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DEPARTMENT OF THE NAVY
1993 POSTURE STATEMENT



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A Report by
Admiral Frank B. Kelso, II, United States Navy,
Acting Secretary of the Navy and Chief of Naval Operations, and
General Carl E. Mundy, Jr., United States Marine Corps
Commandant of the Marine Corps
on the Posture and the Fiscal Year 1994 Budget of
The United States Navy and
The United States Marine Corps

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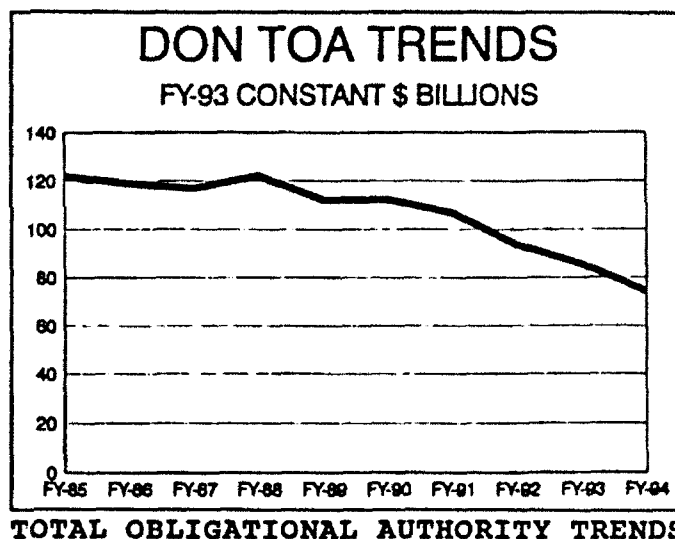
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INTRODUCTION

Navy and Marine Corps forces available today and those programmed through the mid 1990s were conceived in an era of global confrontation. For decades, these naval forces have deployed globally to regional theaters to deter Soviet adventurism and to support allies and friends. Fortunately, the capability to deploy and sustain forward sea-based forces means that a great majority of the capabilities resident within today's Navy and Marine Corps forces are directly applicable to regionally-focused littoral operations described in The National Military Strategy and the new Navy/Marine Corps White Paper ...From the Sea: Preparing the Naval Service for the 21st Century. Consequently, while today's Navy and Marine Corps are being restructured and reorganized for new national needs and positive global change, the security environment for the United States military is a familiar one to the Navy and Marine Corps.

Continuing regional commitments in support of national needs and collective action with our coalition partners put increasing strains on the Department of the Navy budget as Total Obligational Authority continues a slide begun in the mid-1980s. This paradox of continuing commitments and declining budgets is being resolved by fundamental changes in the way the Naval Service does business. Change and innovation are the order of the day -- new organizational and operational concepts, increased joint interoperability, and where possible, the multiplier effects of new technology. Using new assessment tools and a joint perspective, our flag and general officers lead an inter-divisional process of determining forces that can meet national needs, interests and commitments. The fiscal constraints of the past several years hurt, but much of the change in the way programming decisions are made has been positive.

The extensive upgrade of fleet assets undertaken last decade, when followed-up with planned aircraft modernizations, will provide vital naval forces for the first decades of the 21st century. Our task, therefore, is to tailor this extensive capability to a new world, and to maintain a ready Naval Service. As envisioned in The National Military Strategy, the Naval Service will be largely responsible for forward presence and initial crisis response. Consequently, active and reserve units of our Navy/Marine Corps Team packaged as Naval Expeditionary Forces will support regionally focused, joint force operations. This shaping of our future active and reserve Navy/Marine Corps Team will ensure flexible, capable, and self-sustaining combatant forces; versatile, high technology, mine warfare capabilities; a tailorable, credible global deployment capability; continuous, effective strategic deterrence; and, most important, sea-based, task-organized Naval



Expeditionary Force packages for rapid response and seamless integration into joint and combined military operations.

Central to naval force shaping is the fact the Navy/Marine Corps Team is inextricably bound to the joint Total Force as the maritime component of national security. All major operations will be joint, and, therefore, naval programming uses six Joint Mission Areas (JMA's) to conduct in-depth assessments of future force postures. They are: Joint Strike, Joint Littoral Warfare, Joint Surveillance, Joint Space and Electronic Warfare/Intelligence, Strategic Sealift/Protection, and Strategic Deterrence. These six mission areas directly relate to the four operational capabilities of naval forces described in ...From the Sea: Command, Control and Surveillance; Battlespace Dominance; Power Projection; and Force Sustainment.

Hand in hand with joint force shaping, the Naval Service is aggressively pursuing improved naval doctrine. Effective guidance for littoral warfare will support joint operations from the sea through a full spectrum of national needs and interests. To support this effort, the Chief of Naval Operations realigned his headquarters to parallel the joint headquarters structure. Additionally, the Secretary of the Navy, the Chief of Naval Operations, and the Commandant of the Marine Corps established the Naval Doctrine Command and geographically co-located it with counterparts of the other services. These unprecedented reorganizations rationalize legislatively mandated staff reductions to reshape the Naval Service. Despite lower manning, they maximize efficient Naval Service integration, coordination with joint and unified commander staffs, and cooperation with complementary Army and Air Force staffs. These lean and responsive staffs eliminate inter-service redundancy, develop appropriate force mixes, and build upon the strengths of the Naval Service's new direction ...From the Sea.

**DEPARTMENT OF THE NAVY
FY 1994 BUDGET SUMMARY
TOTAL OBLIGATIONAL AUTHORITY BY APPROPRIATION
(In Millions of Dollars)**

	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
MILITARY PERSONNEL, NAVY	19,965.6	19,351.9	18,356.9
MILITARY PERSONNEL, MARINE CORPS	6,101.7	5,981.0	5,678.7
RESERVE PERSONNEL, NAVY	1,707.4	1,853.2	1,528.7
RESERVE PERSONNEL, MARINE CORPS	346.0	346.5	308.0
OPERATION & MAINTENANCE, NAVY	23,294.9	20,585.4	20,192.9
O & M, MARINE CORPS	2,146.6	1,834.8	1,818.0
O & M, NAVY RESERVE	871.8	866.7	773.8
O & M, MARINE CORPS RESERVE	92.8	78.6	76.1
AIRCRAFT PROCUREMENT, NAVY	7,137.8	5,950.7	6,132.8
WEAPONS PROCUREMENT, NAVY	4,246.0	3,716.6	3,040.3
SHIPBUILDING AND CONVERSION, NAVY	6,713.3	5,853.2	4,294.7
OTHER PROCUREMENT, NAVY	6,102.8	5,508.8	2,968.0
PROCUREMENT, MARINE CORPS	1,062.0	824.6	483.5
RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY	8,642.9	8,933.5	9,215.6
MILITARY CONSTRUCTION, NAVY	966.9	373.4	655.1
MILCON, NAVAL RESERVE	49.0	15.4	20.6
FAMILY HOUSING, NAVY & MARINE CORPS	987.9	1,039.7	1,208.8
NATIONAL DEFENSE SEALIFT FUND	-	2,463.5	290.8
TOTAL	90,424.3	85,376.5	77,042.1

A NEW VISION: ...FROM THE SEA

On 30 September 1992, the Navy and Marine Corps White Paper, ...From the Sea: Preparing the Naval Service for the 21st Century, was released. Over a year in the making, it is the result of extensive thought and analysis. Its new direction is for the Naval Service to provide the nation with

*Naval Expeditionary Forces shaped for joint operations,
operating forward from the sea, and tailored for national needs.*

Shaping Global Change From the Sea

... From the Sea recognizes the dramatic shift in the global strategic landscape. It focuses on coastal and near land areas, the littoral regions where most of the world's population lives and where most global commerce and maritime activity take place.

In recent years, these littoral regions of the greatest human activity have become very receptive to American ideals of democracy, peace, and economic opportunity. Thus, it is no accident that American interests frequently coincide with the collective conscience of the international community.

Many littoral regions are the locations of multiple crises that threaten peaceful global change, jeopardize American interests, and endanger our citizen-workers and their accomplishments overseas. The engagement of the United States in the support of positive global trends supports American interests. ...From the Sea acknowledged the impact of littoral challenges on national needs and interests. Its strategic vision enables the Navy and Marine Corps to express American determination and will for positive global change and the peaceful resolution of disputes.

Traditional multilateral naval cooperation and expeditionary operations offer a wide range of opportunities for pro-active United States engagement to shape global change. For example, the daily activities of the Naval Service include joint and combined exercises with allies and friends, diplomatic visits and exchanges, as well as disaster relief and actions in support of

A world at peace remains a competitive world, one in which the United States will have to use its strengths and resources in a thoughtful and efficient manner. In this world the United States has the opportunity to be the market leader. By playing the major part in setting the examples of democracy and free trade, the United States encourages other nations to follow. However, this historic opportunity is complicated by a number of security challenges which include:

- ^ The potential for the newly independent states of Europe and Central Asia to slide into chaos;
- ^ The proliferation of weapons of mass destruction and their associated technology;
- ^ Growing tensions in the historic arc of crisis from North Africa and Southern Europe to East Asia, often associated with radical, ethnic-based ideologies;
- ^ Global degradation from a number of sources; e.g. transnational criminal activity that extorts national economies with drug trafficking and illegitimate arms trades; or economic disparities in poor countries that allow despots and local gangs to hold populations hostage to starvation, "ethnic cleansing," and other violations of basic human rights.

SECURITY CHALLENGES

humanitarian interests. When necessary to intervene forcefully, Naval Expeditionary Forces are maneuverable to any location from the sea. There is no need for diplomatic permission or overflight rights. Flexible and maneuverable, Naval Expeditionary Forces enable the joint capabilities and combat power of the United States and coalition partners to be brought to bear where and when they are needed most.

National Needs and Global Security

With the demise of the Soviet Union, there is no longer a well-defined, single global threat, no strategic locus to guide individual efforts of the military services or other government agencies. Instead, there is an ongoing global metamorphosis toward democracy and free markets. This global change is not all peaceful. However, there is one common guiding American strategic principle:

The United States will continue to be a leader for peace and democracy.

As with the Intermediate Range Nuclear Forces Treaty (INF), and the Conventional Forces in Europe Treaty (CFE), the Department of the Navy is actively involved with implementation and compliance planning for a broad list of other recent treaties, which include:

- o the Strategic Arms Reduction (Start),
- o the Start II Treaty,
- o the Open Skies Treaty,
- o Bilateral Chemical Weapons Agreement with Russia,
- o various internationally supported Confidence and Security Building Measures, and
- o the recently signed Chemical Weapons Convention (CWC) Treaty.

As the international security posture shifts to a more regional focus, the Department will continue to ensure that arms control initiatives are in concert with our ability to provide force projection and humanitarian support on a global basis.

The security of the institutions, values, and ideals of the United States and its people can best be assured within a peaceful global community.

Any national security approach to our changing world must consider that the foundations of United States global influence emanate from our American continent. It is here that our economic strength and our ideals have taken shape. This strong American foundation starts with the basic concepts of our Constitution and the founding philosophy of free trade. These cornerstones of democracy and free markets have induced increasing global acceptance. Now, United States national security strategy extends American values to promote sustained global growth and freedom. As it always has, this strategy begins with the protection of American people, their ideals, basic institutions and values.

ARMS CONTROL

Naval Service Contributions to National Security

National security and military strategies to meet global challenges and national needs must rely heavily on military forces that work jointly as a team. ...From the Sea inextricably binds the maritime components of national security, the United States Navy and Marine Corps, both active and reserve, to

operations as a fundamental element of the joint team.

With an austere military budget and continuing reductions in United States Army and Air Force units stationed overseas, globally-deployed naval forces are relatively more important. Operating from the sea, they are uniquely independent of foreign bases, garrisons or overflight rights. This independence of movement for ships and aircraft, both military and commercial, across the world's seas is due to the United States Navy's two centuries of practice of freedom of navigation.

As United States national security becomes ever more dependent on land and aviation forces based in the United States, the Naval Service remains globally-deployed on the seas. This advance Navy/Marine Corps Team ensures that the United States can respond rapidly to crises that affect Americans. In case of major contingencies, they are crucial to the rapid buildup of joint United States or coalition forces.

As the globally-deployed component of the joint Total Force, the United States Navy and Marine Corps will continue to make the following key contributions to national security:

^ The Naval Service will continue to maintain a survivable strategic nuclear deterrent. The proliferation of weapons of mass destruction, plus the continued presence of thousands of nuclear warheads in the newly independent states, requires the United States to continue the vigil of deterrence. The survivability and accuracy of the Navy's Trident submarine fleet provide the critical sea leg of American deterrence. By 2003, under the new START treaties, Trident submarines will carry 50% of the total United States strategic nuclear inventory.

^ The Naval Service enables power projection by the United States. This capability provides for American global presence along an entire spectrum of national needs and interests. United States global presence ranges from peaceful commercial and diplomatic activity, to humanitarian interests, to the full joint combat capability of the United States. Critical to this ability are strategic mobility and Naval Expeditionary Forces. These two elements depend on a continuously exercised, globally deployed Navy/Marine Corps Team. They also require maritime prepositioning of essential supplies and equipment, and fast sealift and airlift to reinforce or sustain our joint combat forces as required.

^ The Naval Service will continue to ensure the high quality and dedication of our men and women in uniform, and their proficient employment of high technology-enhanced weapons systems and platforms. The challenge of global technological diffusion means that our Navy and Marine Corps platforms and weapons must be regularly updated with modifications based on the latest technology. Consequently, we must keep and train those Sailors and Marines, active and reserve, with the skills to employ the tools of modern combat power. The Naval Service will develop naval doctrine supported by The Naval Doctrine Command and The Marine Corps Combat Development Command to continuously improve the joint and combined interoperability of Naval Expeditionary Forces.

^ The Naval Service will continue to contribute to the combined intelligence and surveillance

capabilities of the United States. The United States must have timely and accurate analyses of regional economic, political, and military conditions to avert those conditions that can fuel crises. Naval platforms operating from the sea and the stealth of nuclear submarines offer a unique national ability to collect intelligence through covert surveillance before or early in a crisis. During increased tensions, the proper intelligence can anticipate the need to maneuver globally deployed Navy and Marine Corps forces. Naval Expeditionary Forces can move toward a potential hot spot early to leverage diplomatic efforts to avert crisis. Likewise, if a crisis should develop, thorough intelligence is essential to the effective and efficient employment of our armed forces. Early intelligence warnings enable their timely response, whether it is to evacuate noncombatants, to intervene for humanitarian reasons, to display a show of force, or to enable the full spectrum of American and coalition combat power.

PREPARING THE NAVAL SERVICE FOR THE 21ST CENTURY

Major force reductions and initiatives to shape our post-Cold War Naval Service are underway. Important to remember is that we no longer face a rigid, intractable, Cold War enemy. Instead, today's Navy and Marine Corps must support new national needs and positive global change.

The structure, organization and operation of naval forces are being shaped to maximize the joint warfighting potential of the U.S. Navy and Marine Corps. Central to successful reshaping of the Naval Service is one key element that must not change -- the commitment to our Sailors and Marines as our top priority. Our people, officers and enlisted, and their families, are the essential foundation of the Navy/Marine Corps Team -- a team ready to meet national needs today and the challenges of tomorrow.

READINESS IS QUALITY PEOPLE

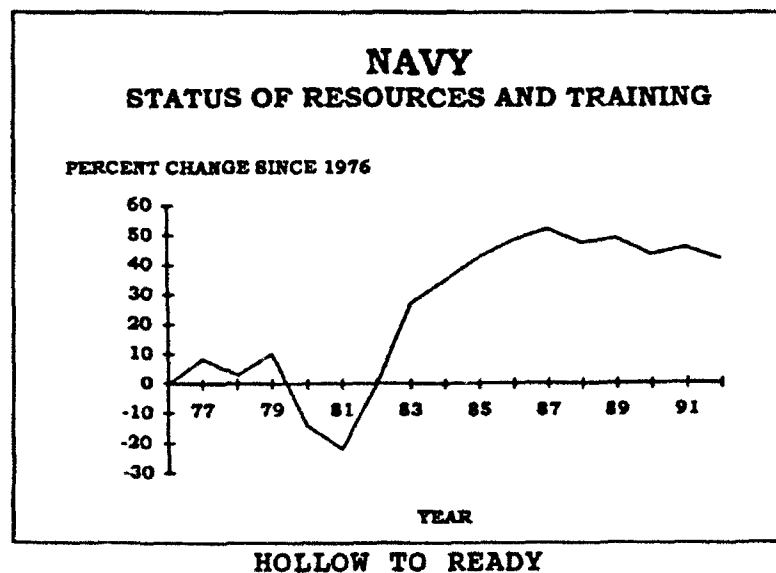
Readiness! Readiness is the #1 goal of the Navy/Marine Corps Team! Readiness is *people, people, people!*

^ *People* prepared to go in harms way to protect the lives of their fellow Americans, their interests and their property.

^ *People* and their families to make sacrifices in peace and war, months away from home in ships and in the field year after year.

^ *People* given quality training, given the tools of modern combat power they need to do their job, and given a quality environment where they can live and work efficiently.

One indicator of readiness is the yearly average percentage of units reporting the capability to undertake the bulk of their wartime missions, e.g., the status of resources and training of U.S. Navy ships, submarines, and aircraft units shown on the figure to the right. Although the graph is compiled from raw, unweighted data, the 50 percentage point improvement of this indicator since 1976 is dramatic. It corresponds to renewed commitment to maintaining and building the world's best Naval Forces. This



commitment includes improved quality of life for the Sailors and Marines who man it and their families. Last decade's increase in readiness reflects commitment to our people -- their quality of life, training, tools, platforms and weapons systems to do their jobs. By focusing on our people, their quality of life and quality of work, we can avoid the hollow force of the 1970s and early 1980s.

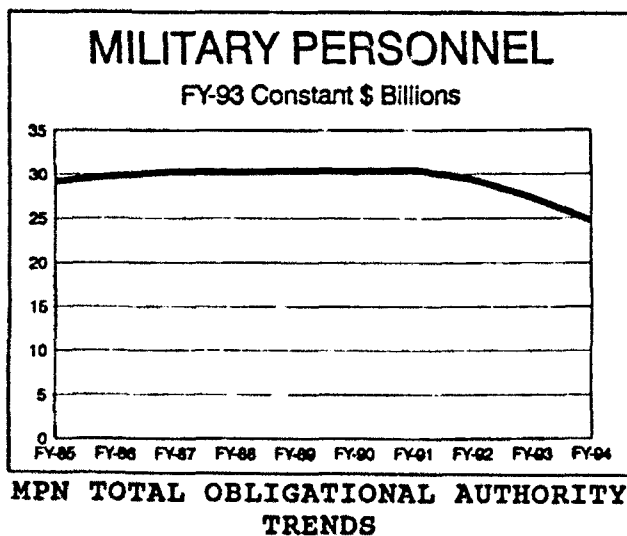
Core Values

First and foremost, the Department of the Navy is committed to creating command climates that fully recognize the value of our people -- the individual contributions they make day in and day out -- and rewarding them with the most basic and essential compensation, respect. The Navy and Marine Corps are pursuing the ongoing identification and resolution of institutional biases and prejudices. Equal opportunity for, and equal contribution from, all our people, regardless of race, creed or gender is essential to an efficient and effective Navy/Marine Corps Team.

Over the past year, the Department has confronted fundamental issues and core values of our organization -- what we stand for, and how we conduct our personal and professional lives. We determined a need to rededicate the people of the Naval Service to traditional core values. Consequently, new policy and guidance were implemented to instill all of our Sailors and Marines, from their very first weeks as members of the Navy/Marine Corps Team, with basic core values -- Honor, Courage, and Commitment.

Drawdown to a Smaller Ready Force

The Navy and Marine Corps have developed a carefully structured plan to draw down the numbers of active duty personnel with minimal disruption to their professional and personal lives. In FY 1994, the plan, recently accelerated to comply with the Secretary of Defense's FY 1994 budget adjustments, will



reduce Navy end strength by 45,000 to 480,800. Similarly, although last year's House Conference Report on defense appropriations mandated a strength floor of 177,000, Marine Corps end strength will go down by 7900 Marines to 174,100. The plan relies on reduced recruiting, normal and early attrition, higher retention standards, incentives for voluntary separation of career personnel short of retirement eligibility, and the selective early retirement of the minimum number of personnel with 20 or more years of active service. Consequently, the Navy and Marine Corps have committed to reducing active and reserve military personnel without resorting to involuntary reductions in force. We intend to

honor the commitment to our career designated personnel, that they will not be involuntarily separated before attaining retirement eligibility.

The Department met its drawdown goals for 1992. We expect to meet future goals through use of expanded authorities provided by Congress. These authorities expire in 1995. Steeper reductions in force structure and manpower than currently programmed would require legislation to extend essential drawdown tools -- Selective Early Retirements (SER), separation incentives and bonuses (VSI/SSB), and 15-year retirements -- beyond 1995.

The number of civilian employees in our planning and support establishment is being reduced commensurate with force structure, funded workload, and the implementation of new cost-saving efficiencies. By the end of FY 1994, civilian end-strength will be over 40,000 less than FY 1992 workforce levels. These reductions are being carefully planned to minimize involuntary separations, assist employees with transition to the private sector, and achieve a balanced workforce. To support our planning, the Department is actively seeking approval of Separation incentives to accelerate attrition and avoid mandatory reductions in force.

Keeping Quality People

Even as the Navy and Marine Corps downsize, they must still recruit individuals with potential for successful service and retain proven professionals. Retention is now adequate to sustain the currently planned force, with many of our finest people choosing to continue their military careers. First term personnel in skills that are over-manned will still have the opportunity to reenlist if they have the right qualifications or are willing to retrain into skills that are not adequately manned.

The smaller, more technological forces of the future will require that both the Navy and Marine Corps continue investing in high-quality recruits. Even during the drawdown, the demand for 18 to 21 year old young people will remain large. When combined, the Navy and Marine Corps recruiting requirements will remain above 80,000 per year. To meet recruiting goals, the Naval Service must maintain a solid corps of recruiters and provide resources for recruiting and advertising, including national advertising funds.

Training and education will be critical in the 1990s. We will be diligent in focusing our training and education resources on validated operational requirements. We will also be open to innovative ideas and emerging technologies that will enhance training cost-effectively. Elimination of training and education would be a false economy that would result in less capable units and decreased readiness. That cost is a sacrifice our naval forces cannot make if they are to execute national strategy.

Highly-trained professionals provide a valuable payoff in a fiscally-constrained environment. As the nature and technology of military operations change, the professionalism of our Sailors and Marines remains the ultimate force multiplier. Bonus programs are vital to both the Navy and Marine Corps. They enable the Naval Service to retain highly qualified and skilled officers, petty officers, and Marines in undermanned specialties. Even as we downsize, shortfalls exist in certain medical specialties, in new accessions of nuclear propulsion trained officers, in some tactical aviation communities, and in a variety of enlisted skills. Incentive programs to retain personnel in targeted skills and to adequately shape the

force to present and future requirements are solid investments. Enlistment and reenlistment bonus programs, as well as Special Duty Assignment Pay programs, will also still be required. These bonuses are important tools for maintaining a force of highly trained personnel who possess skills in demand in the private sector, or who perform particularly arduous tasks.

The Roles of Women

The Standing Committee on Military and Civilian Women in the Department of the Navy was formed in July 1992. It is a permanent committee chartered to advise on women's roles and professional contributions. Currently, we are implementing 80 Committee initiatives to advance professional opportunities for women and to eradicate sexual harassment. One of these initiatives is an harassment grievance procedure with a comprehensive follow-up system. Another is the clear and well-defined standards of acceptable gender relationships, including zero tolerance of behavior such as occurred at Tailhook 91, which we have communicated to all personnel of the Naval Service.

Women are recognized and respected as contributing members of the Navy/Marine Corps Team. Officer and enlisted women are serving in key leadership roles, ashore and afloat, and the number and percentage of women serving in non-traditional roles has steadily increased.

Quality of Life

The Department of the Navy is committed to integrating and coordinating basic personnel support services and quality of life initiatives. The objective is for all Navy and Marine Corps personnel and their families --active, reserve, and retired -- to receive the support they have earned and deserve. Our commitment includes fostering community partnerships that stimulate personal and command excellence. Healthy communities where service families live and work are leverage in our investment in quality of life. They are essential to the future of the Navy and Marine Corps.

QUALITY OF LIFE	
(Dollars in Millions)	
	FY 1994
MWR	250
CHILD CARE	80
HOUSING	1209
FACILITY MAINT AND REPAIR	1350

SELECTED QUALITY OF LIFE INVESTMENTS

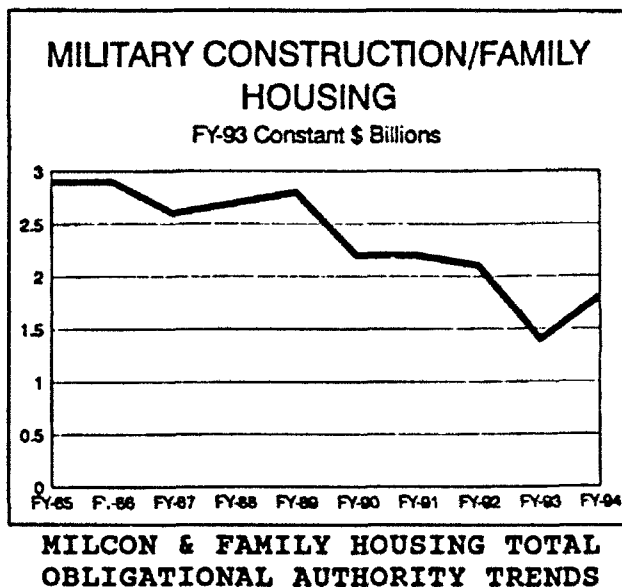
FAMILY SUPPORT: Family support and other quality of life support services are a vital part of the readiness equation. They are essential in assisting our unified commanders to meet the large variety of military and humanitarian operations. A critical need for many of our people, whether deployed or not, is child care. Both the Navy and Marine Corps have aggressive programs underway to build and enhance child care facilities. However, like all family support and quality of life functions, child care is funded by the Operations and Maintenance

(O&M) appropriations. O&M continues in a slide that began in 1988, and the challenge to preserve an acceptable level of support for these crucial initiatives increases every year.

Other dependent needs are being met by our Family Service Centers. With a focus on mobile lifestyles, transition assistance, readiness and support of rapid deployment in anticipation of regional conflict, these centers are the backbone of our family support effort. Rapid augmentation of personnel and family support services is important in a crisis. Local civilian and military community networks will ensure the full utilization of available human, fiscal and physical resources for Naval Service families.

MORALE, WELFARE, AND RECREATION (MWR): MWR programs are critical to our success in maintaining and retaining a quality, ready and able Naval Service. Our programs enhance readiness by promoting retention, fitness, a positive mental outlook, improved morale, and a healthy alternative to substance abuse and boredom. There is a strong relationship between the quality of life we provide and our ability to retain that quality force necessary to sustain a high state of operational readiness.

HOUSING: Family housing and bachelor quarters are integral to the morale and readiness of operational forces and are our premiere Quality of Life issue. To carry out lasting, substantive improvements in our facilities and management, "Neighborhoods of Excellence" have been initiated to ensure high quality design, materials, workmanship and customer service. Key to this initiative is an initial increase in resources targeted at reducing longstanding backlogs in maintenance and repair. The focus will be on maintaining and renovating our existing assets. Our acquisition strategy consists of building in areas of greatest deficit and remote locations where naval forces are likely to remain.



MEDICAL INITIATIVES: To strengthen the medical functions of the Department of Defense, the Navy Medical Department is carrying out the Coordinated Care Program (CCP) initiative. The CCP will enable us to better accomplish the medical mission. Its goals are improved beneficiary access to health care services, controllable health care costs, and quality care to all military beneficiaries. Using integrated components such as local health care delivery systems or "networks," beneficiaries will be offered options for receiving health care. These, as part of a unified system with the Military Treatment Facilities (MTF), will enable better, local management of resources to ensure the Department of the Navy receives the best quality and choice of health care for its beneficiaries and the most value for its health care dollars.

As a centerpiece of CCP, the Navy is the Executive Agent on the tri-service demonstration project underway in the Tidewater Virginia area. TRICARE involves Navy, Army, and Air Force working

collaboratively to manage military health care resources and effectively negotiate with local providers.

The Department continues its emphasis on health education and disease prevention through its support of Healthy People 2000. By addressing areas of opportunity to promote health, we can effect lower future health care costs; prevent the premature onset of disease and disability; help Americans achieve healthier, more productive lives; and, concomitantly, ensure a Naval Service that is fit and ready to respond to global challenges. Wherever Navy and Marine personnel go in "harm's way," Navy medicine will play an integral part in the execution of operations conducted from the sea.

STRUCTURING THE NAVAL SERVICE FOR CHANGE

As we reduce force structure, it is important that we do not end up with just a miniature version of Cold War naval forces. We are actively investigating new deployment methods that capitalize on the unique expeditionary force capabilities of the integrated Navy/Marine Corps Team. The results of these initiatives will offer the CINCs the option of tailored force packages that can provide forward presence to meet national needs and interests.

To ensure that the Navy/Marine Corps Team can meet the challenges of a world in transition, new processes for developing programmed future forces are being used. Department of the Navy Joint Mission Area (JMA) assessment, Support Area (SA) assessment, and Investment Balance Review processes use the concepts of Total Quality Leadership to evaluate future force options. Like force structure, headquarters staffs must adapt to new priorities with fewer resources. They must be shaped along complementary lines and be organized in a way that can accept legislated and other planned personnel reductions.

Total Quality Leadership

In anticipation of today's challenge, the Department of the Navy's leadership committed several years ago to the practice of Total Quality Leadership (TQL). For TQL to work, strategic planning translates leadership and vision into action. This past year, the Secretary of the Navy, the Chief of Naval Operations, and the Commandant of the Marine Corps crafted the Department of the Navy's first ever "Vision, Guiding Principles, and Strategic Goals." It says, in effect, that everyone in the organization -- Navy and Marine Corps, active and reserve, military and civilian, operational and support -- has a legitimate contribution to make and that the focus is on quality as we plot our course for the future. It describes in broad terms how the Department will look 10 to 20 years ahead and identifies five strategic goals affecting: (1) full integration of the Navy/Marine Corps Team; (2) human resources, education and training; (3) acquisition; (4) innovation and technology; and (5) facilities.

Education and training of senior leaders and of a "critical mass" in TQL concepts and methodologies are essential to successful Department-wide application. The critical mass is those people with sufficient power, knowledge, and influence to sustain a cultural transformation. Toward that end, the Department has adopted a train-the-trainer strategy, an effort that began with extensive education and training (E&T) of a cadre of TQL instructors. Senior leaders with the assistance of command-level TQL coordinators and quality advisors are prepared to return to their commands to support the transformation and to conduct TQL E&T in house.

TQL has now been applied in every type of work setting within the Department -- headquarters, industrial activities, shore commands, and in the Fleet. Success follows success. For example, at the Start of Operation DESERT SHIELD, Navy message traffic began to build dramatically. To deal with the backlog, the Director of Space and Electronic Warfare in the Office of the Chief Of Naval Operations used TQL principles to streamline communications. As a result, message transmission capacity per day

increased three-fold within a week of implementing actions. Message backlog decreased 50 percent. Errors in message transmission were reduced and response time improved.

Since 1988, Naval Aviation Depot Cherry Point has accumulated savings in labor and material costs of \$43.4 million dollars through product enhancements -- all attributed to TQL principles. In recognition of outstanding achievements, they will become the first repeat winners of the Federal Quality Institute's Quality Improvement Prototype Award.

A good example of how TQL can help improve quality of life for our Sailors and Marines is in the unavoidable fact that, in connection with transfers or reassignments, they are required to arrange for movement of their household goods. Typically, at large bases, they face long lines and waits just to get to the counter to receive forms. Then, at some locations, it takes up to six hours to submit completed forms just to initiate the household goods shipment. Until recently, this scenario was typical at the San Diego Naval Supply Center Personal Property Office. However, the office applied TQL principles, and now Sailors and Marines can walk in and complete all moving arrangements in about one hour.

Organizational Effectiveness

To complement and adapt to the new direction of the Naval Service in ...From the Sea, the Naval Service has begun organizational changes to develop a more coherent, integrated, mission-oriented force. At the Service level, the Chief of Naval Operations realigned his staff to parallel the Joint Staff for better interaction and efficiency. These moves, along with appointment of a two-star Marine Corps general to the Navy staff as Director of Expeditionary Operations (N85), will simplify integrated Navy and Marine Corps planning and programming, enhance joint interoperability, and better support the Unified Commanders in Chief and their Naval Component Commanders.

Operationally, naval forces are being deployed in innovative patterns consistent with The National Military Strategy and ...From the Sea emphasis on littoral operations. Naval commanders are becoming increasingly resourceful in organizing and employing naval expeditionary forces to exploit the new concepts of *Operational Maneuver from the Sea* and *Expeditionary Force Packaging*. These concepts will exploit the effectiveness of our existing capabilities and guide development of improved capabilities to meet the demands of the changing world.

Naval Doctrine Command

Beyond the organizational changes generated by the new strategic vision, preparing for operations in the littoral environment also requires a renewed emphasis on naval doctrine and training development. The Naval Doctrine Command stood up in Norfolk, Virginia, on 12 March 1993 to foster creative, new ideas and tactics. There, we will develop and refine workable concepts that ensure the integration of naval forces in joint operations at any level of involvement. Intermediate and top-level service schools are educating Navy and Marine Corps officers, along with many civilians, and Army and Air Force officers to infuse Naval Service culture with important joint/inter-agency concepts of modern operations. Task force training is also being transformed. Operational staffs are undergoing comprehensive training

as joint task force staffs, and innovative tactical "school houses" are focusing on meeting the expeditionary facets of the new strategy. Our education and training programs are completing the transition from a focus on war-at-sea to operations that project from the sea.

Navy Battle Force Reductions

At the end of calendar year 1992, the Navy had a 457-ship battle force, centered round 14 aircraft carriers (+1 training carrier) and 13 large-deck amphibious ships. By the end of FY 1994, this force will be reduced to 413 ships, centered on 12 aircraft carriers (no dedicated training carrier) and 11 large-deck amphibious vessels. Included drawdown actions are the termination of the Innovative Naval Reserve Concept (INRC) program with the decommissioning of the eight active Naval Reserve Force (NRF) training frigates and the disposal of the 35 companion FF-1052 mobilization assets held in category B (mothballs) as global war contingent forces. Also included this year and early next year are early retirements: two conventionally powered aircraft carriers, six New Threat Upgrade (NTU) configured CG-16/CG-26 class cruisers, all six remaining ships of the Navy's PHM-1 class, two CGN-38 class nuclear cruisers, and one SSN-688 class nuclear attack submarine.

Naval aviation forces are being aggressively reduced to levels required to support the 12-carrier battle force, with emphasis toward reducing type/model/series numbers. Significant near term reductions are being made in concert with the early retirement of two aircraft carriers in FY 1994. These reductions include the decommissioning of two A-6 medium attack squadrons and two F-14 fighter squadrons. It also includes the elimination of the F-16, SH-3, and SH-2 type/model/series and, to the maximum extent possible, continues the integration of Marine Corps squadrons with Navy carrier air wings. Additionally, the Navy is single-siting fleet replacement squadrons for all type/model /series except the dual role F/A-18.

The Navy's land-based maritime patrol squadrons are also being reduced in the face of a restructured maritime anti-submarine warfare mission and battle force. Near term reductions will bring the service's P-3 squadrons down from 24 active and 13 reserve squadrons in 1990 to 16 active and nine reserve squadrons by the end of fiscal year 1994. This level will be retained through the end of the century.

Marine Expeditionary Force Reductions

In 1991, the Commandant of the Marine Corps commissioned a study to define and assess the most effective and capable baseline force structure for the Marine Corps at the Base Force projected manning level of 159,000 Marines. The assessment was made against the requirements of The National Military Strategy, in consultation with the Unified Commanders in Chief. It revealed a shortfall of 17,000 Marines for projected operational commitments. The findings of the Force Structure Planning Group, "USMC 2001," were approved by the Commandant as a concept for the employment of the Marine Corps total force in joint operations into the 21st Century. The baseline Marine Expeditionary Force (MEF) which resulted from this unique "bottom-up" assessment, while smaller, retains the lethality of its

predecessor through a series of structural and planned technological improvements. Tactical mobility, flexibility, reconnaissance and light armor capabilities are enhanced, as well as aviation command and control, interoperability, deployment and basing flexibility. Combat service support retains its inherent flexibility. The planned restructuring created a warfighting command element at the MEF level capable of functioning as a JTF headquarters. Further, a deployable component headquarters, designed for joint operations, was created in each Fleet Marine Force. The plan reduces the Marine Corps through annual reductions of approximately 6,200 active and 2,000 reserve Marines. Thus far, the Marine Corps has deactivated six Marine Expeditionary Brigade Command Elements, reorganized and reduced artillery and tank battalions, deactivated five active and Reserve fixed wing squadrons, and deactivated one Brigade Service Support Group Headquarters. Overall, this force structure implementation plan results not in a scaled-down version of the Cold War Marine Corps, but in a force tailored to national needs and interests in a changing world.

The OPNAV Assessment Process

The Chief of Naval Operations (OPNAV) has initiated an assessment process to examine the Navy program in the light of new naval strategies. This new process began in October of 1992, in step with the OPNAV reorganization. It is designed to ensure that naval forces retain the flexibility and combat capabilities to protect U.S. interests in an uncertain future.

The assessment process uses six Joint Mission Areas (JMA) and two Support Areas (SAs). The JMA and SAs provide the link between operational capabilities described in From the Sea and the Navy program and budget. One objective of the assessment process is to develop a thorough understanding of naval forces' contributions to the nation's joint force. The JMA and SAs are assessment tools, not a foundation for warfare doctrine. Naval forces will continue to conduct fundamental naval warfare tasks such as strike warfare, anti-air warfare, anti-surface warfare, Naval Special Warfare, and anti-submarine warfare. Naval forces will, however, need to apply these warfare tasks in an increasingly complicated littoral operational environment. Strategy and tactics will continue to incorporate technological advances. One example is the codification of Space and Electronic Warfare (SEW) as a warfare area, and the incorporation of the SEW Commander in the Composite Warfare Commander doctrine. Naval combat commanders will ensure the evolution of tactical doctrine to the new naval strategies.

The assessment process assigns new roles and the need for a broader perspective to offices within OPNAV. Teams crossing OPNAV horizontally, chaired by flag officers, have been established to conduct these assessments. The objective of the assessment process is an integrated investment strategy continuously refined in step with the Planning, Programming, and Budgeting System (PPBS). The CNO's Executive Steering Committee (ESC) and the Resource and Requirements Review Board (R3B) are the principal decision forums in a recently streamlined program decision process. The R3B is the focal point of the assessment process and programmatic decision making within OPNAV. Advising the Secretary of the Navy, the Chief of Naval Operations, and the Commandant of the Marine Corps, the R3B recommends programmatic decisions to guide development of the Navy program. The iterative assessment process reports to the R3B as part of the Navy PPBS process, which includes submission on DON budget

estimates and amendments and preparation of the DON Program Objectives Memorandum (POM). The CNO ESC includes the Navy's highest uniformed leadership which oversees the R3B as one aspect of their policy and long-range guidance purview.

Each JMA and SA continuously reviews the current defense plan, and provides an overview of Navy capabilities and requirements. The six JMAs and two SAs brief the R3B, then the Investment Balance Review (IBR) combines the assessment results into one complete Navy investment strategy. The R3B then sets direction, provides guidance, and approves or disapproves the recommendations arising out of the assessment process. In such a way, the assessment process ensures the Navy program addresses warfighting requirements, is properly funded, and is balanced.

The JMA/SA process emphasizes assessment of the full cost of warfare capabilities, including personnel training, readiness, and infrastructure. About one third of the Department's money is spent on programs to develop and acquire new capabilities or modernize existing capabilities. JMA/SA assessments determine those systems the Department needs to be effective, and which systems may represent redundant capability. The assessments also examine operating and support costs. One significant challenge facing the Department is ensuring that our infrastructure (shore facilities, training organizations, depot maintenance capabilities, and engineering and logistics establishments) is reduced in balance with the naval forces that it supports.

JOINT STRIKE: A joint/allied action by appropriate units which is intended to inflict damage on, or destroy, an objective at sea, or ashore, by force.

JOINT LITTORAL WARFARE: The use of joint/allied forces, shaped for forward operation in the sea/land/air environment, to influence, deter, or contain and defeat a regional littoral threat through the projection of maritime power.

JOINT SURVEILLANCE: Systematic observation and exploitation of the multi-dimensional theater battlespace by all available sensors.

JOINT SPACE AND ELECTRONIC WARFARE/INTELLIGENCE: The use of joint/allied forces for the destruction or neutralization of enemy SEW targets. As warfare support, it is the enhancement of friendly force battle management through the integrated employment and exploitation of the electromagnetic spectra and the medium of space.

STRATEGIC DETERRENCE: A state of mind brought about by the existence of credible threat of unacceptable counter-action. It is a clear, evident and precisely tailored capability to hold potential opponent's assets at risk such that they will assess their cost of escalation unacceptable and that their most favorable option is to remain at or return to peace. Strategic deterrence spans the entire spectrum of violence, to include both nuclear and conventional arms.

STRATEGIC SEALIFT/PROTECTION: The employment of joint/allied forces to control ocean areas, assure access to littoral regions and deploy and sustain forces over the operational continuum.

READINESS, SUPPORT, AND INFRASTRUCTURE: Provide, man, operate and maintain fleet assets and the supporting facilities. The facilities, equipment, services, and personnel required to acquire and maintain our operating forces.

MANPOWER, PERSONNEL, AND SHORE TRAINING: Provide sufficient military (active and reserve) and civilian personnel, facilities, equipment, training support, and services to maintain fleet readiness and support.

DEFINITIONS OF JOINT MISSION AREAS AND SUPPORT AREAS

The Marine Corps Combat Development Process

The Commandant of the Marine Corps has established the Combat Development Process (CDP) to determine battlefield requirements and produce combat ready Marine Air-Ground Task Forces

(MAGTFs). The CDP is an iterative process composed of three systems. The Concept Based Requirements System (CBRS) analyzes guidance such as the Defense Planning Guidance and The National Military Strategy, which leads to the development of operational and functional concepts and the identification of required combat capabilities. Shortfalls between required and existing capabilities become requirements in the categories of doctrine, organization, training and education, equipment, and facilities and support. The Solution Development System presents methods for overcoming deficiencies identified through the CBRS. Once a requirement need is established and resource allocations are approved to address this need, formalized support systems in each requirement category are developed and activated to ensure that the solution remains relevant and sustains the capability for which it was developed. Through the Capability Support System we are able to update, maintain, and review fielded capabilities throughout their life cycles. This process establishes an audit trail for new requirements, and identifies methods of achieving warfighting capabilities in addition to buying new equipment. The CDP is now one of the foundations for preparing the Marine Corps' input into the Department of the Navy POM. The Marine Corps Combat Development Command at Quantico, Virginia, was reorganized in July 1992 to execute this process.

OPERATIONAL CAPABILITIES

The centerpiece of the Naval Service's new direction is to expand on and capitalize on its traditional expeditionary role. Its future force structure must be able to swiftly respond, on short notice, to crises in distant waters, provide a quick assembly of credible offensive power from the sea when required by national demands, and be able to sustain support for long-term operations. Fundamental to these taskings, naval force structure must also contain sufficient forces to provide unobtrusive forward presence that can be intensified or withdrawn on short notice. As the United States continues to reduce its overseas land-based Army and Air Force units, naval force forward presence is increasingly important in order to meet international treaty obligations, regional stability, and strategic deterrence responsibilities.

Naval forces of the 21st Century must not only meet the traditional requirements of command of the seas, forward presence, crisis response, strategic deterrence and sealift, but also must have the four key operational capabilities of littoral warfare identified in ...From the Sea.

Command, Control and Surveillance

The Department of the Navy is committed to providing a command and control structure that will exploit the unique contributions that Naval Expeditionary Forces bring to

Command, Control, and Surveillance

The Navy and Marine Corps will continue to structure command and control capabilities to promote efficient joint and combined operations as part of an overarching command, control, and communications architecture that can adapt from sea to shore. We will also exploit the unique contributions which Naval Forces bring to littoral operations.

Our surveillance efforts will continue to emphasize exploitation of space and electronic warfare systems to provide commanders with immediate information, while denying and/or managing the data available to our enemies.

Battlespace Dominance

Battlespace dominance means that we can maintain access from the sea to permit the effective entry of equipment and resupply. This dominance implies that Naval Forces can bring to bear decisive power on and below the sea, on land, and in the air. We must use the full range of U.S., coalition and space-based assets to achieve dominance in space as well.

Naval Forces must also have the capability to deny access to a regional adversary, interdict the adversary's movement of supplies by sea, and control the local sea and air. For the Naval Service, then, dominating the battlespace means ensuring effective transition from open ocean to littoral areas, and from sea to land and back, to accomplish the full range of potential missions. This is the essence of naval adaptability and flexibility which are the keys to contingency response. Battlespace dominance is the heart of naval warfare.

Power Projection

Naval Forces maneuver from the sea using their dominance of littoral areas to mass forces rapidly and generate high intensity, precise offensive power at the time and location of their choosing under any weather conditions, day or night. Power projection requires mobility, flexibility, and technology to mass strength against weakness. The Navy/Marine Corps Team supports the decisive sea-air-land battle by providing the sea-based support to enable the application of the complete range of U.S. combat power.

Force Sustainment

America's influence depends on its ability to sustain military operations around the globe. The military options available can be extended indefinitely because sea-based forces can remain on station as long as required. Naval Forces encompass the full range of logistics support that is the critical element of any military operation. Forward logistics, prepositioning, and strategic sealift, coupled with strategic airlift, are the keys to force sustainment.

littoral operations. Our goal is to ensure efficient joint operations through a command, control, communications, computers and intelligence (C4I) architecture which can adapt from sea to shore. The information and data aspects must be user supportive and maximize information availability from all sources to all potential users.

Other key elements of the Department's strategy to enhance its command, control and surveillance operational capabilities include: expanding high capacity, multimedia communications to better support naval and joint operations; increasing joint connectivity; developing the means to ensure a common tactical picture to provide enhanced situational awareness; and upgrading surveillance systems while emphasizing near real time/real time delivery of surveillance data. The Department is pursuing several enhancements in support of these thrusts.

COPERNICUS: In support of an integrated approach to C4I goals, the Department of the Navy has developed *Copernicus*, an overall C4I architecture for the post-Cold War era and a blueprint for infusing cutting edge commercial technologies into C4I programs. The Copernicus architecture recognizes that enhanced capabilities in battle management and interoperability of C4I systems are prerequisites for joint and combined operations. Reduced to its core, the Copernicus Architecture changes the C4I system from a producer centered "push" to a user centered "pull" system while mandating open architecture, adherence to a Common Operating Environment, and use of Government Off the Shelf (GOTS) and Commercial Off the Shelf (COTS) equipment whenever possible.

NEAR REAL TIME TACTICAL INFORMATION: High capacity data distribution and a common near real time tactical picture will be provided by Joint Tactical Information Distribution System (JTIDS) to E-2Cs, F-14Ds, F18s, CVs, LHD/LHAs, CGs and DDGs. The Navy Battle Group Passive Horizon Extension System (BGPHEs) is being developed to provide enhanced SIGINT surveillance beyond the

line of sight horizon for CVs, LHDs, and LHAs, while the Joint Service Imagery Processing System (JSIPS) will provide a digitized imagery capability to the same platforms. Significant communications upgrades include expanding Super High Frequency (SHF) installations to provide Defense System Communications Satellite (DSCS) connectivity for all major platforms, while investing heavily in Extremely High Frequency (EHF) terminals and the Ultra High Frequency (UHF) follow-on constellation for jam resistance communications.

COMMAND, CONTROL AND SURVEILLANCE	
(Dollars in Millions)	
	FY 1994
P-3 ASUW UPGRADE	151
E-2C UPGRADE	173
EA-6B UPGRADE	124
JOINT C3I UPGRADES FOR SURF PLATFORMS (CV, LHD, LPD, CG)	145

SELECTED INVESTMENTS

The cornerstone of C4I programs afloat is the Navy Tactical Command System - Afloat (NTCS-A), which processes sensor information and communications for all warfare mission areas and is scalable to support all levels of command from flagship to frigate. NTCS-A employs an open architecture which allows integration with other services' systems, such as the Air Force CTAPS Air Tasking Order (ATO) software. It has already been integrated with the Marine Corps Intelligence Analysis System (IAS) on the USS WASP and USS SAIPAN. Further enhancing joint interoperability, the Marine Corps has signed memoranda of agreement with the Air Force/Air National Guard and the Army to help meet Marine Component Commander communications equipment and personnel requirements.

JOINT TASK FORCE COMMANDER (CJTF) AFLOAT: Fully recognizing that joint operations are the venue of the future, the Navy has developed a focused strategy to support optimum, affordable flagship C4I configurations that both complement and become integrated with expeditionary requirements. By installing a number of C4I system upgrades such as SHF on flagships, and employing the principles of the Copernicus architecture, a quantum increase in C4I capability has recently been achieved and fully demonstrated during the joint exercise Tandem Thrust 92. In that exercise, the Navy demonstrated the ability to conduct Commander Joint Task Force (CJTF) as well as Joint Force Air Component Commander (JFACC) functions afloat. The ultimate goal is to provide all joint afloat commands with fully integrated command and control capabilities, with appropriate attention to the various command transitions such as sea-to-sea, sea-to-shore, shore-to-sea and shore-to-shore.

SPACE AND ELECTRONIC WARFARE: Besides improving its Command, Control and Surveillance operational capabilities, the Department continues to advance the doctrine and technology which support Space and Electronic Warfare (SEW). This naval mission area targets an opponent's C4I infrastructure. This major force multiplier fully exploits our technological advantages in order to disrupt, neutralize and deceive the enemy, while providing friendly forces with superior intelligence.

Battlespace Dominance

Battlespace dominance is the heart of naval warfare. Naval forces must be able to deny access to a regional adversary, interdict his movement of supplies by sea, and control the local sea and air. To this end, the Department is continuing a vigorous program to meet the unique and challenging demands of providing forces that can effectively deal with projected threats including the stealth anti-ship cruise missile; tactical ballistic missiles; shallow water/choke point diesel submarines; and, most notably, mine threats.

MINE WARFARE: Continued advancements in mine warfare are vital. Mine detection, avoidance and countermeasures are necessary to ensure battlespace dominance in narrow seas, choke points, and coastal surf zones of the littorals. Extensive investments made in the last decade have begun to pay off with the ongoing impending delivery of 14 AVENGER class Mine Countermeasure (MCM) ships and the impending delivery of the first several of 12 OSPREY class Mine Hunting Coastal (MHC) crafts. As a

BATTLESPACE DOMINANCE

(Dollars in Millions)

FY 1994

MINE WARFARE	140
MINE COUNTERMEASURE SUPPORT SHIP	124
MK-48 TORPEDO SHALLOW WATER IMPROVEMENT	18
SH-60 B/F HELO PROCUREMENT	403
HH-60H HELO PROCUREMENT	144
DDG-51 PROCUREMENT	2643

SELECTED INVESTMENTS

direct result of lessons learned from DESERT SHIELD/DESERT STORM, the Department is planning to convert one LPH to a mine countermeasures support ship (MCS). This conversion will provide required command, control, communications and logistics support to air and surface mine countermeasure forces. Finally, an aggressive research and development effort is underway to meet requirements for shallow water, surf surveillance and mine neutralization, improved influence mine clearance, and accurate mine locating devices.

SHALLOW WATER ANTI-SUBMARINE WARFARE: Dominance

in narrow seas, choke points and littoral zones can be put to risk by submarines as well as mines. Systems incorporating advanced acoustic and non-acoustic ASW technologies are essential to preserving the ability to operate in these areas. For example, the Advanced Deployable Surveillance System is being developed to make on-demand ASW support available for operations around the world. Airborne laser systems will enable the fleet to localize shallow targets. A robust research and development effort, building on the technology base developed for "blue water" ASW, will meet the unique challenges posed by the shallow water environment.

CARRIER BASED AIR: We intend to continue the modernization of our carrier forces to provide a force of 12 carriers that meets the challenges of global presence, conventional deterrence, crisis response, and joint warfighting requirements. The final carrier to finish the Service Life Extension Program (SLEP) modernization and rehabilitation, USS CONSTELLATION (CV64), is currently undergoing sea trials and she is scheduled to rejoin the fleet in late spring 1993. With the commissioning of USS GEORGE WASHINGTON (CVN73) in July 1992, two CVNs are currently under construction: USS JOHN C. STENNIS (CVN74), scheduled to join the fleet in fiscal 1996, and USS UNITED STATES (CVN75), to be delivered in fiscal 1998. The Navy will request full funding for the ninth NIMITZ-class carrier, CVN-76, in fiscal 1995 as the replacement for USS KITTY HAWK (CV63) in 2003. Long-lead funding will be requested in FY 1999 for a tenth NIMITZ-class nuclear carrier, CVN-77, which will be commissioned in FY 2007. All will replace older, conventional carriers, maintaining the 12-carrier force. These ships are critical to providing an operating base for littoral air operations, including complete facilities for the Joint Force Air Component Commander (JFACC) and Joint Task Force Commander (JTTF).

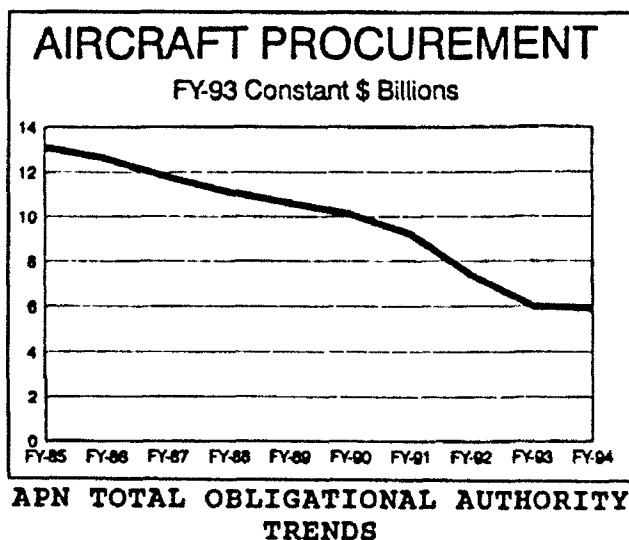
In concert with carrier modernization, the Department is investing in an aggressive research and development effort to define the replacement for aging A-6E attack aircraft and F-14 fighters. Central to this effort is the reduction of carrier based fighter and strike aircraft to two basic airframes, the F/A-18 and the A/FX discussed later under Power Projection. In addition, we are upgrading EA-6B and E-2C aircraft to enable them to extend their capability and service life until a replacement aircraft is developed in the next century.

Carrier based rotary wing aircraft are being modernized with the completion of the previously scheduled replacement of SH-3 SEA KING helicopters with the SH-60F variant of the SEAHAWK. Additionally, these SEAHAWKS will be upgraded commencing in FY 1997 with the Airborne Low Frequency Sonar (ALFS). Two new highly versatile HH-60H helicopters will be added to each carrier based squadron to provide enhanced anti-surface warfare (ASUW), combat search and rescue (CSAR), and special operations forces (SOF) capabilities.

EXPEDITIONARY AIR: Marine tactical aviation, whether integrated with carrier air wings or conducting operations from land, offers a potent, seamless transition of air operations from sea to shore. The F/A-18, AV-8B, and AH-1W aircraft provide Marine ground forces with needed mobility and firepower beyond the limited armor, artillery, air defense, and naval gunfire available. The AV-8B Remanufacture Program will transform day attack Harriers into night attack/radar equipped aircraft. Additionally, the AH-1W Night Targeting System (NTS) expands the operational capability of the Super Cobra to provide close-in fire support and assault fire suppression 24 hours a day. Marine Aviation ensures that Marine Expeditionary Forces remain versatile and mobile enough to respond quickly to crises, yet powerful enough to accomplish the mission.

Organic to the Marine Air-Ground Task Force is an expeditionary capability which allows its tactical aviation to operate in remote, austere locations. Marine Wing Support Groups can establish and operate 3,800 foot expeditionary airfields (EAF), inclusive of portable arresting gear, lighting and matting

to accommodate 72 aircraft. The EAF 2000 Program which relies on modular vice old building block structures and the research for a more light weight matting, are improving the deployability of EAF's. During FY94, a 900' matting capability will be prepositioned with the Pacific Fleet Maritime Prepositioning Squadron. An enhancement initiative currently under joint review may allow prepositioning a full EAF 2000 on each of the three squadrons. Air Force and Navy systems effectively link with the Marine Air Command and Control System providing connectivity throughout the joint force. Finally, aviation logistics can be deployed by either strategic lift or aboard an aviation support ship to



provide an expeditionary Intermediate Maintenance Activity.

SHORE BASED AIR: The Navy's P-3 maritime patrol aircraft (MPA) program is being restructured to ensure the effective transition from open ocean to littoral battlespace dominance. The P-3's unique surveillance characteristics make it a force multiplier in the littoral environment. In concert with the restructured mission, the P-3 ASUW upgrade program has been developed from CINC inputs as a cost-effective alternative to the terminated Update IV. The Navy's program also provides full funding for an operational service life extension that addresses readiness, corrosion, and supportability concerns.

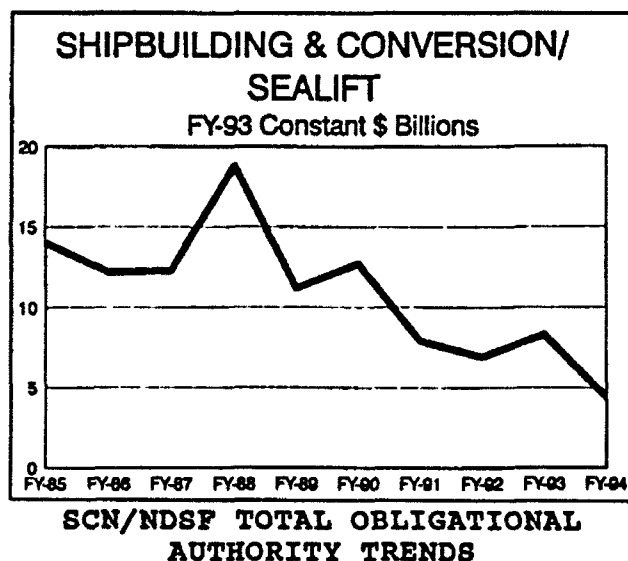
SURFACE COMBATANTS: Heavily armed with tactical cruise missiles, anti-air missiles, guns, and anti-submarine torpedoes, cruisers and destroyers provide uniquely flexible, extremely capable tools for effective battlespace dominance. Surface combatants will continue to provide protection for carrier battle groups and amphibious ready groups. They will also increasingly be used to provide presence in areas where entire battle groups were used before: e.g., maritime interception operations, economic

sanction surveillance, or even limited no-fly zone enforcement with stand-off anti-air capabilities. The continued modernization of these forces is being undertaken through the evolutionary upgrade of the ARLEIGH BURKE class destroyer. We will continue to build versions of this ship to replace retiring and less capable platforms. The Department has also embarked on an aggressive effort to pull together technologies which will have sufficiently matured so that, by the early 21st century, we will be able to introduce a capable and affordable follow-on to the SPRUANCE and OLIVER HAZARD PERRY classes and complement the BURKE class.

As a companion piece, several existing shipboard weapons systems are being improved to ensure that resident ordnance based capabilities

keep pace with the threat and ship system improvements. A significant improvement under development is Standard Missile Block IV which greatly improves high altitude and cross-range capability. It also offers potential integration into a sea-based theater ballistic missile defense (TBMD).

Integral to surface combatant capability are embarked, fully integrated SH-60B LAMPS MK III helicopters. These aircraft have proven to be vital force multiplier elements to both ASW and ASUW battlespace dominance missions and provide significant surveillance and coordination advantages in the littoral environment. The Department has included the Block 1 upgrade, which provides these aircraft with the PENGUIN air-to-surface missile, for fleet introduction starting toward the end of FY 1993. The



Navy's program also continues development of the Block 2 upgrade which will provide significant improvements in both ASUW and ASW capabilities, including an imaging radar and the Airborne Low Frequency Sonar (ALFS).

The 170 foot Patrol Coastal (PC) CYCLONE-class ship has been built and is now being introduced to the fleet. These 13 ships, although funded by the US Special Operations Command and part of the Naval Special Warfare Community, will be manned by Navy Surface Warfare qualified personnel. With a primary mission of coastal patrol and interdiction (CP&I), the PC is expected to play a significant role in littoral warfare.

SUBMARINES: Tremendous national investment and effort produced today's very successful American nuclear submarine force. This force is dependent on an exceptionally unique industrial base. Although sufficient numbers of nuclear submarines are in the fleet today, special care must be taken to ensure we retain the industrial capability to replace today's submarines when they retire. Currently programmed submarine building leaves a gap in production that, if not properly addressed, threatens the nation's ability to retain this critical technology.

In the midst of continuous world technological and political changes, the Navy's attack submarine (SSN) force remains a flexible, stealthy, and powerful rapid response and JTF asset that can sustain itself almost indefinitely. It offers the ability to project power both covertly and overtly, control the surface and underwater battlespace and deliver weapons or special operations force ashore. To fully utilize advanced American nuclear submarine technology and capability, the Department is procuring two SEAWOLF (SSN-21) class submarines and is doing concept definition studies for the New Attack submarine of the 21st Century. These ships, along with the existing and improved LOS ANGELES (SSN-688) class ships will provide the country with a modern, capable submarine force well into the 21st Century.

Several significant undersea weapons and communications upgrades are included in the Navy program to meet littoral warfare needs. The most significant of these is the MK-48 ADCAP torpedo modification program which provides the means to improve the MK-48's performance. Also included are efforts to improve the capability of submarine sonar systems to perform in all environments including shallow water, improve communications connectivity between SSNs and battle group assets, and enhance minefield location systems.

THEATER MISSILE DEFENSE: Over fifteen countries are estimated to have programs to take advantage of ballistic missile technology. Armed with conventional, biological, chemical, or even battlefield nuclear warheads, these systems could pose a serious challenge to American and coalition combat forces. Battlespace dominance by Naval Expeditionary Forces will depend on the ability to field an effective theater ballistic missile defense (TBMD). The Department of the Navy TBMD program is being developed in concert with the Strategic Defense Initiative Office (SDIO). Our goal is a layered defensive capability against a wide range of theater ballistic missile systems.

The first phase of the program involves modifications to the Navy's AEGIS weapons system and the Standard Missile Block IV. Additionally, the Marine Corps is upgrading the Hawk Missile System,

Air Defense Command Post and TPS-59 radar. These Navy and Marine Corps modifications will provide littoral area defense capability to protect fleet concentrations, amphibious objective areas and other vital assets ashore.

The second phase of the program is to provide a theater defense capability. This phase requires development of an exo-atmospheric interceptor. This effort will leverage SDIO technology developments, and interactive information and data transfer technology described in the **Command, Control, and Surveillance** section. Combining these diverse technological developments will allow Naval Expeditionary Forces to combine with other joint combat forces in an overarching grid of theater area TBMD.

Another important aspect of theater missile defense, as well as individual ship self defense, is the Cooperative Engagement Concept. This capability will provide real time, extremely high rate transfer of sensor data to all units in the information net. An operator on a ship or at a land-based missile battery will have available all the information on the net, effectively extending his platform's sensors to the fullest range and widest area of the most distant unit in the net. This over the horizon capability will give the local commander the ability to defend himself and shoot his intercept munitions at targets that may not have yet been detected on his own sensors. The Cooperative Engagement Concept is a major force multiplier and a convincing counter to new high-tech threats such as sea-skimming cruise missiles. Tests have already been conducted, aimed at tying together Navy surveillance assets with Marine Corps Hawk units, Army Patriot units, as well as Air Force AWACS. The goal is to integrate all systems in a seamless, joint solution to the theater missile defense problem.

Power Projection

Only the United States can globally project sustained power from the sea. This capability is in itself a strategic deterrent that contributes to regional stability, which supports U.S. interests and promotes U.S. values abroad. Additionally, the U.S. Navy will continue to be responsible for the prominent sea leg of nuclear strategic deterrence.

The concept of *Naval Expeditionary Forces* in ... From the Sea expands the application of principles of maneuver to the projection of maritime power in littoral regions. *Operational Maneuver from the Sea* applies technological advances in speed, mobility, communications, and navigation seamlessly and rapidly to exploit enemy weaknesses. Naval Expeditionary Forces can employ the advantages of maneuver at sea through continuous operations from carrier battle groups and amphibious ready groups over the horizon to inland objectives.

Implicit in the capability of tailored, sea-based Naval Expeditionary Forces is credible and sustainable forcible entry. New technology means that assault forces may be physically dispersed for simultaneous power projection at multiple points. These forces -- concentrated electronically and informationally -- command, control, and support landing forces in a seamless projection of power from the sea. They must be able to locate and defeat mines and other anti-ship defenses, while they deceive and disrupt the enemy. Naval Expeditionary Forces will continue to provide the CINCs with the operational depth of naval power projection with task-oriented and sized Marine Corps Expeditionary

Forces, sea-based medium range attack aircraft, and long range, sea-launched Tomahawk cruise missiles. Critical to success of operational maneuver from the sea is the rapid transition from sea to shore. Amphibious lift must have not just the capacity to move at least 2.5 Marine Expeditionary Brigades (MEBs) across the ocean, it must also have landing craft and aircraft that can move them and their equipment rapidly ashore. Also required is Naval Surface Fire Support that can concentrate intense suppression of enemy opposition to the landing forces. Navy SEALs and Special Boat Unit personnel are an integral part of the Naval Expeditionary Force to support amphibious operations and participate in littoral warfare missions.

MARINE CORPS EXPEDITIONARY FORCES: Marine combat forces are organized into Marine Air-Ground Task Forces (MAGTFs) to meet operational requirements.

MAGTFs, composed of elements from Marine command elements, divisions, wings, and force service support groups, operate as integrated combined arms teams. They have organic tanks, amphibious assault vehicles, light armored vehicles, artillery, and aircraft. Ranging in size from a Special Purpose MAGTF to a Marine Expeditionary Force, these task organized, self-sustaining, rapidly deployable units provide a range of combat power from short duration amphibious raids to large scale forcible entry amphibious assaults that can dominate the landward portion of the littoral battlespace.

A significant percentage of the combat power of the MAGTF is generated by Marine aviation. Marine aviation includes vital air reconnaissance, anti-air warfare, offensive air support, assault support, airspace control, and electronic warfare to expeditionary forces. Uniquely trained, organized, and equipped for deployment on aircraft carriers, amphibious assault ships, or from austere forward operating bases, this capability provides a tremendous enabling force for sequential buildup of land-based tactical aviation.

MAGTF mobility and firepower are also greatly enhanced by Marine helicopters. In that regard, replacement of the CH-46E and CH-53D airframes is the Department's number one acquisition priority for the Marine Corps. We have initiated a Dynamic Component Upgrade Program for the CH-46 as an interim measure until the medium lift replacement aircraft can be procured. MV-22 development continues under a new Engineering and Manufacturing Development (EMD) contract while various

POWER PROJECTION

(Dollars in Millions)

	FY 1994
A/FX (R&D)	399
F/A-18 C/D PRODUCTION	1745
F/A-18 E/F (R&D)	1414
V-22 (R&D)	78
AV-8B REMANUFACTURE	145
PRECISION GUIDED MUNITIONS	642
LHD CONSTRUCTION	894
ATACMS DEMONSTRATION	23
CH-53E HELO PRODUCTIONS	297
AH-1W HELO PRODUCTIONS	143
ADVANCED AMPHIBIOUS ASSAULT (R&D)	22

SELECTED INVESTMENTS

helicopter options are also evaluated. The Department has provided for production funding within the FYDP for the selected alternative. In addition, modernization of the attack (AH-1) and heavy lift (CH-53E) helicopter fleet is successfully moving forward.

Besides conventional combat, humanitarian and peacekeeping operations, forward deployed MAGTF's, usually a Marine Expeditionary Unit (MEU), can conduct select special operations from the sea. Though not considered Special Operations Forces, the MEU(Special Operations Capable), or MEU(SOC), provides CINC's with a wide range of crisis response options. The MEU(SOC) is available for immediate response, as well as prolonged presence at sea or ashore. Their enhanced capabilities support combat missions and noncombatant operations such as evacuation, humanitarian assistance, and disaster relief.

In order to remain versatile, the Corps is continuing an aggressive modernization effort. To acquire and maintain state-of-the-art capabilities, the Marine Corps is pursuing a broad range of integrated MAGTF C4I programs. Current deficiencies in navigation and night-fighting will be addressed. Research efforts focus on tactical mobility, ground weapons, intelligence flow to the local commander, amphibious assault vehicles, and countermine capability.

AMPHIBIOUS LIFT AND MARITIME PREPOSITIONING: To effectively transport, provide a presence, and deploy highly capable Marine Expeditionary Forces, the Department is continuing to modernize and tailor its amphibious forces with an eye toward providing an "over the horizon," high speed insertion capability. While baseline force structure studies indicate a higher 3.0 MEB lift requirement, our lift capacity is fiscally constrained to 2.5 MEBs. This smaller force must be carefully tailored with the flexibility to meet a broad range of national needs and interests. To meet CINC forward presence requirements, analysis indicates the force should support 12 Amphibious Ready Groups (ARGs). Vital to this capability is the continued modernization of the Navy's amphibious shipping. To this end, the Department has included a sixth WASP-class LHD in the FY94 budget which was partially appropriated in FY93. Also, the Department is aggressively developing a new class of amphibious ship to replace the aging LPD, LKA, LST, and LSD-36 class amphibious ships.

Expeditionary operations are further enhanced by the 13 ships in three Maritime Prepositioning Ships (MPS) squadrons. Each MPS carries thirty days' combat equipment and sustainment for 16,500 Marines. The supported Marine Force requires only 250 strategic airlift sorties to deploy. Positioned in the Eastern Atlantic, Indian Ocean, and Western Pacific, the MPS squadrons, when married up with associated Navy and Marine forces, provide the geographic combatant CINC's with a new dimension in mobility, readiness, and global responsiveness.

MEDIUM RANGE STRIKE AIRCRAFT: The A/FX is the Department's top priority joint aircraft development effort for the Navy. It is intended to provide an all-weather replacement for the aging A-6 medium attack bomber. A joint Air Force/Navy program, the A/FX will introduce necessary stealth technology into carrier based aircraft. Also, it will fulfill Air Force tactical aircraft requirements, capitalize on new technology, minimize costs, and ensure joint compatibility of Navy and Air Force assets. In the near term, the F/A-18 E/F strike fighter will capitalize on the battle-proven C/D model to provide

increased payload, longer range and greater endurance. It is a highly capable, near-term improvement to sea-based striking power. The first E/F aircraft will enter fleet service near the turn of the century.

The Naval Service's sea based aviation strike capability is being tailored, not only by the development of the F/A-18 E/F and A/FX aircraft, but also through an innovative integration of four Marine air squadrons with carrier air wings. Carrier air wing integration delivers some immediate joint inter-operability improvements by expanding the integration of Navy and Marine Corps assets to complement service capabilities and minimize warfighting duplication. These carriers, deployed with specially packaged air wings and their supporting arms, are precisely tailored to provide a range of crisis response options. These discrete force packages provide the CINC and diplomatic negotiators the distinct advantage of being easily withdrawn if the crisis abates.

NAVAL SURFACE FIRE SUPPORT: Naval Surface Fire Support (NSFS) provides for the projection of power from the seaward to the landward area of littoral operations. It supports Operational Maneuver from the Sea by destroying or neutralizing enemy emplacements. It enables the landing of Marine Expeditionary Forces from the sea in the face of enemy opposition. While naval aviation forces are crucial to NSFS, they cannot do the entire job when intense, concentrated, all weather fire support is required for the suppression of opposition to the landing force. They must be supplemented by a sea-based fire support system capable of neutralizing a variety of enemy targets. The Navy has contracted with the Center for Naval Analyses for a cost and operational effectiveness analysis (COEA) to determine the best system or combination of projectile and missile systems required to obtain the necessary NSFS capability. The analysis will review existing weapons, as well as those under development.

During FY 1994 an Advanced Technology Demonstration will be conducted to evaluate the capability to utilize a modified Army Tactical Missile System (ATACMS) from a seagoing platform to successfully engage a land target. The Navy is also conducting a Gun Weapons System Advanced Technology Program to identify and exploit emerging technologies needed to construct the naval gun weapons systems of the next century. Liquid propelled and electro-thermal-chemical guns are being studied. Autonomous rocket-assisted, precision guided munitions with target recognition systems are also being explored. The selected systems will provide a high volume of accurate, all weather, medium range fire support that will be responsive to the maneuver commander and will augment and enhance naval aviation and strike munitions.

LONG RANGE CRUISE MISSILES: TOMAHAWK cruise missiles that proved so successful in DESERT STORM will continue to provide a key element of deep strike power projection capability for the foreseeable future. The Navy's procurement plans include bringing inventory levels up to projected needs for the next several decades. Additionally, the Department is continuing to pursue the next evolutionary upgrade called TOMAHAWK Block IV, expected to be ready for fleet introduction later this decade.

ADVANCED PRECISION GUIDED MUNITIONS: Collectively, precision attack programs provide the ingredients which enable the projection of power when and where required. Our precision guided

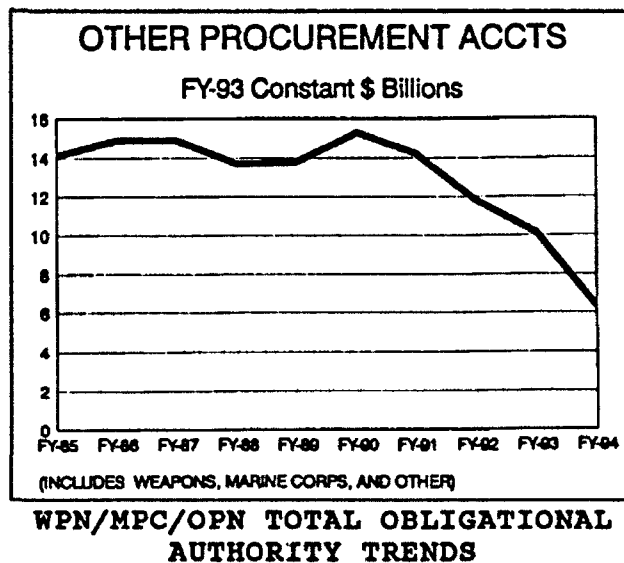
munitions road map outlines four tactical envelopes for projected standoff weapons delivery, and our goal is to neck down to four weapons systems -- one for each of those envelopes. Approaching an objective from the sea, we may first project power ashore utilizing our longest range system, the sea-launched TOMAHAWK. As discussed above, it is a key element of our deep strike power projection capability. Closing in range, we will utilize the air-launched SLAM for area standoff requirements. Closer still, three important joint air-delivered systems will significantly increase our power projection capability -- Joint Standoff Weapon (JSOW), a USN led program providing significant point defense standoff capability, Joint Direct Attack Munitions (JDAM), a USAF led program with powerful close-in lethality, and Tri-Service Standoff Attack Missile (TSSAM). These "smart" weapon systems will significantly enhance our flexible yet powerful application of force while increasing platform survivability.

NUCLEAR STRATEGIC DETERRENCE: Nuclear deterrence remains a fundamental pillar of the nation's security, despite revolutionary changes in the world. The continuing national commitment to nuclear deterrence is fully supported by the Trident nuclear-powered ballistic missile submarine force. As older land systems are retired, the 18-ship OHIO (SSBN-726) class and their resident C-4 and D-5 Trident missiles will assume a central role in nuclear deterrence.

Force Sustainment

To support national needs through international coalitions or unilateral action, the United States depends on the uniquely American capability to sustain military operations anywhere. With almost 99% of national military lift capacity, naval logistics forces encompass the full range of support needed for any military operation. These forces include a comprehensive and responsive logistics support system, including fast sealift and airlift, replenishment ships, mobile repair facilities, advanced logistics support hubs, and naval construction forces. In addition, force sustainment depends on naval forces acting in their traditional role of protecting troops and equipment with unimpeded sea lines of communication in and enroute to the theater.

SEALIFT: The recently completed Department of Defense Mobility Requirements Study (MRS) examined lift requirements through the end of the century. This study considered the national needs for rapid power projection from afloat prepositioned assets and from locations within the United States. The results were used to develop a revised Strategic Sealift Implementation Plan (SSIP) which proposes an additional two million square feet of prepositioned cargo capacity



and three million square feet in sealift cargo capability. The SSIP, recently forwarded to the Congress, provides a quantitative and qualitative determination of new construction and conversion activities required. Using \$2463 million in funds already appropriated in the National Defense Sealift Fund (NDSF), the Department expects to award contracts for conversion of existing ships and new construction in FY 1993. Deliveries of the conversions are anticipated to start in 1995 and new construction ships in 1997 for a total of 20 new fast sealift ships.

PROTECTION: Although there is no other major maritime power that can challenge U.S. command of the seas, there are regional naval powers that could attempt to harass or interdict American and friendly shipping in support of a contingency or crisis response. Traditional Navy missions of protecting the transport of Army heavy divisions and other shipping in support of JTF operations are still required. One recent example of the importance of this mission was the escort of tankers in the Iran/Iraq war. Likewise, littoral warfare depends on continued command of the seaward side of littoral areas during expeditionary operations. Consequently, to support sustainment of forces ashore, Navy surface combatants and submarines are still required in their traditional roles to dominate the battlespace at sea.

COMBAT LOGISTICS FORCES (CLF): The Combat Logistics Force has been realigned to emphasize support for naval expeditionary forces engaged in littoral operations. This highly versatile CLF force is built around a concept of "station ships" to support theater operations and "shuttle ships" to keep the theater CLF assets supplied. The station/shuttle ship concept provides maximum flexibility to meet both peacetime and theater combat logistics needs and can be sized to meet the needs of a variety of force options. The Navy is also in the process of revising its CLF force balance between Military Sealift Command and active Navy assets to best meet the missions of station and shuttle ships. The station ship force is anchored around six new AOE-6 class oilers. The shuttle ship force is centered around the Military Sealift Command T-AO/T-AFS classes and middle aged AE-26 class ammunition ships.

EXPEDITIONARY COMBAT SERVICE SUPPORT (CSS): The Marine Corps and Navy continue to maintain and refine active force CSS capabilities for support of routine MAGTF deployments and short notice expeditionary operations. Reserves of both services maintain additional CSS for expeditionary operations in support of major regional contingencies. The Naval Service is unique among the Services in that the Marine Corps maintains sustained CSS for a major contingency in the active force.

THE RESERVE COMMITMENT TO TOTAL FORCE

The traditional role of the Navy and Marine Corps Reserve focused on meeting global threats with little or no notice. Today, efficient, effective utilization of our resources requires the integration of active and reserve components into the Total Force, a single, cohesive team shaped for joint operations to meet national needs and global challenges. Our Reserve component is an essential part of the Total Force and the underlying foundation for sustainability in the event of mobilization for a major regional contingency.

Our Navy and Marine Corps Reserve team directly complements the worldwide readiness of the active component by providing critical capabilities and augmentation which are cost-effective and relevant. Reshaping to fulfill new missions while retaining capabilities for traditional roles, our Reserve Component maintains flexible readiness to perform an array of combat and multiple contingency missions, as well as peacetime support to regular forces. This support includes the voluntary contribution of individual members of the Navy and Marine Corps Reserve team to counterdrug operations, humanitarian/disaster relief, and assistance during civil disturbances.

Navy Reserve

Our Navy Reserve has been dramatically reshaped with new concepts which will be responsive to regional crises or increased involvement in peacetime support. Among the new initiatives are: the transfer of operational control of Reserve construction battalions to Fleet Commanders in Chief; robust support of Navy Intelligence Headquarters and field activities; assumption of range/training carrier support and vertical on board delivery by our helicopter wing; a reorientation of our tactical air assets to a primary mission of adversary and electronic warfare support; enhanced use of Naval Reserve Force (NRF) frigates and Light Helicopter Squadron (HSL) aircraft in counterdrug operations; increased involvement in both airborne and surface mine warfare; more substitution of active duty personnel with reserves at waterfront maintenance activities and weapons stations; and expanded support for the full range of medical treatment facilities. Full integration of modern mission hardware over the next few years, including C-130, MH-53E, C-20G aircraft, MHC mine warfare craft and other support equipment, will keep our Reserve forces compatible, more closely aligned to their gaining commands, and ready to fight.

The Navy Reserve continues to provide dedicated combat search and rescue/special warfare support, mobile inshore undersea warfare capabilities, airborne mine countermeasures, and 100% of the Navy's CONUS heavy lift (VR); plus a substantial part of our cargo handling and mobile construction battalions, intelligence personnel, Navy's Fleet Hospitals, and maritime patrol squadrons.

Marine Corps Reserve

The Marine Corps Reserve consists of ground, air and support units and individuals available for active duty in time of war, national emergency, and at such times as national security may require. The

roles of the Marine Corps Reserve are to augment and reinforce existing active component units. The Marine Corps Reserve is closely integrated with the active component through common fielding of equipment, weaponry and technology.

The Marine Reserve Force (MARRESFOR) provides peacetime command, control, and resource allocation for the Marine Corps Reserve. The MARRESFOR has been recently restructured to provide the Marine Corps Reserve with unity of command and to increase the efficiency and cohesion of Marine Corps Reserve training, operations, and mobilization planning. Additionally, two Marine Expeditionary Brigade command elements were organized and equipped to provide Reserve staff training for integration into Marine Expeditionary Force staffs upon mobilization.

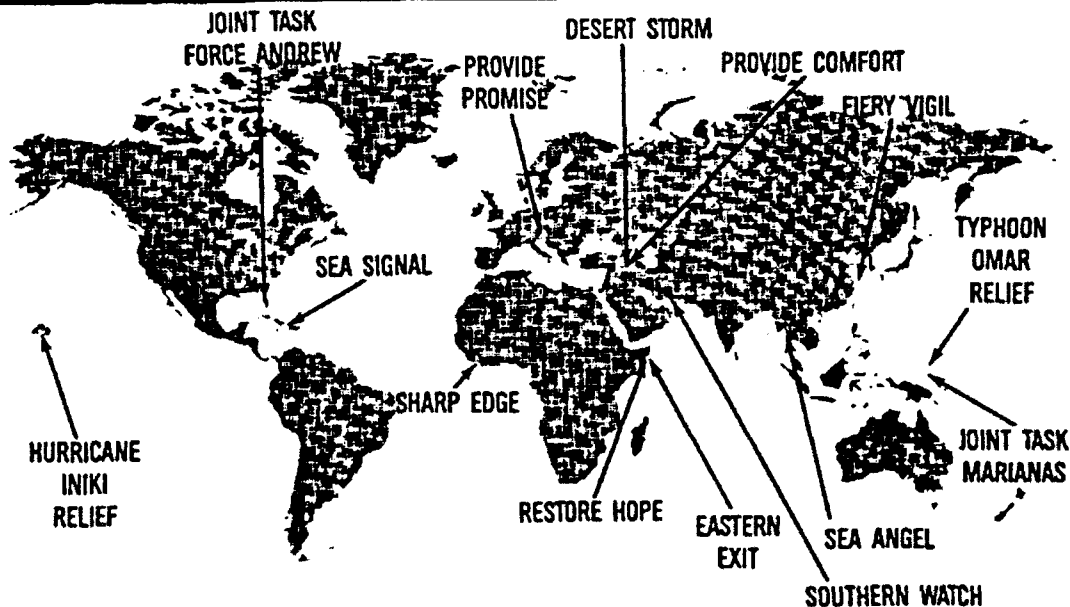
In parallel with the active component of Naval Aviation, the Marine Corps Reserve has also begun partial integration of two F/A-18 squadrons with Navy Reserve air wings. In addition, the Marine Reserve continues to receive modern equipment including the AH-1W, F/A-18 and M1A1 main battle tank.

CONTINUING OPERATIONS OF THE NAVY AND MARINE CORPS

Naval forces respond daily to national needs and global challenges, protecting American citizens and interests, and assisting in multilateral peacekeeping and humanitarian relief efforts. From the Persian Gulf to the Adriatic Sea, in training exercises and actual operations, naval forces are on scene establishing and maintaining an American presence in areas of concern to the national interest.

On any given day, 40-45% of the ships of the fleet are underway, representing over 80,000 Sailors actually at sea. Approximately 20-25% of the ships are forward deployed supporting national needs in areas all over the world. From 20-25% of the Marine Corps operating forces (approx. 26,000 Marines) are deployed at any given time, which represents a 43% deployment rate for most units of the Fleet Marine Forces. This deployment pattern of naval forces provides forward presence and regional response capability in areas of instability or crisis. As the international security environment continues to develop in the post-Cold War era, naval forces will remain a primary force option for the National Command

OPERATING FROM THE SEA



Authorities.

One example of the durability, sustainability, and continuity of naval forces is seen today in the Central Command area of operations. Since August of 1990, our naval ships in the Red Sea and Persian Gulf, together with naval forces of numerous nations, have been conducting maritime interception operations in support of United Nations Security Council sanctions imposed upon Iraq. As of mid-November, 15,268 ships have been challenged, 5,701 boarded, and 345 diverted. In the Persian Gulf, U.S. naval forces, in company with naval forces of eleven other nations, have cleared or neutralized 1,288 mines, ensuring the vital waterways in the northern gulf remain safe for international shipping.

The Naval Service continued its long tradition of close contact and cooperation with nations around the world over the past year. Naval forces participated in over 216 exercises with 58 countries in 1992, building on coalition operations begun in DESERT SHIELD/DESERT STORM. Inter-service cooperation and coordination has been a consistent planning factor this past year, as the Navy and Marine Corps participated in over 40 joint exercises with other branches of the Armed Forces.

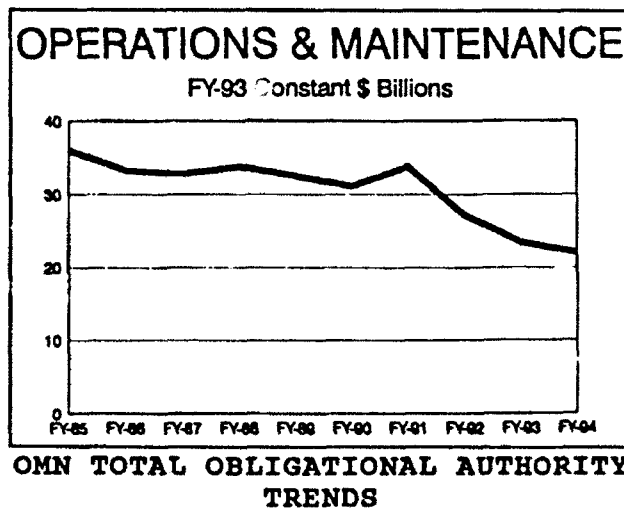
Recent and Continuing Operations

To keep our forward naval forces ready to respond to crises and support national security strategy, the Naval Service maintains a vigorous training and exercises program ranging from basic ship level training up through advanced, multi-battle group and amphibious exercises. Many of these exercises involve the Army, the Air Force, and the armed forces of other nations. For example, naval forces today are sailing as members of two NATO ship squadrons, the Standing Naval Force Mediterranean and the Standing Naval Force Atlantic.

The coordinated Navy/Marine Corps Team necessary to meet national needs and crisis response requires proper training and practice. OPTEMPO is the term used to describe the time and money needed to maintain the training and readiness programs that keep our forces ready. Recent operations in the Persian Gulf and Somalia have stretched our OPTEMPO funds, requiring a curtailment of some other operations. The maintenance of a ready Navy/Marine Corps Team requires a firm commitment to investment in the OPTEMPO.

SOMALIA: Operation RESTORE HOPE is the third major naval expeditionary operation in two years in response to the conflict in Somalia. The civil war there has confirmed the responsiveness and flexibility of the Navy/Marine Corps Team, beginning with Operation EASTERN EXIT, the evacuation of American and foreign noncombatants in January 1991.

During September 1992, USS TARAWA,



its embarked MEU(SOC), and other ships of the Amphibious Ready Group provided helicopter transportation and billeting for USAF personnel in support of the U.S. strategic airlift of a U.N. Pakistani Force into Mogadishu, Somalia. TARAWA and the Marines also provided contingency capabilities for search and rescue missions and noncombatant evacuation of U.S. and designated U.N. personnel on the ground. TARAWA embarked the USAF personnel from JTF PROVIDE RELIEF in Mombasa, Kenya which has been conducting humanitarian airlift for drought-ravaged Somalia since August.

On 9 December 1992, Marines of the 15TH MEU(SOC) embarked on the TRIPOLI Amphibious Task Unit and Navy special forces SEAL Teams landed in Somalia, kicking off Operation RESTORE HOPE, the largest humanitarian relief operation of its kind. Operation RESTORE HOPE's mission is to secure major air and sea ports, key installations, and food distribution points to provide open and free passage of relief supplies to provide security for convoys and relief organizations and to assist U.N./nongovernment organizations in providing humanitarian relief under U.N. auspices.

The Combined Joint Task Force entitled UNITAF (United Task Force) is commanded by LtGen Robert B. Johnston, Commanding General, I Marine Expeditionary Force (MEF). In addition to the 15TH MEU(SOC), another 10,000 Marines from I MEF deployed to Somalia. Equipment was drawn from afloat prepositioning assets aboard Maritime Prepositioning Squadron 2 based in Diego Garcia. The RANGER carrier battle group was diverted from their deployment in the Arabian Gulf to the Indian Ocean off Somalia to support the initial phase of this operation.

Despite the extremely limited infrastructure of Somalia, Marines could land, establish secure air and port facilities, and begin engineering work. With over 1,000 seabees from Naval Construction Regiment 30 deployed by January 1993, they enabled more troops and equipment to join the relief effort. With a self-sustained, sea-based logistics structure, the Marines were able to provide common logistics support to all United States forces ashore in Somalia until responsibility could be assumed by the Joint Logistics Support Command. Follow-on forces included units from the Army's 10th Mountain Division and 23 Coalition countries. UNITAF has successfully established a secure environment for the open and free passage of relief supplies throughout the nine designated Humanitarian Relief Sectors in central and southern Somalia. Certain U.S. units have completed their missions and redeployed. Additional Coalition units have deployed to relieve U.S. units in designated sectors. Preparations are ongoing for the transition from UNITAF to United Nations Operations Somalia (UNOSOM II), pending adoption of a U.N. Resolution.

IRAQ: Starting in August and continuing today, a U.S. Naval Forces Central Command aircraft carrier battle group (CVBG) has been providing naval air support for Operation SOUTHERN WATCH, enforcement of the No-Fly Zone (NFZ) over southern Iraq. Bringing organic tactical reconnaissance, airborne early warning, and contingency strike support to the joint/multinational operation (USAF, France, U.K.), naval forces have been instrumental in implementing national policy in the region.

THE BALKANS AND THE ADRIATIC SEA:

- **Bosnia-Herzegovina.** Since July 1992, naval forces have been on station in the Adriatic Sea

providing search and rescue support for Operation PROVIDE PROMISE, humanitarian relief for Sarajevo and the former republics of Yugoslavia. Carrier based E-2C surveillance aircraft are responsible for airborne early warning in support of Air Force airdrops of humanitarian aid. One large-deck amphibious ship, with its embarked Marines, and one cruiser are furnishing additional naval support.

• **Yugoslavian Sanctions.** Naval forces are conducting operations as part of a Maritime Action Group/Amphibious Ready Group in the Adriatic Sea to support the United Nations humanitarian assistance and sanctions enforcement efforts brought on by conditions in the former Yugoslavia. The Mediterranean CVBG also supports operations in the Adriatic Sea. On 23 March 1993 the USS THEODORE ROOSEVELT (CVN71), with a Special Marine Air Ground Task Force embarked, entered the Mediterranean.

OTHER EXPEDITIONARY OPERATIONS:

• **Haitian Refugees.** In response to the flood of refugees picked up by the Coast Guard following the coup in Haiti, Naval Station Guantanamo Bay became the consolidation point for humanitarian assistance and processing of the migrants.

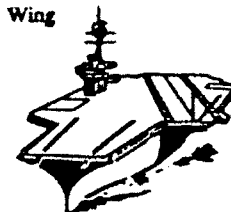
A Joint Task Force was established to coordinate inter-service operations.

• **Florida/Guam/Hawaii.** During the months of August and September, natural disasters struck close to home, with Hurricane Andrew, Typhoon Omar, and Hurricane Iniki striking Florida, Guam, and Hawaii, respectively. Naval forces responded in each instance. A five-ship task force sortied to Florida within hours of the Presidential decision directing military support. Similarly, Navy ships and Naval Construction Forces responded to the other disasters and were on hand to provide shelter, power, and provisions as required. Likewise, Marines from II MEF, III MEF, and 1st MEB, respectively, rapidly deployed to assist fellow Americans in despair. The Marines provided shelter, food, and other services such as working in area cleanup and restoration operations.

• **Chuuk Island.** Naval forces responded in the South Pacific to end the hardship of the citizens of Chuuk Island, Federation of Micronesia. Marines from III MEF were married up with equipment from

SPECIAL PURPOSE MAGTF EMBARKED IN CARRIER

- 200 Marines + Marine Aviation Element
- Tailored Carrier Air Wing
- Selected capabilities for contingency response
- Ready asset for CINC in crisis

Embarking a Special Purpose Marine Air/Ground Task Force (MAGTF) in the aircraft carrier USS Theodore Roosevelt for deployment to EUROM in Spring '93.

Carrier Air Wing Options			
Standard	Power Protection	SPMAGTF	
20 F-14	20 F-14	10 F-14	
20 F-16	24 F-16	30 F-16	
14 A-6	14 A-6	14 A-6	
4 E-2	4 E-2	4 E-2	
4 EA-66	4 EA-66	4 EA-66	
6 S-3	6 S-3		
6 H-60P	6 H-60P	2 H-60P	
2 H-60M	2 H-60M	2 H-60M	
		6 CH-53	
		4 AH-1H	

THE CAPABILITY - more strike and air-to-air capability than has been traditionally deployed in past decades, plus the capabilities of the SPMAGTF oriented toward the capabilities the CINC is most likely to need.

the Maritime Prepositioning Ships MV LUMMUS and MV LOPEZ to produce water for the drought stricken inhabitants.

Counterdrug Operations

The Department continues to provide strong support to the supply reduction programs of the Defense Department and the various Law Enforcement Agencies (LEA) carrying out the National Drug Control Strategy. Marines and Naval Special Warfare Forces can be found in support of the drug reduction effort in source countries conducting training of host nation personnel, on ships and aircraft intercepting the trafficking of drugs in transit to our shores, and supporting LEAs on the U.S. borders in compliance with guidelines issued by the Secretary of Defense. We have also continued to make great strides in internal demand reduction efforts to ensure a drug free environment in both the work place and homes of our Sailors, Marines, and civilians. Our demand reduction efforts have been expanded to include the creation of the Drug Demand Reduction Task Force, the Naval Reserve's Campaign Drug Free, and the Marine Corps Young Marine Program which use military expertise and role models in community outreach programs.

The Navy/Marine Corps Team has taken a pro-active approach in supporting supply reduction efforts designed to reduce the flow of illegal drugs into the United States. They have jointly deployed 7 Riverine Mobile Training Teams and have conducted 14 unit Riverine CD Deployments for Training (DFTs) to the following Latin American countries: Colombia, Peru, Bolivia, Ecuador, Panama, Venezuela, and Argentina. These deployments assist host nation personnel in their efforts to take back control of their waterways from the narco-traffickers. The Department supported the "in transit effort" in FY 1992 by conducting over 4,800 ship steaming days and more than 35,000 flight hours devoted to maintaining a strong presence in the Caribbean and the eastern Pacific in the performance of detection and monitoring missions. The Department has provided significant support to Operation ALLIANCE by routinely deploying to the southwest border to assist U.S. drug law enforcement agencies. The major effort on this front came from Marine Corps units conducting training and support missions in the areas of reconnaissance, engineer support, intelligence-related projects, and terrain denial operations. More than 70 individual support missions were conducted on the southwest border during FY 1992.

Reserve Contributions to Operations

Building on the highly successful experience of recalling and mobilizing citizen-Sailors/Marines for Operations DESERT SHIELD and DESERT STORM, the Department of the Navy is fully integrating Navy and Marine Corps Reservists into virtually every mission area. Naval Reserve force structure is being shaped to address the changing and dynamic requirements of the evolving world order. This includes major responsibility for significant portions of both CONUS-based and forward-deployed naval mission areas in order to adequately address the threats embodied in potential major regional contingencies as well as peacetime humanitarian crises and disasters.

In daily operations, Reserve units are available to augment the entire range of naval operations,

bringing ships, aircraft squadrons, and staffs up to full complement. Often, Reserve units are assigned responsibility to provide the step increase in operational efficiency to attain a full crisis footing, such as in Commanders' battle staffs where the Reserve complement is responsible for the planning and execution of exercises, as well as critical surge augmentation during crises.

The reliance the Naval Service and the nation place on our Reserve Component was demonstrated during Operations DESERT SHIELD and DESERT STORM, when more than 52,000 Navy and Marine Corps Reservists were called to support their active duty counterparts. Naval Reserve volunteers responded in Hurricane Andrew's aftermath, providing emergency assistance to some of those hardest hit, clearing the rubble of that natural disaster and assisting in the rebuilding effort. And, most recently, Naval Reservists are assisting in Operation RESTORE HOPE in Somalia, both in country and to augment stateside components of active duty units deploying to Somalia.

The Naval Reserve continues to provide fully integrated operational support to the Navy's counterdrug efforts. Naval Reserve ships steamed approximately 355 days in 1992 as part of joint task force operations, while Naval and Marine Corps Reserve Air Units flew over 1,800 dedicated counterdrug flight hours.

Marine Corps Reserve participation in 1992 included air support of counterdrug operations, joint exercises such as OCEAN VENTURE 92, and air/ground humanitarian assistance during Hurricanes Andrew and Iniki. Additionally, many international exercises were supported by the Marine Corps Reserve including: Norway (TEAMWORK 92), Grenada (CARIB 92), Honduras (KING'S GUARD 92), Chile (FUERZAS UNITAS 92), Colombia (SUPPORT JUSTICE III), and Italy (DRAGON HAMMER). Detachments of Marine Reserve units operated in support of active component commands in Korea, Peru, Argentina, and Saudi Arabia. At every opportunity, the Marine Corps Reserve will continue integrated training, exercise, and operational support of the active component.

SUPPORTING ELEMENTS OF THE NAVAL SERVICE

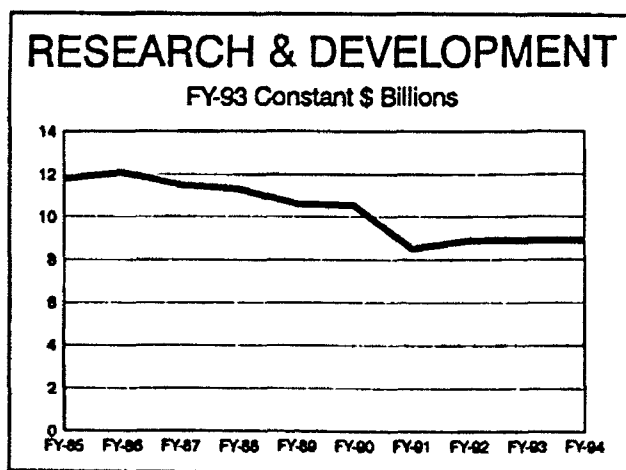
As the nation grapples with downsizing our defense force structure, many supporting elements are entering the limelight. How we answer questions on research and development, on the closure of bases, and on the naval industrial base will determine our ability to recapitalize what is now the world's premiere Navy and Marine Corps.

RESEARCH, DEVELOPMENT, AND ACQUISITION

The Navy and Marine Corps will balance improved performance, affordability and risks in managing our development and production programs. Our acquisition strategies are being tailored to reflect specific program needs consistent with the standards established by Department of Defense acquisition policies. Greater emphasis will be placed on procurement of non-developmental items to meet our future needs. Multi-service and multinational actions will increasingly characterize our efforts across a wide spectrum of research, development and acquisition programs.

Science and Technology

The Naval Service's ability to command the seas and conduct littoral warfare in the future is dependent on a strong, dynamic science and technology (S&T) program today. In the current era of declining budgets, increased efficiency is mandatory, and today's Department of the Navy S&T strategy reflects this new focus.



**RDT&E TOTAL OBLIGATIONAL
AUTHORITY TRENDS**

Department of the Navy S&T programs are closely aligned with the larger Department of Defense strategy embodying seven principal "thrusts": global surveillance and communications; precision strike; air superiority and air defense; sea control and undersea superiority; advanced land combat; synthetic environments; and technology for affordability. These thrusts represent a range of technological developments required to support future needs identified by the customers of R&D activities -- the Fleet and the Fleet Marine Force. The Department of the Navy's S&T programs support these thrusts by progressively focusing on applications at the component, subsystem, system, and platform level.

The Department of the Navy S&T program is coordinated with and, where

appropriate, jointly planned with those of the Army and Air Force through the Tri-Service Reliance Initiative. Reliance is a process that enhances the quality and productivity of Department of Defense S&T programs by reducing overlap and eliminating duplication among the Services. During this budget year, we will see an increase in tri-Service planning and execution to satisfy common defense S&T needs. Department of the Navy investments in S&T will remain the primary contributor to naval-unique needs.

The Navy and Marine Corps will continue to conduct an aggressive program of research to create and exploit scientific breakthroughs. Although particular emphasis will be placed on corporate core competencies -- ocean sciences, advanced materials sciences, and information sciences, other areas of science essential to future Navy or Marine Corps operational needs also will be supported.

Drawing on the best science emerging from Navy laboratories, industrial, academic, and small business research programs, the Department of the Navy exploratory development program will continue to develop and evaluate the feasibility of proposed technological solutions to specific naval problems. In response to the increased potential of regional warfare, our FY 1994 program will continue the emphasis placed on surf-zone and shallow-water mine detection, mine countermeasures, and littoral warfare in FY 1993.

New weapons systems will be produced only when there is a clearly defined need, and weapon systems programs will move to full scale production only after minimizing technical, manufacturing, and operational risks. A key part of this new approach is an increasing reliance on Advanced Technology Demonstrations (ATDs) to thoroughly demonstrate new technologies and minimize risk prior to initiation of new acquisition programs. ATDs will be selected from concepts with the highest potential payoff, and will be executed by drawing on the best technology available in the defense technology base and in private industry. Working closely with industry, the Department of the Navy will concentrate greater resources and management focus on ATDs to ensure that technology options are feasible and affordable, manufacturing processes are available, and operating concepts are understood before funds are committed for full scale development and acquisition.

The Department of the Navy balances its S&T investments among industrial, academic, and in-house activities. The recently consolidated Naval Research Laboratory (NRL) and four mission oriented warfare centers provide a robust in-house R&D capability.

The Department of the Navy's science and technology program lays the technical foundation for moving into the 21st century...ensuring our Nation's ability to project power from the seas in the national interest.

Acquisition Strategies

Naval acquisition is going through a period of transition. The global threat of the Cold War necessitated a quick development and concurrent production cycle to establish and maintain a technical advantage over the threat. With the dissolution of the Cold War threat and the urgency that it represented -- and the resultant decrease in the resources allocated to defense -- a more deliberate acquisition process must be pursued. Programs will focus on risk reduction, with specific criteria established and satisfied before the program moves from one phase of the acquisition cycle to the next. Concurrency will be

reduced and more upgrades of existing equipment will take place in lieu of initiating new programs. Risk will be managed - focused investment in technologies will be made and potential new capabilities matured before attempted introduction into our systems.

Naval acquisition efforts support the naval strategy delineated in the white paper ...From the Sea. Where appropriate, programs that were conceived during the height of the Cold War are no longer required to support the regional strategy, are being refocused or terminated. For example, the emphasis on open ocean Anti-Submarine Warfare (ASW), a major priority during the Cold War, has been significantly reduced, and ASW efforts have been refocused to highlight shallow water ASW and Anti-Mine capabilities.

As the defense budget declines and the defense industry adjusts its capacity to market realities, increased attention must be given to industrial base issues to preserve critical capabilities. Several studies and analyses have been initiated to develop a clear understanding of the trade-offs necessary to maintain the most capable naval forces while providing for future needs.

Acquisition Workforce

The Department of the Navy is well along in carrying out the Defense Acquisition Workforce Improvement Act (DAWIA), which must be fully implemented by October 1993. The Director, Acquisition Career Management (DACM) has established various programs to "professionalize" the workforce. These programs include a tuition assistance program which provides financial support in meeting the increased education level requirements and centralized quota management to provide better utilization in meeting the increased mandatory training requirements under DAWIA. With the continuation of a highly motivated acquisition intern program, these efforts should lead to a more highly-qualified workforce to meet the future acquisition needs of the Department.

ENVIRONMENT, INSTALLATIONS AND INDUSTRY

The drawdown of our infrastructure, evaluation of the industrial base, and environmental management are all significant challenges as the Department of the Navy seeks to maintain a support establishment that is relevant to our operating forces. The Department is firmly committed to maintaining the excellence of our operating forces with quality support facilities, environmental stewardship, and active cooperation with Congress to develop public policy for investment in technology and industrial base strategies that strengthen national security.

Industrial Base

There are numerous Defense Industrial Base issues, but only two major issues are unique to the Department of the Navy -- nuclear submarines and shipbuilding. While the Department is concerned about many of the other issues, these two have extremely serious impacts on our ability to recapitalize the best Navy in the world.

The Navy has been active in assessing the nuclear submarine industrial base, from the viewpoint of identifying actions to preserve a needed critical process, product, or capability in those exceptional situations where it may be lost and cannot be recovered in time to meet an emerging threat. Nuclear propulsion technology is one area that has been identified as an essential, unique capability which will be difficult to maintain if there were a period in which there is a gap in the production of submarines. Naturally, the best way to retain the nuclear submarine industrial base is to build nuclear submarines. However, the Department is examining other options.

In order to support the national shipbuilding industrial base, the Department will utilize commercial products and processes wherever possible. Our Strategic Sealift program is a good example. It will use standard commercial design and construction practices and proven commercial components and equipment. However, current initiatives will not be enough to maintain the existing national shipbuilding capacity. With the continuing rapid decline in the requirements for Navy ships it is likely that some commercial shipyards will be forced to close. A marked decrease in capacity will likely increase the cost of building future Navy ships in remaining yards.

Base Closure

Current and planned force structure cuts and budget reductions mandate commensurate reductions in shore station infrastructure. To ensure that a credible and comprehensive review of naval military installations is conducted in accordance with the Defense Base Closure and Realignment Act, the Department of the Navy utilized a Base Structure and Evaluation Committee (BSEC) supported by a Base Structure Analysis Team (BSAT) to recommend closure and realignment strategies, options, and alternatives.

The primary goal of base closure is reduction of base operating costs through consolidation for

efficiency. In cases of closure actions announced in 1988 and 1991, the Department of the Navy is meeting or exceeding announced schedules. NAS Chase Field and NAS Moffett Field are examples of attaining cost savings earlier from efficient, accelerated closures with budgeted savings of \$49 million.

A secondary goal of base closure is to make real property available for economic reuse at the earliest possible date. The means to this goal is a close working relationship with community base reuse organizations and diligently pressing environmental cleanup of property to enable its early transfer. To date, the Department's relationship with the various community reuse organizations has been very close and productive. The Department is pursuing public benefit transfers, property sales, and interim leasing to allow earliest possible transfer of economically viable property. Examples of this policy include transfer of five acres at Naval Station New York to the Bureau of Prisons and the transfer of 374 acres at CBC Davisville to the Army for continued use by the Rhode Island National Guard. The Department has also entered into two interim leases with the Beeville/Bee County Redevelopment Corporation, one of which will result in employment opportunities for nearly 100 local residents.

Environmental Protection and Stewardship

Department of the Navy policy requires full funding of environmental compliance requirements. Commanding Officers are engaged in the identification and execution of those projects necessary to achieve that goal. The Department is committed as well to control and reduction of pollutants generated by its operations. In recognition of the strategic significance of environmental safeguards, the Chief of Naval Operations has appointed a flag officer to oversee environmental operations.

Environmental compliance, restoration, and pollution prevention is a priority within the Department of the Navy. The program includes significant resources dedicated to lessening Navy's impact on the environment. Resources are included to complete all Class I and II environmental compliance projects. Funding has been requested for the construction of waste water treatment facilities and hazardous waste storage facilities. Initiatives are underway to determine effective substitutes for ozone depleting chemicals -- CFCs and Halons -- used for refrigeration, fire fighting, and industrial cleaning. One measure of the Department's success is that the Navy and Marine Corps achieved 46% and 54% reductions, respectively, in hazardous waste disposal as measured against 1987. Solid waste recycling programs have been established at most major installations and purchase of recycled content products is growing.

With over 163 interim and final remedial actions initiated through FY 1992, the assessment and cleanup of past disposal sites has seen increased action. We are actively engaged in building effective partnerships with state and federal regulators to streamline the restoration process and accelerate cleanup through use of innovative technology. Those partnerships also support the expedited restoration and transfer of properties selected for closure.

The Department's vessels have become environmental models for other navies and the maritime industry. Not only do our vessels comply with international pollution prevention laws, but they lead in the application of innovative technologies. Lacking rugged commercial waste handling equipment, we undertook several developmental programs. Designs now being readied for commercial manufacture

include an array of processors for surface vessels which will compact plastic waste so that it may be recycled, pulp paper into a milky slurry and shred glass and metal so that it will sink. The first of the plastic waste processors will be procured in FY 1995 and installed in FY 1997. While all processors will not be installed until after the December 1993 statutory deadline, the Department is making every effort to expedite the program.

Despite technological progress, the Department is challenged by the growing number of disparate standards set by state and local regulators for ship discharges. Clear national discharge standards for vessels, based on international agreements, are needed to serve as the basis for ship design and development.

Preservation of our natural, cultural, and historic resources is another element of the Department's environmental strategy. Surveys have been scheduled to identify resources eligible for the National Register of Historic Places, and to inventory all wetlands owned by the Department. Wetlands protection and enhancement projects will support our goal of no net loss of value and function of the Department of the Navy wetlands.

The Department's long-range goal is to integrate environmental protection as an ethic into all planning, decision making, and day-to-day operations. This ethic will be fostered by issuing clear, understandable guidance, by providing appropriate training for all levels of the work force, and by executive level commitment. Both the Navy and Marine Corps have developed comprehensive environmental training master plans covering the entire work force and have established executive level environmental training. Special training opportunities will be made available to those in the acquisition community responsible for identifying and addressing environmental issues in acquisitions programs. The Department will continue to work closely with the Environmental Protection Agency and its state counterparts on issues such as parceling uncontaminated areas on National Priorities List (NPL) installations and increasing risk management for more timely cleanups. These DOD, EPA, and Department of the Navy negotiations are ongoing and proceeding well.

CONCLUSION: THE NAVY AND MARINE CORPS TODAY

Throughout America's history, naval forces have played a significant role in defense of the nation -- ready when needed, relevant in force composition and employment, and fully capable of meeting national needs. Presented today with a new strategic environment, the Navy/Marine Corps Team has prepared to meet the exacting challenges of promoting and defending American interests both at home and overseas. To do so has required:

- a reorientation of maritime strategic thinking;
- development of new concepts of operation;
- restructuring of naval organizations; and a
- renewed emphasis integrating doctrine with training.

While reorienting our maritime strategic thinking, the Naval Service has never shifted its focus from readiness. Readiness is well-trained, quality people. So long as we take care of our people, we will have good ships, good battalions. Our people are our focus. They deserve to live and work in a challenging environment that respects the sacrifices that they make in long deployments away from home and family. While much has changed in the world, our Sailors and Marines and their readiness to support and defend their country remains the bedrock of the Navy/Marine Corps Team.