so. You can have all kinds of trouble in relations with OMB and the White House. It depends on how it's going to be set up. Just look with care at the problems that you run into. Try to resist White House staff pressure to appoint

people they want to jobs to which they ought not to be appointed. That's going to happen in every administration. You've just got to fight it. Try to keep OMB from running your business for you, just as I say OSD ought to quit trying to run the business of the services. The staff at OMB consider themselves the super secretaries of defense, and they'd like to make all the decisions internal and external on defense. Relations with OMB depends on the boss and how they decide to play it. But you're going to have to fight or you'll lose the ballgame to a bunch of desk jockeys over there.

Goldberg; What's your perception of the relationship of the Defense Department to the White House during the past four years?

Claytor: Well, at the top level Harold has had excellent liaison with the President and so that has been good. But on things that Harold wouldn't get involved in concerning the White House personnel office it's been awful. But what I've tended to do is tell them to go to hell. The White House calls up and says "This is the White House, we want you to do X and Y." I'd call them back and say, "hey, you're out of your cotton-picking mind, I'm not going to do it". Then sometimes it would escalate but generally speaking it would go away because they didn't want to escalate it. You've just got to be tough with those bastards. When you are dealing with the lower echelon, its the old business; we also have it here. When you have a junior guy speaking as if he were the senior guy calling somebody and saying "hey, the Secretary wants you to do so and so, well, the President wants you to do this,"

I'm perfectly prepared to say "the President does, does he, well tell me what the President said and who he said it to and exactly what did he say?" "Well, this is a matter of White House Policy". Bullshit.

Goldberg: Well, I think what you have described is true of OSD and of the military services and of most institutions.

Claytor: Yes, it is. It's something that you just have to watch out for, both in external and internal dealings.

Goldberg: It's especially true of Congressional staffs.

Claytor: Oh, the Congressional staffs are impossible on that. But I think anybody that's been around town can cope with that. And in the last analysis when you're dealing with the Congressional staffs you can invoke the bureaucracy. If they want you to send something you're not going to send, instead of just saying "hell no, we won't" you say "well, we're going to work on that," and you work on it until the time runs out.

Goldberg: Or send them to somebody else.

Claytor: That's right. Sometimes you have to play that game. Its the only way you can do it but the answer is play it effectively and learn how to be a good bureaucrat; never say no but never do it, if it's something that ought not to be done.

Goldberg: Or get somebody else to tell them.

Claytor: Or get somebody else to start the same process. You ask how might historians have been of help to me? Well, I don't know; when I came in as the Secretary of the Navy I had a pretty good idea about what the Navy is about, having spent five years at sea. I

was kind of out of date but not that much out of date. The system worked the same. I think history would be very helpful to someone coming in with no background. You ought to know what's going on. How has it worked? Particularly if you were going in as a Service Secretary with no background you really ought to get a briefing on your service and what it's doing and what it has been doing. A Cadillac dealer coming in as a Secretary of the Air Force really ought to know what the Air Force is and what it has done and what its background is. And the same thing is true with the Navy. You don't need to go back to the Constitution. But you ought to understand something about the organizational setup; how it's evolved, what the different categories of naval officers are and how they evolved, and what's been going on, and that sort of thing.

Goldberg: And even beyond that. Who were the predecessors? What were their problems? What were the issues they faced? What did they do about them, etc.? That kind of thing, I think, might be helpful.

Clayton: I think it could be very helpful. I agree.

Goldberg: We have some additional questions that we didn't put to you in writing. Shall we ask them another time? Would that be convenient for you?

Clayton: No, I don't mind holding up on lunch a little. Let's go ahead because next week is going to be very bad. I'm going to be out of town tomorrow and Monday and then we're going to have Carlucci on board, I think, and I'm going to be working with him. Pretty busy.

Goldberg: Some of these are followups on things we talked about already, for instance, the specific reference to two under secretaries. How do you view the relationship between them and their relationship to you? How did that work? Do they get along well?

Clayton: Well, the two undersecretaries we've had, for policy and R&E, really don't have much interface.

Goldberg: But this is the point I'm getting at. Shouldn't there be more interface?

Clayton: They don't have much interface not because of any problem but because they are operating in such wholly separate areas. Now if we had a third one who was the resource man there would have to be more interface among all three.

Goldberg: Yes, but isn't there a connection between policy and research and engineering? For decades the services have been trying to get a closer connection between policy, planning, and strategy, on one hand and the development and procurement of weapons on the other. They've been working at it for years, some of them better than others. Now I've followed this for many years and studied it, and they've never been really very successful in achieving that kind of integration. We spoke with Mr. Perry about this. He feels that he's had a good relationship with Bob Komer and that it's been mutually very useful, that they've both benefited from it. They've achieved somewhat better integration in those areas than existed before.

Claytor: Bob has not been in his job long and the areas he's been working on have tended to be short term operations rather than the kind of long term operations that would get involved with R&E. He certainly collaborated with Perry very closely when we were working on such things as the crash program to get together the rapid deployment force. But the problems that Bob's had to face over his one year on the job have just not been problems that overlapped very extensively in Perry's area. I think they worked very well together indeed, and I've worked very well with both of them. No problem with that.

Goldberg: What is your position on the MX? Are you a strong supporter?

Claytor: Oh, I'm a strong supporter, although the MX project was launched before I came up here and I knew nothing about it when I was in the Navy except that it was a major program. It's perfectly plain that we've got to have the MX. I think this has been exhaustively researched and any effort to change direction now is just going to set everything back and probably lessen the financial support. No, I think the MX needs to go forward with top priority.

Goldberg: What about Stealth?

Claytor: My answer is the same. I'm fully briefed on Stealth and I think it's one of the most important programs we've got. Clearly we ought not to develop a penetrating bomber until we can do one with the Stealth technology. It would be a hell of a waste of money.

Goldberg: Are you optimistic about the technology?

Clayton: Oh sure. I don't think there's any question about it.

Goldberg: Do you think it can do all that is being claimed for it?

Clayton: It can do more than has been generally claimed for it. Yes, indeed.

Goldberg: What's your position on PD59?

Clayton: Well now, I've forgotten what PD59 is. That's the--

Goldberg: Counter force missions, primarily.

Clayton: I really haven't gotten into it very much. I haven't any strong views about it. We've got to be able to counter anything--we must have a second strike capability without any question. I think we've got it. We've got to preserve it. We won't preserve it without having MX. We won't preserve it fully.

Goldberg: Do we need a first strike capability?

Clayton: I'm dubious about that.

Goldberg: This is the direction which PD59 would seem to be going.

Clayton: Not really, no, it doesn't. I don't think so. I disagree with that completely. I don't think it has anything to do with first strike capability.

Goldberg: Not in our view, but it can look that way to others.

Clayton: Well, I think you can worry too much about perception. You've got to do it on its merits.

Goldberg: Well, we're always concerned with the Soviet's perception.

Clayton: Yes, I know. The Soviets are always going to recognize that we

have a first strike capability. This is not an indication that we would plan to use it anymore than any other, in my opinion.

Goldberg: What is your view of the current military balance between the Soviets and the United States? Is it as bad as one school would have it or ^{as good} as another school would have it?

Clayton: No, it's not. That's campaign rhetoric on both sides. Obviously you have to look at it piecemeal. I think we have a substantial nuclear equivalence in intercontinental ballistic missiles and capability. And if we get the MX on schedule we'll hold it. We, I think, are superior at sea but if we don't do more, if we don't build faster, we're going to lose our superiority by the 90s. They're obviously superior on land and always have been and always will be. I think we have got a narrow superiority in the air, and that's about where it comes out. I think conventionally we're all right, but we're going to be in bad shape unless we reverse the trends--well, we've started to reverse them. I've been working on it ever since I've been here; I screamed and hollered that the trends were bad in 1977. We finally got around to correcting them. I would hope that the new administration would add about 3 or 4 billion dollars to the '81 supplemental and at least 5 billion to the '82. But I don't know whether they will or not.

Goldberg: Do you think that the services contribute too much rhetoric to all of this? To some extent do they provide the basis for some of the charges about our current state?

Claytor: Yes, you're always going to have that. People are always going to be "poor mouthing" because they want more. There's a certain amount of that and there always will be. I think in a political campaign it's worse than otherwise.

Goldberg: It goes on most of the time.

Claytor: Goes on a good deal of the time. Holloway and I both testified that the Navy was superior to the Soviets in '77 and '78, but that we were going to lose out if their growth rate and our growth rate continued as they had been for the previous six or seven years. And our growth rate did continue at practically a 0 rate until '80. So it's tighter now than it was then, although I still think we have an edge. I don't think the Soviets want to take us on at sea right now.

Goldberg: Well, we get a lot of this kind of talk from industrial people and research people and the like in addition to the military. To refer back to the earlier question concerning the military-industrial complex: Wouldn't you think that there is a considerable community of interest between industry and the military and a considerable amount of reinforcement of each other on this sort of thing? Are they organized or not? I'm not saying it's orchestrated, but it exists.

Claytor: Well sure, but I'm not sure they're so wrong. It's absolutely true that unless we increase military production by a very substantial margin we're going to be in the damn hole. We'll be in the ditch by 1990. I would expect General Dynamics and

Boeing and others to make that point, and I think they're right.

Goldberg: Do you think they're right on the point of Soviet civil defense also?

Claytor: I don't know. I haven't heard much about that. I don't know whether the Soviet civil defense is any good or not. I suspect it's not much good. The Soviet Union is obviously doing more than we, and I think we should at least increase the effort made, particularly for moving people. I don't think Soviet civil defense is much of a factor. I think in our own interest we ought to have more than we have, but I don't think it's going to make that much difference in whether or not we have a war.

Goldberg: What are your views on SALT II? On balance do you see it as more positive than negative?

Claytor: Oh yes, there's no question. If we don't have SALT II or the equivalent, it's going to be very difficult to have a decent conventional capability and also maintain nuclear equivalence. We've got to have a ceiling on intercontinental/^{nuclear} capability or we're in trouble. The Soviets have the same problem. The Soviets know that we can outbuild them and that scares them. Therefore they want a ceiling. We know that we're not going to outbuild them although we physically could because in a free economy you can't afford to do it. And that scares us. We both ought to fix a ceiling and then go about other business. If we don't have a ceiling it's going to be very bad. Each one will feel the other's ahead and he'll pull up and the first one will say "well, I've got to pull up more"

and it'll be step by step all the way up, with more and more money spent to accomplish nothing except equivalence. The ideal thing would be to cut it back. I don't think you can do much of that, as a practical matter, but at least we should try to put an agreed ceiling on it. And if we don't do it we're going to be in bad trouble, because in a free economy we won't spend that kind of money. That's really the answer.

Goldberg: What do you currently consider the most important national security problems that have been implicit in much of what you said? I wonder if you could mention a few, what you consider the really most pressing that we have to face?

Claytor: More money for defense. All across the board. I think we're at least 5 billion dollars behind where we ought to be in '82, and about 3 billion behind where we ought to be in '81. And then we've got to maintain spending at that level. We ought to have at least 6 percent of our gross national product spent on defense or we're going to be in a hole. This is insurance money, and if we're not willing to pay the premium, the barn is going to burn down one day. And we won't have any insurance.

Goldberg: Let me ask this one final question. There have been remarks concerning the so-called politicization of OSD under the current administration, particularly during this past year, especially as a result of the political campaign. What's your view on that?

Claytor: I think we have less politicization in this department than any other in the government and probably less, from what I've heard,

than in any prior administration. There's really none. We have appointed people on their merits, usually people not recommended one/^{way}or the other by the political elements in the White House. We've avoided that like the plague. Hell, I appointed every single assistant secretary down at the Navy without any input from anybody outside the Department. We've picked them on their merits. The guy who is Secretary of the Navy now had been a Republican official under Nixon.

Goldberg: I have reference primarily, of course, to what's been happening during this past year, particularly Secretary Brown's--

Clayton: Brown is the most unpolitical man I've ever known, and that charge is just sheer unadulterated crap.

Goldberg: I'm aware of that and I'm in agreement with what you're saying, but a great deal has been said, in particular reference to such things as Stealth, for instance about the timing of statements about it. Also PD59.

Clayton: PD59 wasn't political; that it had any political impact at all came as a surprise to everybody. It'd been kicking around for a year before they put it out.

Goldberg: For more than that.

Clayton: I think this is the kind of stuff that you can always expect to come up in a campaign. Charges and countercharges. And I think it's just bunk.

Goldberg: But you don't believe then that Secretary Brown did participate in politicizing defense during the campaign?

Clayton: No. In fact, isn't that just what Rumsfeld did?

Goldberg: Yes, and you can go all the way back to Charles Wilson for that matter.

Claytor: Oh sure. Much less. But in any political campaign the Secretary of Defense is going to defend his position. Of course you're going to do that. I don't consider that as subject to any kind of legitimate criticism. But you can always expect that the "outs" are going to scream and holler about anything that is done, and accuse the "ins" of politicization. Any Secretary of Defense defends himself and his programs, and he should. I don't care who he is, or of what political persuasion.

Goldberg: And your position's the same on the Stealth issue?

Claytor: Oh, I know the Stealth. I was in on that from the beginning. I know about that. The charges of a deliberate leak were absolute hogwash. There wasn't any leak that anybody intended. We intended to hold it until it had to be put out in Congress as of the first of year, anyway. We were going to put the release out by then, but there was no choice about it when the damn thing leaked. We still haven't found out where those three people who leaked it, who published it, got their information.

Goldberg: Thank you very much. We appreciate it.

Claytor: It's a pleasure.

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February 16, 1982

Mr. Roger R. Trask
Deputy Historian, OSD
Office of the Assistant
Secretary of Defense
Washington, D.C. 20301

Dear Mr. Trask:

Many thanks for your letter of February 9 and for sending me a copy of the interview for my files.

I am prepared to have the interview open, but would require my permission in order to cite or quote it. My reason for this restriction is that I have included some personal references which I do not think should be cited or quoted.

Sincerely,



W. Graham Claytor, Jr.

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February 4, 1982

Mr. Alfred Goldberg
OSD Historian
Office of the Assistant
Secretary of Defense
The Pentagon
Washington, D.C. 20301

Dear Mr. Goldberg:

Thanks for your letter of January 25 with respect to any restrictions on interviews with me.

Unfortunately, I don't recall what we covered or what I said. Under the circumstances, I am perfectly prepared to say that anything in the interview should be open but with permission required to cite or quote from it. If, however, I could look at a transcript or whatever record you have of the interview, I would probably be prepared to make it open without restriction. My problem is I am not real sure what is in it.

With best wishes,

Sincerely,

W. Graham Claytor, Jr.
W. Graham Claytor, Jr.