

THE SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

11 OCT 1976

The Honorable Orla Møller  
Minister of Defense  
Forsvarsmi nisteriet  
Slotsholmsgade 10  
Copenhagen K, Denmark

Dear Mr. Minister:

Thank you for your kind words concerning your recent visit with us. We also feel that the discussions were fruitful, and trust that they will prove to be mutually beneficial.

We have been following with considerable interest your efforts in negotiating a new defense agreement. As you know, we share with you and our other allies a common interest in maintaining strong and credible defenses to counter growing pressure from the Pact.

In that context, I believe you will appreciate my concern over the proposed decrease in the Danish defense budget during the first two years of the new agreement. Even though compensating increases are foreseen for the later years, I believe that near-term reductions will have a deleterious effect on other NATO countries. Given the marked growth of Soviet and Pact military capabilities, and in the face of increasing Pact activity in the Baltic, a reduction in Denmark's own contribution can only raise serious questions about the Allies' ability and determination to maintain an adequate balance against our potential adversaries,

The US defense budget increased this year by about two percent in real terms, despite rather severe political and economic pressures here. This is heartening evidence to me that a free people will make necessary sacrifices if they understand fully the realities confronting them. However, if we are to continue this encouraging process, we need to be able to point to similar actions by our Allies.

Denmark

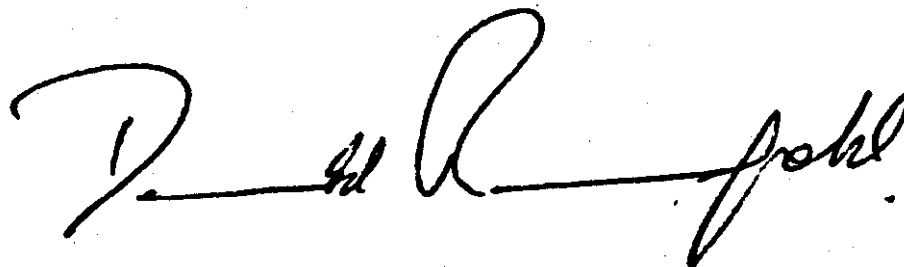
(30 Aug 76)



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For these reasons I wish to underscore the importance to us and to the Alliance of a Danish decision that reflects full appreciation of the need 'to maintain and improve our collective effort. Please be assured of my strong support and encouragement as you pursue this objective.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul R. Johnson". The signature is written in a cursive style with a horizontal line extending from the middle of the name.



ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON, D.C. 20301

INTERNATIONAL  
SECURITY AFFAIRS

7 OCT 1976

In reply refer to:  
I-10694/76

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Danish Defense Agreement - ACTION MEMORANDUM

11 OCT 1976

Last month Minister of Defense Møller wrote you a letter of appreciation regarding his recent visit to the US. Although the letter would not normally require a response, you may want to employ a response as a means to approach Møller again on the defense budget issue.

The Folketing (Danish, Parliament) is in the throes of promulgating a new six-year defense agreement. The six contending political parties in the negotiations have been unable to achieve a consensus, and the issue has reportedly been referred to Prime Minister Jorgensen for resolution.

Our Embassy reports that the agreement will probably entail cuts totaling about \$45 million (below present levels) over the first two years, return to present spending levels the third year, and increase the last three years. Defense expenditures over the entire six year period would even out at present (low) level or increase slightly under the Government proposal. Failure to agree centered around the extent of the increase during the final years. Fall-back positions of the contenders are close enough to indicate probability of agreement within a month.

We are concerned that the near-term cuts, regardless of later compensating increases, would give the wrong signal to other NATO Allies, the US Congress, and the Soviets. Accordingly we recommend you send the attached letter to Defense Minister Møller. Even if we do not succeed in persuading him to argue strongly against cuts in the first two years of the agreement, we may help stiffen his resolve to increase total spending over the entire six years.

Recommend you sign the letter to Møller at Tab A.

State concurs.

Eugene V. McAuliffe  
Assistant Secretary of Defense  
International Security Affairs



Classified by Director, European-Region  
EXEMPT FROM AUTOMATIC DOWNGRADING AND  
DECLASSIFICATION SCHEDULE OF  
EXECUTIVE ORDER 11652. ADDITIONALLY DOWNGRADED  
AND DECLASSIFIED ON 12-31-82

~~CONFIDENTIAL~~

Sec Def Cont Nr. X-2900

7/11/81  
S10/81





Copenhagen, 30th August 1976.

Dear Mr. Secretary.

Allow me to put into words my deepest gratitude for the assistance rendered and the goodwill shown to me and my party during our visit to the United States last month.

Let me assure you that wherever we came we were met with an outstanding degree of kindness, helpfulness, and hospitality. This not only made the various visits very beneficial from an objective point of view, but it also made the tour a pleasure trip from the beginning to the very end.

To highlight a single visit or focus on any one of the many competent military or civilian people met during the tour would be not only difficult, but also unjust to the ones not being mentioned. Let me therefore confine myself by pointing out the general traits of all visits - the professionalism by which all orientations and demonstrations were carried out, and the spirit and devotion towards objectives shown behind all words and doings.

At the same time I would like to express my full satisfaction with Captain Charles Arms and his crew, who very effectively and in a perfect manner brought the party through the States in the VC-140 so generously placed at our disposal.

Neither must I forget our escort officer, Colonel Robert B. Piper, who with great enthusiasm and perfection prepared the road and led the way through the program. Colonel Piper shall be most welcome as your Air Attache in Copenhagen next year.

Finally, Sir, let me emphasize my appreciation of the free and open discussions with you and your staff in Pentagon. Both as a politician and as Minister of Defense

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I consider our talks extremely important, and I hope that the exchange of information and opinions will prove to **be** of value in the pursuit of our mutual goals.

Once again let me assure **you, that** from my point of view the tour was most beneficial. We left with deep respect and **esteem for** the organization you are heading, for the country you represent, and for the great people you belong to.

Sincerely Yours,

*Arlo Miller*

The **Honorable Donald H. Rumsfeld.**  
**Secretary of Defense.**  
Department of Defense.  
Washington DC.  
USA.

