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THE WHITE HOUSE
WASHINGTON

January 11, 1977

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: JAMES T. LYNN"
FROM: JAMES E. CONNOR *JEC*
SUBJECT: Modernization of Domestic Defense
Installations

The President reviewed your memorandum of January 4 on the above subject and made the following decision:

"Call upon the new Administration to appoint a Blue Ribbon Panel."

The following notation was also made:

"Follow Brent Scowcroft's suggestions."

For your guidance, a copy of Brent Scowcroft's comments on this subject is attached.

Please follow up with appropriate action.

cc: Dick Cheney

THE WHITE HOUSE

WASHINGTON

January 10, 1977

MR PRESIDENT:

Modernization of Domestic Defense
Installations

Staffing of the attached memorandum from Jim Lynn resulted in the following comments and recommendations:

Jack Marsh commented:

"I recommend no further action. I do not see how the appointment of a Blue Ribbon Panel can in an ex post facto way justify a budget reduction that has already been made. I also refer to my earlier comments on the same subject as a reason for not naming a Panel. (See TAB A).

Doug Bennett commented:

"The Blue Ribbon Panel has merit. I endorse option of recommending the panel to the new Administration. "

Jim Cannon believes you should call upon the new Administration to appoint a Blue Ribbon Panel.

Brent Scowcroft concurs with Jim Lynn's recommendations but offers some additional comments at TAB B.

Jim Connor



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

JAN 4 1977

DECISION

MEMORANDUM FOR: THE PRESIDENT
FROM: JAMES F. LYNN
SUBJECT: Modernization of Domestic Defense Installations

Background

During your review of the 1978 Defense budget, you initially decided to appoint a Blue Ribbon Panel of outside experts to review defense base requirements. Pending completion of that review, you placed a moratorium on new construction at installations that might be affected by that review.

I understand that you have now decided not to appoint the Blue Ribbon Panel but to direct a study of long-range defense installation requirements. The partial construction moratorium imposed in the 1978 Budget would remain in effect pending completion of the study.

I am concerned about the current approach for two reasons:

1. The large \$1 billion reduction in the 1978 Budget due to the moratorium may be viewed as artificial and unachievable in the absence of some extraordinary high level review group which would analyze base requirements outside normal Defense review procedures. It could, thus, be viewed as an effort to make it more difficult for the next Administration to achieve their promised Defense budget reductions.
2. Based on past experience, such a large reduction will not be sustained in the Congress unless there is a high-powered, non-partisan, strong body of support behind it. Such support would best be provided by a Blue Ribbon Panel of the type you had previously approved.

Alternatives

We can proceed in one of two ways:

1. You could specifically call upon the new Administration to appoint a Blue Ribbon Panel, with the same objectives and criteria that we would have used, for the review of long-range defense installation requirements.
2. You could do nothing more - thereby allowing the study of long-range defense installation requirements to become a regular in-house Department of Defense study.

Recommendation

I believe it is extremely important that we maintain the moratorium and that a high level review group be appointed to make the study you have agreed to initiate. Otherwise, it is unlikely that the moratorium will be sustained and even less likely that any real improvement in the defense installation structure will come about.

DECISION

 NA⁹

Call upon the new Administration to appoint a Blue Ribbon Panel.

 No further action.

Follow Brent Everett's suggestions.

December 30, 1976

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JACK MARSH

SUBJECT:

Modernization of Defense
Domestic Installation Structure

I would recommend against the formation of the proposed Panel for the following reasons:

1. I am of the view that any closures recommendations on which the incoming Administration acts will be attributed to the recommendations of the "Ford Panel."
2. I question the public response to this endeavor. If the Panel arises because of the inadequacies of Defense procedures, then why did the President wait almost two and one-half years to create the Panel? What is the need?
3. I believe this will appear to be a last minute Presidential action whose purposes will be misunderstood, whose authority will be questioned, and questions raised as to whether it is an attempt to embarrass the incoming successor.
4. Finally, aside from Constitutional questions, as a matter of policy, I do not believe sitting Members of Congress should participate in Executive Panels that may make recommendations requiring legislative action.

cc: Doug Bennett

B

THE WHITE HOUSE

WASHINGTON

January 8, 1977

MEMORANDUM FOR:

JIM CONNOR

FROM:

BRENT SCOWCROFT 

SUBJECT:

Modernization of Domestic
Defense Installations

I concur with Jim Lynn that, in the absence of a high level group reviewing domestic defense installations, the Congress is not likely to support the construction moratorium which would save \$1 billion in the 1978 budget. Further, a high level review provides the highest likelihood that real improvements in the defense installation structure will be undertaken. I concur with Jim Lynn's recommendation. I would, however, recommend that the President "suggest" or "recommend" rather than "call upon" the new Administration to appoint a panel.

January 10, 1977

MR PRESIDENT:

**Modernization of Domestic Defense
Installations**

Staffing of the attached memorandum from Jim Lynn resulted in the following comments and recommendations:

Jack Marsh commented:

"I recommend no further action. I do not see how the appointment of a Blue Ribbon Panel can in an ex post facto way justify a budget reduction that has already been made. I also refer to my earlier comments on the same subject as a reason for not naming a Panel. (See TAB A).

Doug Bennett commented:

"The Blue Ribbon Panel has merit. I endorse option of recommending the panel to the new Administration."

Jim Cannon believes you should call upon the new Administration to appoint a Blue Ribbon Panel.

Brent Scowcroft concurs with Jim Lynn's recommendations but offers some additional comments at TAB B.

Jim Connor

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: January 6, 1977

Time:

FOR ACTION:

cc (for information):

✓ Douglas Bennett

✓ Jim Cannon

✓ Jack Marsh

✓ Brent Scowcroft

FROM THE STAFF SECRETARY

DUE: Date: Friday, January 7, 1977

Time: 10:00 A.M.

SUBJECT: James T. Lynn memo, 1/4/77 re
Modernization of Domestic Defense Installations.

ACTION REQUESTED:

☐ For Necessary Action☒ For Your Recommendations☐ Prepare Agenda and Brief☐ Draft Reply☒ For Your Comments☐ Draft Remarks

REMARKS:

*Cannon - New Administration
Bennett. - see comments
Marsh - see comments
Scowcroft - see comments*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Jim Conner
For the President

"A"

December 30, 1976

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JACK MARSH

SUBJECT:

Modernization of Defense
Domestic Installation Structure

I would recommend against the formation of the proposed Panel for the following reasons:

1. I am of the view that any closures recommendations on which the incoming Administration acts will be attributed to the recommendations of the "Ford Panel."
2. I question the public response to this endeavor. If the Panel arises because of the inadequacies of Defense procedures, then why did the President wait almost two and one-half years to create the Panel? What is the need?
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cc: Doug Bennett

"B"

THE WHITE HOUSE

WASHINGTON

January 8, 1977

MEMORANDUM FOR:

JIM CONNOR

FROM:

BRENT SCOWCROFT 

SUBJECT:

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Defense Installations

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ACTION REQUESTED:

☐ For Necessary Action☒ For Your Recommendations☐ Prepare Agenda and Brief☐ Draft Reply☒ For Your Comments☐ Draft Remarks

REMARKS:

January 7, 1977

I recommend no further action. I do not see how the appointment of a Blue Ribbon Panel can in an ex post facto way justify a budget reduction that has already been made.

I also refer to my earlier comments on this same subject as a reason for not naming a Panel.



John O. Marsh, Jr.
Counsellor to the President

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Jim Connor
For the President



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

JAN 4 1977

DECISION

MEMORANDUM FOR: THE PRESIDENT
FROM: JAMES F. LYNN
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Alternatives

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2. You could do nothing more - thereby allowing the study of long-range defense installation requirements to become a regular in-house Department of Defense study.

Recommendation

I believe it is extremely important that we maintain the moratorium and that a high level review group be appointed to make the study you have agreed to initiate. Otherwise, it is unlikely that the moratorium will be sustained and even less likely that any real improvement in the defense installation structure will come about.

DECISION

_____ Call upon the new Administration
to appoint a Blue Ribbon Panel.

_____ No further action.