

policy—the delayed effect of actions that cannot be undone at a later date. The lead-time factor on aircraft production is still two years, on the average—nineteen or twenty months for most fighters, and from twenty-seven to thirty months for heavy bombers. The development cycle which precedes production may, in these days of such highly complex equipment as supersonic aircraft and guided missiles, take as long as five to seven years. The effect of the price we pay today for economy may not be felt until several years later, when nothing can be done to retrieve the earlier error.

THE APPROACH taken by Mr. Wilson in cutting next year's defense budget, ordering the Air Force to absorb most of the cuts, is an easy way to do a quick job. It is no doubt simpler to arrest the *future* growth of the Air Force than it would be to reduce the size of the *existing* military establishments of the Army and Navy. But there is an alternative approach to economy in de-

DEFENSE BUDGET FOR FISCAL 1954			
(In millions of dollars)			
	Truman	Eisen- hower	Change
Interdepart- mental	1,031	1,030	—1
Army	12,110	13,671	+1,561
Navy	11,368	9,651	—1,717
Air Force	16,778	11,688	—5,090
Total	41,286	36,039	—5,247

fense. That is to eliminate some of the costly duplication and overlapping that characterizes certain of the air activities being carried on today by the different services.

The present state of affairs grows out of the natural desire of each service to adapt air power to its own use. The same thing is happening with atomic arms and other weapons of the future, such as guided missiles. The time is certainly at hand for reviewing and overhauling the allocation among the services of missions in air warfare. The beginning point might well be to settle,

once and for all, Air Force-Navy arguments over strategic warfare and military air transport. Another area of overlapping activities is the air defense of the United States. In the field of guided missiles an effort should also be made to sort out and allot ultimate responsibilities and to eliminate the potentially expensive overlapping among Army, Navy, and Air Force projects.

Doing away with duplication of air activities in the various services, coupled with a revision of force levels, is bound to produce large savings. The hitch is the timing. The steps that have been suggested would follow, not precede, the review of the size and composition of our Armed Forces and the assignment of missions among them that Mr. Wilson plans to undertake as the basis for the fiscal 1954 budget.

IN REVERSING the logical order of events and cutting air power before taking a "new look at the entire defense picture," Mr. Wilson is taking dangerous chances.

Where the Test Is Met: The Battle Zone

IRVING R. LEVINE

WHAT we once called our "Pacific perimeter" has been pushed westward until today the four-thousand-mile arc from northern Hokkaido through Korea and Formosa to the jungles of Indo-China has become our most important military pressure zone. There U.S. airplanes are directly involved in two shooting wars, Korea and Indo-China, and there is always the possibility of a third—Formosa. While the Pentagon and Congress haggle over how many ounces or pounds of "fat" can or should be "sliced off" the military establishment, the commanders of our Far East Air Force and Navy air arm are confronted with a Com-

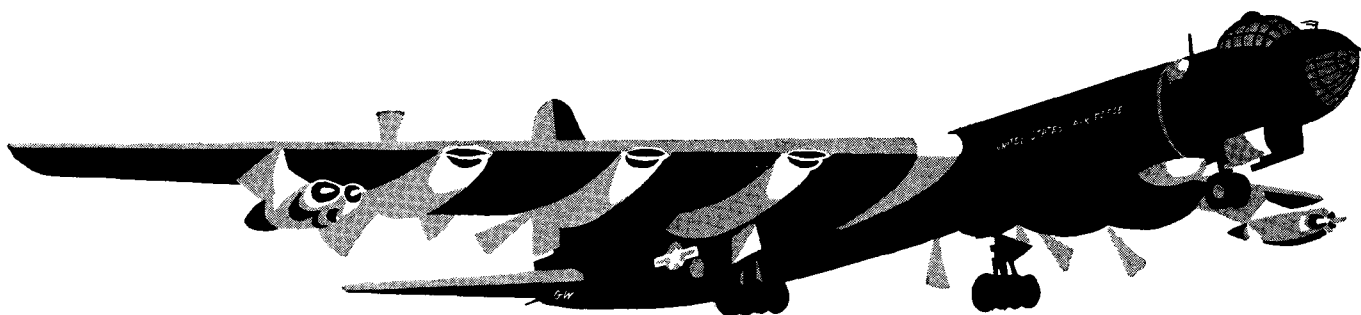
munist air potential over three times theirs. Most of it remains in Soviet hands, but the build-up of Chinese units continues. Despite the reassuring daily newspaper box scores of downed MIGs, our Far East air strength can only be classed as barely adequate for its present missions.

The entire U.S. Far East Air Force and Navy air arm now number less than 2,500 planes, as against Com-

munist Far East air strength estimated by the Pentagon at 8,000 planes. Of the latter, more than 2,500 now belong to Communist China. The rest are Russian, based mostly in the Vladivostok region, where they could readily be transferred to China. Of the 2,500 U.S. planes, at least half are fighter craft, a large portion are noncombat transports, and the remainder are obsolescent propeller-driven bombers.



THE SINO-SOVIET force includes some three hundred IL-28 medium jet bombers and more than half of it consists of MIG-15 jet interceptors. The MIG is almost sure death, in



daylight and good weather, against our lumbering pre-jet-age bombers. F-84 jet fighter-bombers, swift but capable of hauling only small bomb loads, fly most U.N. missions over North Korea. And even these, when ranging deep over territory frequented by MIGs, are screened by F-86 Sabre Jets, the only U.S. jets now on active war duty that can tackle the MIG on equal terms. Now, almost three years after the outbreak of war, there are only three wings of Sabre Jets, about 225 in all, in Korea. From the outbreak of the Korean War until April, 1953, we and our allies (who contribute 7.1 per cent of U.N. air strength in Korea) lost some 1,400 planes to enemy aircraft and anti-aircraft. Total North Korean and Chinese combat losses have been estimated at eight hundred planes of all types.

Apparently the Communists can afford the losses incurred in "MIG Alley," dramatic as these may appear in daily Air Force communiqués. These list only enemy planes "destroyed, probably destroyed, and damaged." By contrast, our air losses are not given at the end of each day's operations but only once a week, and then include only those of our planes which are known to have gone down in enemy territory. Korean losses account for less than ten per cent of current Soviet MIG production, estimated by the Pentagon at roughly five hundred per month.

IN ITS VAST area of responsibility, our Far East air power is already stretched thin. Token defensive units are stationed on the Philippines and Okinawa (also a B-29 base). A small number of F.E.A.F. transport planes temporarily are helping the French to carry troops and supplies to Indo-Chinese battlefronts. U.S. jet interceptors based on the Japanese islands are engaged in a peculiar type of

miniature air war with Soviet fighters based on strips in Soviet Sakhalin, which intermittently trespass Japanese soil on reconnaissance or harassment sorties.

Another possible commitment for Far East air power that Pentagon air experts anticipate with trepidation is Formosa. At present it is the mission of the U.S. Seventh Fleet to defend that island. Given sufficient warning, the Navy is unequivocally sure that it could divert enough

FAMILIAR REFRAIN

"We are going to get along on this lesser amount because we know our economic system cannot afford to pay much more. . . . Moreover, we will get a lot more for our money, it will be a matter of less money and more defense.

"What will preparedness or even victory in battle avail us, we must ask ourselves, if our free democratic system is crushed in the process? — Secretary of Defense Louis Johnson seven months before the North Koreans attacked across the 38th parallel.

ships from Korea and Japan in time to prevent Red landings. However, the Navy is less confident of its ability to deal with sustained Communist air attack.

Two or three of our Navy's fourteen large *Roosevelt* and *Essex* class carriers now operate at all times in Korean waters. Each can base a maximum of 120 planes, only some of them jets. Not all of these planes could be dispatched to intercept Communist bombing formations attacking Formosa, since some would be required to defend their mother ship.

Thus, even though the Seventh Fleet is the only U.S. element presently committed to the defense of

Formosa, the job—if Formosa is to be defended from all-out air attack—would quickly fall in the lap of U.S. Air Force planes based on Formosa's limited and vulnerable airfields.

If the well-dispersed Chinese Communist Air Force should unleash an air campaign against Formosa, many Air Force men believe that the best that could be hoped for would be a costly aerial stalemate, and the worst the ruin of Taipeh, Tainan, and Kaohsiung and the neutralization of the island as a naval, air, and ground force base. Just to maintain such an air stalemate, without either side losing enough aircraft to abandon the struggle, would require more U.S. interceptors than are now engaged in Korea.

The Nationalists, with only three hundred obsolete planes, could contribute little now to their own air defense. Not until this summer will they start receiving U.S. jets in some quantity.

TO PROVIDE a defensive counterweight to enemy capabilities in the Far East, without taking into account such schemes as General MacArthur's proposed "all-out bombing" of China, Air Force officials believe that the 103-wing Air Force now in existence should be boosted at once by ten to twenty wings. But even prompt increased appropriations for procurement could not immediately create a balance of air power in the Far East.



Can We Afford To Keep Strong?

EDWIN L. DALE, JR.

WASHINGTON under the Republicans has been buzzing with an economic cliché:

"We must see—clearly and steadily—just exactly what is the danger before us. It is more than merely a military threat. It has been coldly calculated by the Soviet leaders—by their military threat, they have hoped to force upon America and the free world an unbearable security burden leading to economic disaster. . . . Communist guns, in this sense, have been aiming at an economic target no less than a military target."—*President Eisenhower in his radio speech to the nation May 19.*

"Confronted with a crisis, we hastened to protect it [the American way of life] from outside aggression without regard to cost in a feverish rush to preparedness. But we must not forget that our way of life is threatened, not from one, but from two sources at the same time. It can be lost just as completely by economic deterioration from within as by aggression from without."—*Secretary of the Treasury Humphrey in his speech to the Associated Press.*

"This administration is striving for security without bankruptcy."—*Representative Dewey Short (R., Missouri), Chairman of the House Armed Services Committee, after a White House conference.*

"We believe that national security and national solvency are mutually dependent. The arms program should be re-examined in the light of economic capabilities."—*Defense Secretary Wilson speaking to the Women's National Press Club.*

THE CENTRAL theme is that the country will ruin itself economically if it takes on too great an arms

program. The unfortunate thing about this basic assumption of Eisenhower Administration policymaking is that it means much less than it seems to mean and that it can be quite misleading. Yet it is sincerely believed not only by the highest officials of the new Administration but also, apparently, by some of the people who disagree with the Administration about the level of security spending. For example:

"Perhaps the projected program of 143 air wings is beyond the ability of the economy to sustain. . . ."—*The Washington Post.*

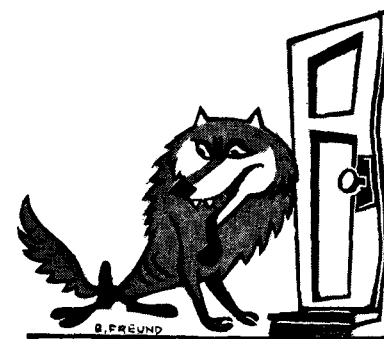
"If worst comes to worst, who would not rather be a bankrupt American than an atom-bombed American or a defeated American?"—*The Alsop brothers, after a long demonstration that our strength is inadequate.*

So even those who argue most persuasively that defense is being cut back too much often fail to question the "economic" reasons for the cut-back. They too have become captives of the prevailing assumption.

Disposable Income

Before we are swept away by the cliché, let's take a closer look at just what the responsible men in the government think they mean when they warn of insolvency, bankruptcy, and disaster. Within the limits that are being discussed—no more than \$10 billion one way or the other—how sound is their analysis?

There are two general ways in which an arms program can damage the basic health of a national economy. The first, the "division-of-resources" approach, involves a lowering of living standards because there simply isn't enough real wealth left over,



after the arms are built, to supply civilian wants.

The lowering of living standards would show up partly as shortages of civilian goods—chiefly metal goods. There is no prospect whatever now of such a result from any conceivable arms program that might be adopted in peacetime in this country, except for shortages of a few items like nickel that are short already.

A lowering of living standards could also show up in terms of buying power: People would be taxed so heavily or their earnings would be so eaten away by inflation that their real living standards would decline. In effect they would, as a people, be devoting too large a percentage of their labor to arms to achieve normal gains in real consumption.

To a degree this situation has already come about in this country, but the figures tell a story that is rather comforting on the whole. The best available measure of how well off people are is a figure tucked far in the back of the semi-annual reports of the President's Council of Economic Advisors called "real per capita disposable income."

This figure is derived by taking all the income of individuals, deducting individual taxes, adjusting for changes in prices, and dividing by the population. This is what it shows over the past seven years:

Year	Real per Capita Disposable Income
1946	\$1,445
1947	1,375
1948	1,423
1949	1,407
1950	1,484
1951	1,486
1952	1,496