

Maritime Primacy & Economic Prosperity



MARITIME POLICY 2012-13

NAVY LEAGUE OF THE UNITED STATES





The Navy League of the United States believes that providing for the common defense is — and must always be — the first and most important responsibility of the federal government.

2012-13 MARITIME POLICY
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EXECUTIVE SUMMARY

Global engagement is critical to the U.S. economy, world trade and the protection of democratic freedoms that so many take for granted. The guarantors of these vital elements are hulls in the water, embarked forward amphibious forces and aircraft overhead. The Navy League of the United States' Maritime Policy for 2012-13 provides recommendations for strategy, policy and the allocation of national resources in support of our sea services and essential to the successful execution of their core missions.

We live in a time of complex challenges — terrorism, political and economic turmoil, extremism, conflicts over environmental resources, manmade and natural disasters — and potential flash points exist around the globe. It is the persistent forward presence and engagement of maritime forces that keep these flash points in check, prevent conflict and crisis escalation, and allow the smooth flow of goods in a global economy.

The United States has fought multiple wars and sacrificed much to ensure unchallenged access to sea lanes and secure the global commerce upon which the U.S. economy depends. The “persistent naval presence” provided by our forward-deployed Navy and Marine Corps ships, aircraft, Sailors and Marines is the guarantor of that hard-won maritime security and the critical deterrent against those who might seek to undermine that security. Maintaining naval forces that can sustain our national commitment to global maritime security and dissuade transnational aggression in the future must be a national imperative.

The No. 1 challenge to that imperative is the lack of a fully funded, achievable Navy shipbuilding program that produces the right quantity and quality of ships, with the right capabilities, for the right costs, in economically affordable numbers over the next 25 years. A shipbuilding plan must be defined and agreed upon by the Navy, the Departments of Defense (DoD)

and Homeland Security, Congress and the administration — and executed now. Recognizing that hard choices must be made in a reduction of the defense budget, the Navy League is reducing its recommended funding for the Department of the Navy's Shipbuilding and Conversion, Navy (SCN), account to \$20 billion or more per year. This reduced funding leads to a recommended reduced force level of 305 ships to meet our nation's global security challenges. This also recognizes that the worldwide commitment of ship deployment must be reduced.

America's amphibious expeditionary force is prepared to engage today's threats — today. Our Marines remain heavily engaged in Afghanistan and support numerous other small-unit operations that enable nation-building with allies around the globe. The Marine Corps needs the authorization to reduce to an end strength of 186,800 Marines, and this force level must be properly resourced to maintain a balanced air-ground logistics team. The Corps must regain its expertise in amphibious operations and maintain that capability in force structure. The service also must be provided the resources to reset the force, to restore or acquire new equipment and capabilities consumed in the ongoing wars.

The Coast Guard is a multimission, worldwide-deployed armed force with broad law enforcement authorities. It operates seamlessly with the DoD services as prescribed by the National Command Authority and is the lead agency for maritime homeland security and law enforcement support to the Navy in deployed operations. In addition, it fulfills several legally mandated missions, including its most employed mission of search and rescue, plus protection of living marine resources, drug interdiction, illegal migrant interdiction, defense readiness, marine safety, ice operations, aids to navigation, marine environmental protection, and ports, waterways and coastal security. The substantial breadth of operations, which has increased markedly in tempo since the 9/11 attacks, continues to overstress aging equipment, resulting in rising maintenance costs and a greater workload for Coast Guard personnel. The Coast Guard must increase its active-duty military strength to at least 45,000, have an operational expense budget of at least \$6.7 billion and an Acquisition, Construction and Improvements (AC&I) budget resourced at no less than \$2.5 billion per year, of which \$2 billion should be dedicated to continuing the recapitalization of the fleet.

Skilled Mariners are more critical than ever to ensuring our ability to sustain U.S. national and global security interests. Ninety-five percent of the equipment and supplies required to deploy the U.S. armed forces is moved by sea. The base of skilled U.S. Merchant Mariners is shrinking. The shipping capabilities of the Maritime Administration's Ready Reserve Force and the DoD's Military Sealift Command are sized to support routine and some surge logistics and specialized mission requirements. This critical capability must be maintained by ensuring an active commercial U.S.-flag Merchant Marine to support efficient and cost-effective movement of DoD cargo.

The U.S. shipbuilding industry is in crisis. Finding a solution must be an imperative if our nation is to maintain a Navy capable of supporting the nation's defense. Jobs lost in this sector mean precious ground lost in capability and capacity that cannot be regained. The current production levels for ship construction and the manufacturing of the other critical systems, equipment and weapons that we install in our ships, submarines and aircraft are at critically low levels. Sustaining and upgrading our nation's critical, defense-related industrial base must be an essential element of our National Security Strategy.

Personnel must train as they will fight to remain operationally ready. This all-volunteer military also must receive highly competitive compensation in the way of salary as well as health care, retirement and quality-of-life benefits to remain an effective fighting force. Taking care of our wounded warriors is fundamental.

THE NEED FOR STRONG MARITIME FORCES

We live in a rapidly changing world with a host of threats and opportunities. Terrorism, economic turmoil and resource conflicts raise concerns about our future, while new security and economic partners offer the chance for greater American prosperity. Operating forward and ready to respond maritime forces give the United States an essential offshore option to deter conflict, influence events abroad and advance our interests in an era of uncertainty.

During the past year, U.S. maritime forces have been called to respond to disasters, intervene in civil wars, combat pirates and deploy with and support ground troops in Iraq and Afghanistan. The sustained presence of the U.S. Navy, Marine Corps and Coast Guard in the South China Sea, Arabian Gulf, Indian Ocean and Northeast Asia strengthens our alliances, ensures access to sea lanes and promotes engagement with friends and competitors alike. The combined influence of our nation's diplomacy and the presence of these forward-deployed maritime forces help prevent heightened tensions from escalating into conflict.

The call to protect Libyan civilians was answered by Marine Corps Harriers onboard an amphibious ship that was the first on station to enforce the "no-fly zone." Off the east coast of Africa, U.S. maritime forces continue to deter piracy and provide humanitarian support to those suffering in the region. Maritime forces usually are the first to respond because they are forward, they are ready and they are versatile.

In the future, there will be continued demand for maritime forces and the services they provide to our country, especially as our ground forces draw down in the Middle East. Our forward presence will build on and strengthen our partnerships and alliances where sea lanes, resources and vital U.S. interests intersect. In these regions, the maritime services are essential to protecting the freedom of the seas. The sea lanes and supporting shore infrastructure carry more than 94 percent of world trade and are the heart of our modern global economy.

The maritime services also are critical to U.S. prosperity by contributing to our economy at home. The ships and equipment needed to operate forward around the globe are built in shipyards, aircraft factories, electronics plants and other industrial activities spread across all 50 states. Naval shipbuilding alone averages \$15 billion per year, while procurement of military maritime equipment in general is well over \$50 billion annually. More than 23,000 contractors and 7 million employees provide the capabilities our forces employ every day. Their earnings, in turn, are reinvested in our economy through taxes and domestic spending. Overall, each \$100 spent on defense yields \$125 of economic activity.

Our security and prosperity depend on maritime forces and their ability to deter aggression and fight when necessary, sustain freedom of the seas and rapidly respond to crises. We also depend on them as part of the engine that keeps our high-tech manufacturing economy going.



In the Mediterranean Sea, the Arleigh Burke-class guided-missile destroyer USS *Barry* launches a Tomahawk cruise missile to support Joint Task Force Odyssey Dawn on March 29, 2011. Odyssey Dawn was the U.S. Africa Command task force established to provide operational and tactical command and control of U.S. military forces supporting the international response to unrest in Libya and enforcement of a U.N.-sanctioned no-fly zone.

THE SEA SERVICES TEAM

There is no shortage of challenges facing the sea services team. Even as all elements of our services are recovering from or engaged in wars in Iraq and Afghanistan, as well as other smaller operations throughout the world, it is necessary that we stay ready for all future contingencies. Preventing future conflict is a cornerstone of a national security strategy that underpins a healthy global economy upon which the United States depends. It is imperative we maintain a strong force that convinces potential adversaries that the United States can win any future conflict. **For that, the Navy needs hulls in the water, globally deployed and ready to act.**

The sea services team provides the president and our combatant commanders (COCOMs) with their only forcible-entry option and brings a unique mix of capabilities that can respond rapidly to an ever-widening array of threats and intimidation. Positioning resources at sea enables maritime forces to respond decisively, with precisely the right capabilities — at sea and ashore — to deter or defeat any threat or answer the call for humanitarian assistance when disaster strikes.

THE U.S. NAVY

The enduring mission of the Navy is to “maintain, train and equip combat-ready naval forces capable of winning wars, deterring aggression and maintaining freedom of the seas.” Chief of Naval Operations (CNO) Adm. Jonathan W. Greenert is leading our Navy in a time of significant demand for forces trained in multiple missions to support the growing requirements of the COCOMs. The Navy is uniquely suited to meet those demands due to its persistent forward presence, high state of combat readiness and the inherent capability of its ships, submarines and aircraft, as well as the men and women who man them. Whether called upon to provide forces afloat or ashore to support the ongoing war in Afghanistan, to shoot down an errant satellite, rescue hostages from pirates or extend medical care and relief to victims of natural disasters, **our Navy continues to deliver worldwide.** But there is a limit to how far the current force can be stretched. Further significant budget reductions will have a far-reaching and irreversible impact on our Navy’s ability to carry out its maritime security missions.

Adm. Greenert’s No. 1 priority is to keep our Navy “ready to fight and win today.” He is committed to ensuring that our Navy remains the most dominant, ready and influential naval force, globally and across all missions. However, U.S. leadership on the seas will be increasingly challenged by an emerging Chinese fleet and stretched by global commitments and requirements.

The Navy League of the United States fully endorses the CNO’s three focus areas:

- Be ready to fight and win today.
- Build the future force to fight and win tomorrow.
- Take care of our people and create a motivated, relevant and diverse force.



In the Red Sea aboard the Arleigh Burke-class guided-missile destroyer USS *Dewey*, Fire Controlman 2nd Class Matthew Burger leads his visit, board, search and seizure team across the missile deck toward the bridge during a joint training exercise with U.S. Coast Guardsmen on Jan. 12, 2012. *Dewey* was deployed to the U.S. Fifth Fleet area of responsibility conducting maritime security operations.

Being “ready to fight and win today and tomorrow” is largely dependent upon our number of highly capable, fully ready-for-tasking Navy ships — hulls in the water. Rebuilding the fleet to a minimum of 305 ships (from a current fleet of 285 ships plus planned reductions), properly balanced to deliver the full range of combat capabilities required by the COCOMs, is a national imperative. The use of multiyear procurement strategies is strongly recommended. The Navy League most strongly supports an SCN account of not less than \$20 billion annually to meet that goal.

Inclusive in the 305-ship inventory are not less than:

- **11 Aircraft Carriers** — Delivering CVN 78 on time, continuing the long-lead procurements that support CVN 79 and maintaining the currently scheduled refueling of the Nimitz-class carriers are essential elements of a shipbuilding strategy that ensures our persistent forward presence well into the future.
- **55 Littoral Combat Ships (LCSs)** — Aggressive pursuit of the full range of mission module capabilities is a key element of a successful LCS strategy.
- **50 Attack Submarines** — A robust submarine industrial base is vital to the sustainment of this critical capability.
- **12 SSBN(Xs)** — The ballistic-missile submarine program must be recapitalized in a timely manner and funded as a national program, outside of the Navy’s SCN account.
- **38 Amphibious Ships** — Our forward-deployed amphibious ships, with a full complement of Marines embarked, are an essential element of our maritime security capability.
- **DDG 51 New Construction** — Continuing construction of new DDG 51s, as well as the modernization of the Navy’s cruiser and destroyer inventory, will ensure the sustainment of the land attack and fleet air and missile defense capabilities, as well as the service’s anti-ballistic-missile capability.

Essential to the combat strength of our fleet is the naval aviation capability provided by a minimum of 10 carrier air wings, a fully integrated maritime patrol inventory, a modernized fleet helicopter force and complementary unmanned aircraft systems (UASs). Key to that capability is the timely introduction of the F-35C Lightning II to our carrier decks and the continued multiyear procurement of the F/A-18E/F Super Hornet multirole fighter, the E/A-18G Growler electronic warfare aircraft and the E-2D Advanced Hawkeye airborne warning and control aircraft. Full support for the procurement of the P-8A Poseidon long-range anti-submarine warfare, anti-surface warfare, intelligence, surveillance and reconnaissance aircraft and the Broad Area Maritime Support (BAMS) UAS will ensure our maritime patrol supremacy well into the future.

Whether called upon to provide forces afloat or ashore to support the ongoing war in Afghanistan, to shoot down an errant satellite, rescue hostages from pirates or extend medical care and relief to victims of natural disasters, our Navy continues to deliver worldwide.

C4ISR is not just an enabler of more efficient and effective operations, it also provides the information, command and control and electronic attack targeting so essential to ultimate success.

The value of command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) to naval strike groups is best measured in terms of its contribution to warfighting. Cutting-edge C4ISR is central to a naval strike group's combat capabilities and a critical force multiplier. C4ISR is not just an enabler of more efficient and effective operations, it also provides the information, command and control (C2) and electronic attack targeting so essential to ultimate success. The Navy League applauds the direction the Navy is taking in cyber warfare and cyber security to promote reliable and responsive C2. The service is not limiting the scope of its Cyber Command/Tenth Fleet to the strict defend-and-attack view that some are taking.

To support this broad view, the Navy must have flexible systems that provide:

- The capability to serve users with ISR information that suits their specific operations.
- The capability to reconfigure and integrate C2 applications to fit the work flow in which a naval strike group is engaged.
- The ability to connect software applications and users in support of the dynamic integration and flow of information of ad hoc peer groups.
- The reduction of mission-cycle time for battlespace awareness and decision making to remain inside the enemy's decision cycle.
- That operational commanders be integral and active participants in cyber decision making.

The Navy League most strongly supports the rapid passage of the United Nations Convention on the Law of the Sea, or Law of the Sea Treaty, which seeks to establish a comprehensive set of rules governing the world's oceans. This rule set will establish a framework that supports our nation's interests in pursuit of a global maritime strategy.

The Navy League of the United States supports:

- Continuing development, procurement and deployment of the Navy portion of the Ballistic Missile Defense System, including long-range surveillance and tracking capability to queue ground-based intercept systems and, ultimately, the ability to detect, track and engage medium- and long-range ballistic missiles well distant from the United States.
- The sea services' maritime domain awareness (MDA) effort, which integrates national and global partner intelligence resources and information systems to provide the best possible intelligence "picture" of the world's oceans.
- Increased emphasis on and funding for Navy and Coast Guard operations in the polar regions to protect our access to natural resources as well as preclude these regions from becoming sanctuaries for potential adversaries. Communications, logistics, ship and aircraft modifications are essential for such operations.

- An increased emphasis on anti-submarine warfare as our skills in that arena have atrophied in the face of an increasing threat.
- Continued funding for Combat Logistics Force assets, including oiler/ammunition carriers and dry cargo/ammunition carriers; large, medium-speed roll-on/roll-off ships and new classes of special mission vessels, all of which will be employed in the Maritime Preposition Force (Future) squadrons.
- Realistic and sufficient operational training to ensure the safe, combat-effective performance of our young men and women, to include adequate flight hours and steaming days as well as active sonar operations in any ocean environment, pending conclusive evidence that such operations are harmful to marine mammals.
- Capitalizing on the significant goodwill fostered by cooperation with multiple countries in response to piracy concerns.

THE U.S. MARINE CORPS

America's expeditionary force in readiness remains heavily engaged around the world in the long struggle against violent extremism, deep in the fight for freedom, peace and security. Our Marines continue to fight in a generational battle against enemies dedicated to attacking our homeland and challenging our vital interests abroad. As a nation, we must stand behind them and provide the training, support systems and equipment they need to perform their missions safely, effectively and efficiently. Gen. James F. Amos, the 35th Commandant of the Marine Corps, noted in his 2010 Planning Guidance, "We will continue to provide the best trained and equipped Marine units to Afghanistan. This will not change. This remains our top priority!"

The Marine Corps 2010 Force Structure Review Board, which was informed by national strategy, the Secretary of Defense, Secretary of the Navy and Commandant of the Marine Corps guidance, completed its deliberations in December 2010. It designed a relevant, efficient and effective force for crisis response and forward engagement with capacity for a single major operation/campaign that included an active force of 186,800 Marines, down from 202,000, and a Reserve force of 39,600 Marines. Ongoing DoD and service budget deliberations



U.S. NAVY

Marines assigned to the 11th Marine Expeditionary Unit fast rope from a CH-46E Sea Knight helicopter onto the flight deck of the amphibious assault ship USS *Makin Island* on Jan. 12, 2012, in the Arabian Sea. *Makin Island* was on its first operational deployment conducting operations in the U.S. Fifth Fleet area of responsibility in support of the Navy's Maritime Strategy. *Makin Island* is the newest amphibious assault ship and the only U.S. Navy ship with a hybrid electric propulsion system.



U.S. MARINE CORPS

U.S. Marine Lance Cpl. Alexander Voshell, a mortarman with 2nd Platoon, Kilo Company, 3rd Battalion, 3rd Marine Regiment, provides security on Jan. 12, 2012, at a vehicle checkpoint with Afghan National Police near Patrol Base Amir Agha in Loya Darvishan, Helmund province, Afghanistan.

ultimately will determine the reduced force size of the Corps, but Gen. Amos has stated that “whatever the outcome, the Corps will deliver a fully functional, trained and capable force consistent with fiscal monies that are made available.” It is extremely important that Congress continue its support to allow the Marine Corps to sustain this level and to provide a properly trained, manned and equipped force.

Marine Corps capabilities with a force of 186,800 would revolve around the following attributes:

- A right-sized force, not a down-sized and hollowed-out force, prepared for the strategic reality of routine forward presence that supports U.S. policy and crisis response that supports U.S. leadership decisions.
- Maintain core competency in irregular warfare.
- Increased capacity for cyber operations.
- High-Demand/Low-Density Military Occupational Specialties transitioning to High-Demand/Right-Density.
- Capability of simultaneous deployment of two Marine Expeditionary Brigade assault echelons from 33 amphibious ships.

- Reorganized installations structure to enhance integration with the operating forces and local/state governments through an enterprise approach.
- ISR capacity structured to tightly integrate tactical, operational and strategic capability for distributed and complex operations.

The Navy League supports the critical requirement that the Marine Corps be able to deploy to where the country needs it, when it needs it, with today’s force and be ready to prevail — regardless of the challenge — today. The Corps needs to continue developing, sustaining and enabling the nation’s Expeditionary Force in Readiness as a strategically mobile “middleweight” force, with a balanced and cohesive Marine Air Ground Task Force (MAGTF) that is flexible and adaptive across a wide range of military operations. To ensure this, the Navy League supports the following objectives and priorities:

- Achieve victory in the “long war.”
- Provide our nation a naval expeditionary force that is fully prepared for deployment for MAGTF operations across the full spectrum of conflict.
- Reset and modernize to be the most ready when the nation is least ready.

- Improve the quality of life for Marines and their families.
- Posture the Marine Corps for the future.

The current and future force is an expeditionary Marine Corps ready to go to war with no additional preparation or sustainment required. The Marine Corps is ready to support and defend the nation around the globe. This capability does not come free or easily. Maintaining and preparing this modern force calls for recruiting and retaining the right personnel, buying and maintaining the right equipment, training to the full list of combat missions and providing modern and improved quality of life in areas such as housing, education and child care.

Resetting — Combat operations have been continuous and equipment has been subjected to intense use in harsh environments. Aside from the past requirement to buy new equipment for increased end strength in recent years, the entire force needs extensive rehabilitation, repair and replacement as weapons and equipment are rotated out of combat and eventually brought home. Likewise, prepositioned stocks and training base stocks must be replenished. The current reset cost estimate exceeds \$15.6 billion, of which only about \$10.9 billion has been funded. As the fight continues, the reset costs for equipment and training only will increase apace, and Congress needs to fully understand and support this requirement.

Modernization — A ready force is a modern force. As the Marine Corps modernizes its combat forces, funding must be continued for individual survivability programs, to include personal protective equipment, lighter-weight gear and modern force-protection systems. Ground mobility must be improved to provide the Marine Corps the capability to effectively operate across the complete mission spectrum yet remain tailored in size to be deployable and employable. The new Marine Armor System, the future variant of the High Mobility Multipurpose Wheeled Vehicle (or Humvee), the Marine Personnel Carrier and the Joint Light Tactical Vehicle will be instrumental in achieving these goals. To enhance the forcible-entry ability, the Corps must develop a new, affordable Amphibious Combat Vehicle based on the technology of the former Expeditionary Fighting Vehicle program that was canceled last year, along with upgrading the remaining and aging amphibious vehicles currently in the force. Likewise, there is continued support needed for weapon improvements for the MAGTF, particularly in the 155mm howitzer, the High Mobility Artillery Rocket System (HIMARS) and Naval Surface Fire Support. Within Marine Corps aviation, the MV-22 Osprey tiltrotor, the CH-53K heavy-lift helicopter, the UH-1Y and AH-1Z helicopters and the F-35B — Commandant Amos' No. 1 aviation priority — will provide the MAGTF commander with unsurpassed warfighting capability and must be procured. Additionally, there is a strong requirement to sustain and build upon the one element of the MAGTF that sets the Marine Corps apart from all other services more than any other. That capability is the "Logistics" portion of the Air-Ground Team, which allows the Corps to readily and successfully deploy, employ and sustain itself at a moment's notice.

As the Marine Corps modernizes its combat forces, funding must be continued for individual survivability programs, to include personal protective equipment, lighter-weight gear and modern force-protection systems.

Trying to maximize the real return on each limited dollar available for investment, the Marine Corps is focused on making tomorrow's vision a reality by strengthening key pillars that support warfighting capabilities.

Building an Amphibious Force — Naturally, a key part of the Navy-Marine Corps Team is amphibious shipping. The top unfunded requirement again this year is the 11th LPD 17. The COCOMs require more than the planned number of amphibious ships to meet their demand for forward presence and crisis response. Depending on how requirements are met, more than 38 amphibious ships are needed to provide an adequate number of Expeditionary Strike Groups (ESGs) and Marine Expeditionary Units, and deploy naval forces in single or multiple ships as forward deployed assets as well as provide adequate time for training and maintenance.

Sustaining the Marine and Marine Family — Trying to maximize the real return on each limited dollar available for investment, the Marine Corps is focused on making tomorrow's vision a reality by strengthening key pillars that support warfighting capabilities. One such pillar is the support system for individual Marines and their families, such as continuous care for and attention to our wounded, injured or ill Marines throughout all of their recovery, such as the Wounded Warrior Regiment. They continue to provide outstanding support.

The Navy League of the United States supports:

- Continued funding to maintain an end strength of 186,800 active-duty Marines, which enables the Corps to support the full mission spectrum around the globe.
- Full funding of costs associated with resetting and modernizing the force to meet current and future requirements.
- Acquisition of an affordable and capable amphibious assault vehicle to ensure we have the ability to maneuver against increasingly more capable adversaries, and to replace the aging and costly Amphibious Assault Vehicle force.
- The continued acquisition of the F-35B to replace most of the capabilities found in the AV-8B Harrier, EA-6B and F/A-18 aircraft, along with the acquisition of high-tech unmanned air and ground systems to further enhance the flexibility, mobility and versatility of Marine Corps forces.
- Adequate numbers of Navy amphibious ships and sealift platforms to provide the expeditionary lift to support present and future COCOM requirements.
- Continued full-rate production of the MV-22 Osprey and continued successful deployments to Afghanistan to reinforce the urgent need for this capability for both the Marine Corps and U.S. Special Operations Command.
- The recapitalization of the workhorses of Marine Corps aviation — the KC-130J, equipped with an improved aerial refueling system, the acquisition of the CH-53K, along with the continued procurement of UH-1Y Huey and AH-1Z Super Cobra helicopters.



U.S. NAVY

An aviation boatswain's mate maneuvers BF-04, front, the U.S. Marine Corps variant of the F-35B Lightning II, after a vertical landing aboard the amphibious assault ship USS *Wasp* in the Atlantic Ocean Oct. 15, 2011. BF-02, the second F-35B undergoing sea trials aboard *Wasp*, is in the background approaching for a landing. The F-35B is capable of short takeoffs and vertical landings for use on amphibious ships or expeditionary airfields.

- The acquisition of modern air, ground and logistics C2 systems such as Combat Operations Centers, the Joint Tactical Radio System, the Common Air C2 System, Joint Tactical Common Operational Picture Workstation and the Global Combat Support System to support joint and coalition operations.
- The continued acquisition of MAGTF fires improvements, particularly in the 155mm howitzer and HIMARS, and sufficient naval surface fire for joint forcible-entry operations.
- Expeditionary forces able to execute the war on terrorism and unforeseen deployments with ready, relevant and capable forces, supported by ISR assets that strengthen joint and combined capabilities, ensure presence and provide surge.
- The additional plus-up of Cyber Operations forces to counter the growing global threat in this domain.

THE U.S. COAST GUARD

The Coast Guard, the nation's fifth armed service, has distinct roles in national defense to support COCOMs and in national security to support domestic demands in homeland security, law enforcement, maritime and port security and environmental protection. The Coast Guard will require a more robust budget that adequately provides sufficient funding for current operations and growth in its current AC&I budget to continue those services through mid-century. Moreover, the Coast Guard must reach an active-duty military strength of at least 45,000 and a Reserve strength of 10,000.

Now in his second year as the Coast Guard's 24th Commandant, Adm. Robert J. Papp Jr. has published his "Sailing Plan" that includes these priorities:

- Sustain mission excellence.
- Recapitalize and build capacity.
- Enhance crisis response and management.
- Prepare for the future.



The crews of the U.S. Coast Guard Cutter *Anthony Petit* and the Canadian Coast Guard Ship *Bartlett* prepare to deploy vessel-of-opportunity skimming systems in conjunction with the Canadian-U.S. Dixon Entrance oil response exercise in Refuge Cove, five miles north of Ketchikan, Alaska, on Sept. 21, 2011. *Anthony Petit* is a 175-foot coastal buoy tender homeported in Ketchikan and *Bartlett* is a 189-foot ice-strengthened medium navaisds tender homeported in Victoria, British Columbia.

Sustaining mission excellence will require an operating budget of at least \$6.7 billion to fund the service's traditional missions and be prepared for unexpected contingencies, such as 2010's 7.0-magnitude earthquake in Haiti and the federal containment and clean-up response following the deadly explosion on and collapse of the Deepwater Horizon oil rig in the Gulf of Mexico. While we can never know what adverse events will befall the nation at any given time, it can be expected that the operational requirements will be substantial. In 2010 alone, the Coast Guard conducted more than 22,000 search-and-rescue missions as well as law enforcement, maritime safety and environmental protection duties, saving more than 4,300 lives. An operating budget that provides at least \$2.5 billion for AC&I will provide necessary follow-on funds to complete procurement of the National Security Cutter (NSC), Fast Response Cutter (FRC) and Response Boat-Medium. At least \$250 million also is required for Overseas Contingency Operations in support of DoD/COCOM requirements. Finally, until a Heartland Waterways Vessel acquisition project becomes a reality, the much-degraded fleet of inland river buoy tenders must be adequately supported with an increased level of maintenance funds. To ensure the Coast Guard can support its national defense commitments and national security requirements in our territorial waters, it must aggressively **recapitalize and build capacity** for the future in its aging fleet of cutters as well as aircraft, shore facilities and C4ISR infrastructure. Adequate acquisition and maintenance funding must be available.

In an unstable world in which the U.S. Navy is necessarily committed to forward presence overseas, the Coast Guard must **enhance its crisis response and management capability** and display persistent presence within America's 3.4 million-square-mile Exclusive Economic Zone (EEZ) and in our nation's ports. As a key national crisis manager for manmade and natural disasters, the Coast Guard must provide exceptional response and have the facilities and capabilities to manage such crises. Today, the Coast Guard does not possess the level of deployable logistics and C4ISR capabilities necessary to respond to large-scale crises such as the Haiti and Deepwater Horizon operations. Current shore command centers are antiquated and lack the capabilities required, the personnel training necessary and the uniformity among them that is demanded. Accordingly, the Coast Guard must be funded to acquire those deployable capabilities as well as for 35 Interagency Operations Centers (IOCs) strategically located in all high-priority ports where relevant emergency managers can co-locate and operate effectively. Most critically, these IOCs must facilitate interagency planning and operations across local and state agencies as well as Department of Homeland Security (DHS) and DoD components.

While today's world is uncertain enough, tomorrow's challenges are even more nebulous. Thus, the Coast Guard must look beyond today's challenges and **prepare for the future**. The Coast Guard must double its efforts to acquire a diverse and highly trained work force and create a state-of-the-art, service-wide logistics system, which will, in time, save millions of dollars. Additional efforts also must be made — along with appropriated funds — to improve its research and development capabilities in areas such as cyber security and modeling and simulation, without which the service could be crippled and lack the ability to prevent and

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The need for a robust presence in the Arctic is supported by the Joint Chiefs of Staff to accommodate heightened safety, security and sovereignty concerns. The first step is to put the management of the nation's icebreaking capability where it belongs — with the Coast Guard.

respond to threats. Finally, America's role in the Arctic must be debated and decided upon soon. It is quite possible Congress will vote on and pass the Law of the Sea Treaty in 2012, even as international drilling and exploration in the Chukchi Borderland region of the Arctic Ocean commences. With an ice-free Arctic plausible in the coming decades, a national policy on the Arctic, including a decision to construct new icebreakers, is a priority for Congress. Such a plan must include designating the Coast Guard as the nation's lead agency for operations in the Arctic, including placing the management of the nation's icebreaking capabilities with the Coast Guard.

The Navy League of the United States supports:

- An overall acquisition budget of \$2.5 billion per year to accelerate existing programs, begin others and modernize, update or replace existing assets and information systems that have typically not received adequate maintenance funding. The Navy League supports no less than \$2.5 billion per year in fiscal 2009 dollars, which includes \$1 billion per year for large cutters in the out-years. Key acquisition and modernization efforts include:
 - NSC — The program should deliver at least one ship per year, including all long-lead items to build and operate 12 cutters.
 - Offshore Patrol Cutter (OPC) — The service is in the process of determining operational requirements, and then should build at least 25 vessels delivered at least two per year to replace outdated and unreliable Medium Endurance Cutters.
 - Sentinel-Class Patrol Boats — This project, with production of six craft and four craft in alternate years, will close the critical patrol boat gap. Given the success of the first incremental contract for 34 craft, the program should be continued without break until the current identified requirement for 58 patrol boats is fulfilled.
 - Response Boat-Medium — Production should remain at 30 boats per year.
 - HC-144A (CASA CN-235) medium-range patrol aircraft — This project should be accelerated to ensure at least 20 fully mission-ready HC-144As are delivered by no later than 2014.
 - HC-130J, HC-130H, HH-60J — The missionization/upgrade of HC-130J and H-C130H aircraft and the HH-60J helicopter should be accelerated to provide the “eyes in the sky” and the connectivity for ships and shore stations essential to effective homeland security. Funding of at least \$200 million per year is required.
 - UASs — Cooperation with Customs and Border Protection regarding long-range UASs with proven maritime-environment sensors is proceeding, with the systems approaching initial operational capability. This effort, along with the Navy's rotary-wing UAS for shipboard use, require funding of at least \$30 million for survey, design and purchase of equipment and systems.

- Funding for Rescue 21, a critical component of a modernized coastal C2 system. The systems deployed under this project bring game-changing capabilities, including direction-finding that substantially improves search-and-rescue response time. The funding requirement is \$120 million per year and will accommodate the uncertainty of obtaining permits for tower construction or rental.
- Increased, recurring funding of not less than \$100 million per year for the repair, rehabilitation and replacement of decrepit shore infrastructure that is located at critical points along the coasts and inland waters of the United States. Currently, there is a \$2 billion backlog in needed repairs and upgrades.
- Funding for training, technology and equipment that will enable the Coast Guard to meet its requirement as a full member of the national intelligence community and develop a maritime cyber organization. This recognizes the unique role the Coast Guard has in ensuring continuity and security in the maritime domain, as well as its unique ability to be an effective facilitator of cooperation between the DoD and the appropriate civilian agencies. Recurring funding of \$10 million is required.
- A minimum of \$5 million per year to cover overseas requirements and worldwide security initiatives, which are supported, yet under-resourced, by the COCOMs and State Department regional desks. The Navy League recognizes that the Navy and COCOMs, in support of the Maritime Strategy, have identified extra-territorial commitments and requirements for Coast Guard national security, homeland security and national defense capabilities, as well as State Department program facilitation.
- Operational training equipment funding needs to be increased and be integrated, and operational synergies found between the Naval Expeditionary Combatant Command and the Coast Guard to ensure a continuum of operational capability in the littoral regions off our coasts as well as overseas. Increased funding of \$5 million per year is required. A concerted effort needs to be undertaken to ensure that these quick-response, highly capable, but “standby” forces are not allowed to disappear or become hollow because of budget shortfalls.
- Funding of \$20 million per year for IOCs, an innovative and proactive program to establish capabilities and protocols in all high-priority ports to coordinate interagency planning and operations. These systems must facilitate interagency planning and operations across local and state agencies as well as DHS and DoD components, including the Navy’s new Maritime Operations Centers.
- A robust presence in the Arctic to accommodate heightened safety, security and sovereignty concerns. The first step is to put the management of the nation’s icebreaking capability where it belongs — with the Coast Guard. Then, new and updated polar icebreakers are needed and should be available by 2015. A new icebreaker will cost approximately \$1 billion. The number of new-construction icebreakers needed should result from a national policy determination on icebreaking requirements.



The crew of a Coast Guard 45-foot Response Boat-Medium from Station New Orleans catch a rescue basket lowered by a Coast Guard MH-65C Dolphin helicopter crew from Air Station New Orleans on Lake Pontchartrain as part of a training evolution Jan. 17, 2012. The crew members train to sharpen the skills and gain experience needed to provide a fast response and efficient resolution to maritime emergencies.

- Recapitalization and increased maintenance funding for the current fleet of inland river buoy tenders. This funding will enable the fleet to operate until the Heartland Waterways Vessel acquisition project comes online. A sum of \$55 million is needed during the next five years for maintenance and \$100 million is needed in that same period of time for replacement.
- The overhaul, upgrade and replacement of the Coast Guard's obsolete financial, logistics and accounting systems. Initial funding should be provided in the amount of \$10 million for already identified initiatives that align with DHS-wide initiatives.

THE U.S.-FLAG MERCHANT MARINE

The U.S.-flag commercial fleet is facing significant challenges. The ability to access this maritime capability of ships and seafarers is essential to our national and economic security. **Ninety-five percent of the equipment and supplies required to deploy the U.S. armed forces is delivered by ship.** U.S. commercial and government-owned vessels, manned by 5,000 U.S. Mariners, played a significant and indispensable role in strategic sealift support for Iraq operations and continue to supply operations in Afghanistan. In today's irregular warfare environment, with increased requirements to support and sustain special operations forces, maritime coalition forces, ESGs and humanitarian assistance/disaster relief operations, a substantial logistics force and commercial sealift capability is needed.

The U.S. commercial fleet includes the 60 ships in the Maritime Security Program (MSP), and has grown in capabilities with old ships being replaced with new, more productive ships. The MSP fleet continues to show its value as the most cost-effective source of sealift for the U.S. government and has "answered the call" in all emergencies and contingencies. Also, the Voluntary Intermodal Sealift Agreement (VISA) provides 135 ships, 213 barges and tugs, as well as worldwide intermodal capability. The global reach and intermodal expertise of the MSP carriers has proven to be the vital link in the delivery of equipment and supplies to Afghanistan through the Northern Distribution Network, bypassing Pakistan.

The Maritime Administration's (MARAD's) Ready Reserve Force (RRF) and the Military Sealift Command fleet, sized to support DoD special mission requirements, include heavy lift, offshore petroleum discharge, auxiliary crane, aviation logistics support vessels and hospital ships.

The Navy League of the United States supports:

- The Maritime Security Act that provides the foundation to support the U.S. commercial fleet in international trade and an economically viable U.S.-flag Merchant Marine for national defense and economic security.
- The Jones Act and Passenger Vessel Act, which are important to economic and national security because they protect critical national infrastructure and provide added sealift capacity through the VISA, an expanded pool of trained and experienced mariners to crew U.S. government-owned sealift assets and help sustain the U.S. shipbuilding and repair industrial base that is vital to the U.S. Navy and Coast Guard.
- Full compliance with the U.S. Cargo Preference Laws by government agencies and shippers, as a necessary and critical component to the long-term sustainability of the U.S.-flag fleet. Without this commercial capability, the U.S. government will be required to provide significantly more funds to build a replacement fleet and infrastructure while losing the pool of highly qualified Mariners needed to sail these vessels. These laws include the Jones Act, Passenger Vessel Act, DoD and Foreign Aid cargoes.



U.S. commercial and government-owned vessels, manned by 5,000 U.S. Mariners, played a significant and indispensable role in strategic sealift support for Iraq operations and continue to supply operations in Afghanistan.

The guided-missile cruiser USS *Cape St. George* and the Nimitz-class aircraft carrier USS *Abraham Lincoln* conduct a replenishment at sea on Jan. 21, 2012, with the Military Sealift Command fleet replenishment oiler USNS *Guadalupe*. *Abraham Lincoln* and *Cape St. George* were deployed in the Arabian Sea as part of the *Abraham Lincoln* Carrier Strike Group.

- Budgetary and legislative measures, including capital and operations-related changes in U.S. tax laws, Mariner income tax exclusion and the harmonization of domestic and international regulations to improve the competitive position of the U.S.-flag fleet in the world marketplace.
- Growing the MSP fleet, as requirements warrant, for both surge and sustainment operations. Also, full, long-term funding for the program. Replacing the lift capability of this fleet would cost the DoD \$9 billion.
- Full funding, at authorized levels, for meeting the operational and maintenance requirements and capital improvements at the U.S. Merchant Marine Academy and federal assistance at the six state maritime academies for the Student Incentive Program and Training Ships. This will ensure the long-term availability of licensed Mariners to serve the nation's needs.
- A strong strategic sealift Merchant Reserve component in the U.S. Navy to ensure that critical Mariner skills and experience are retained to support Navy and strategic sealift transportation.
- The combined government and industry efforts to counter piracy by placing armed guards aboard ships and introducing new technologies to prevent hijacking.
- Legislation for the Department of Veterans Affairs to treat Merchant Marine veterans of World War II as they do all other veterans.

Only a truly seamless, integrated, multimodal transportation system with an expanded America's Marine Highway System and a dynamic National Freight Policy will meet the nation's growing needs.

THE MARINE TRANSPORTATION SYSTEM

Maritime transportation contributes more than \$10 billion per year to the U.S. economy. The U.S. Marine Transportation System (MTS) consists of waterways, ports and their intermodal connections, vessels and vehicles. **As the one of the world's paramount trade leaders, the United States requires a technologically advanced, secure, efficient and environmentally sound MTS.**

Roughly one quarter of the world's trade flows through U.S. ports. Our economic prosperity is dependent on international trade, of which, more than 94 percent, by volume, moves by water. Any disruption in this global supply chain would have a serious negative impact on the U.S. economy and, consequently, our national security. **Trade flowing through the nation's ports and waterways will increase substantially by 2020, creating greater congestion on overburdened land, port, water, passenger and freight-delivery systems.** Only a truly seamless, integrated, multimodal transportation system with an expanded "America's Marine Highway System" and a dynamic National Freight Policy will meet the nation's growing needs.

The Navy League of the United States supports:

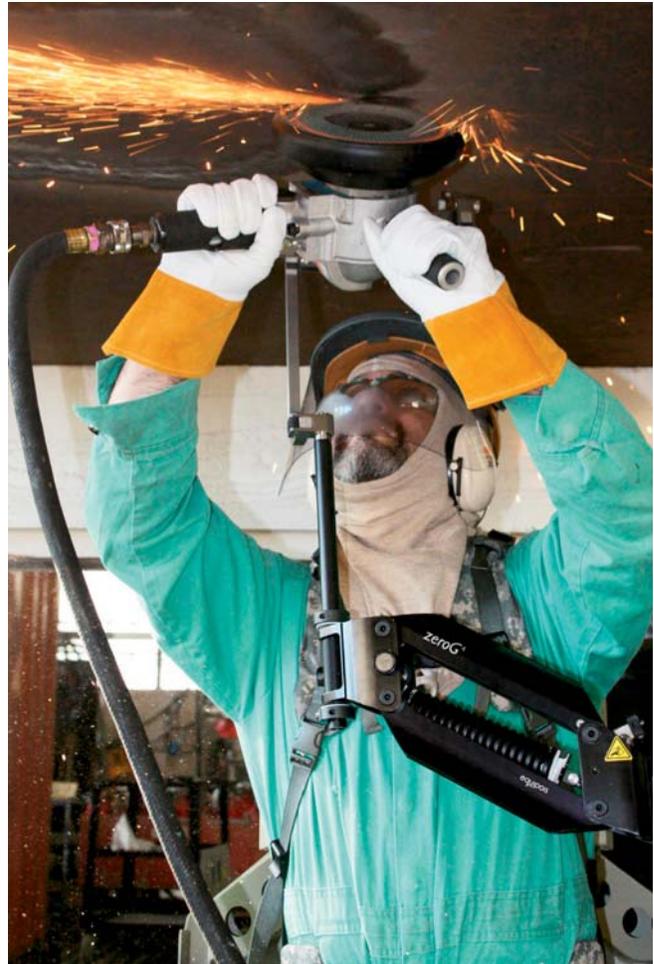
- The Department of Transportation's "America's Marine Highway" initiative that includes a National Freight Policy that shifts more freight cargo to the nation's waterways to improve economic competitiveness, reduces congestion, carbon consumption and transportation costs, while increasing U.S.-flag vessels and Mariners on domestic waterways.
- MARAD's comprehensive "green" program with the necessary resources to promote sustainability throughout the MTS, including research and technology in areas of emerging environmental concerns such as ballast water, port and vessel emissions, alternate fuel use and energy management.
- Making MTS infrastructure projects permanently eligible for funding under Title 23 of the next surface transportation reauthorization legislation to ensure that marine transportation is fully integrated into the surface transportation system.
- Under the America's Marine Highway initiative, an exemption of waterborne cargo trans-shipped between U.S. ports from the Harbor Maintenance Tax. This is a double tax because it is paid when imports first land in the United States and is a major disincentive for increased waterborne transport.
- Additional resources for the Army Corps of Engineers' dredging projects and for the Coast Guard to upgrade navigational aids in river and harbor channels that connect U.S. ports to the world.
- Use of the Inland Waterway Trust Fund to repair/replace aging infrastructure on the inland waterway system. The inland waterway system is capable of carrying huge additional amounts of freight and petroleum products at a fraction of the cost of other modes of transport.

- Increased investment in overall maritime research and development on a par with other modes of transportation.
- Funding for the Title XI Ship Construction Loan Guarantee Program to support replacement of existing Jones Act tonnage; Marine Highway shipping needs including vessels and infrastructure in ports and shipyards.
- Efforts by the Coast Guard, Navy and MARAD for MDA improvements such as the MarView Internet-based portal, which provides essential MTS information for decision makers.
- The 17 commercial strategic ports that support the short-notice military surge deployments with priority access to terminals, vessel berths and staging areas under the National Port Readiness Network.
- Efforts to develop a national capacity for the MTS to recover from major disruptions to ensure the continuity of critical maritime activities. This should include the maintenance of a robust U.S. salvage vessel and oil spill recovery capability to ensure expeditious clearing of vital channels and harbors.

SHIPBUILDING

The operational demand for Navy ships and submarines remains at a peak, with no signs of diminishing in the future. COCOMs around the world have not reduced their requirements for operational units, so the pressure for the fleet to provide war-ready ships and submarines is and will remain high. The solution is to construct more ships and submarines and retain and create more highly skilled jobs. The purchase of the many systems, equipment, weapons and sensors that we install in our warships further enhances the effort to create excellent long-term jobs in every state. We must keep the industrial base alive by continuing to purchase new ships even if that means retiring ships to stay within budget.

Shipbuilding, ship maintenance and ship modernization are at the heart of providing ready forces to the COCOMs. The naval shipyards are fully loaded at present with submarine and aircraft carrier maintenance and modernization work and cannot accept additional workloads. The major commercial shipyards that are engaged in maintenance and modernization are on average well loaded, but the prospect of ship retirements is a threat to their business base. Funds for ship maintenance and readiness improvements have been increased, but there is no assurance that their business will remain healthy in view of the expected budget reductions. All shipyards need long-term predictability and stability in order to properly manage their business, deliver quality and timely work and know when and how to invest in people and facilities. The current environment does not provide that.



U.S. NAVY

A Puget Sound, Wash., Naval Shipyard worker grinds a metal surface using an exoskeleton on Sept. 20, 2011. An exoskeleton is a backpack-carried mechanical support that augments the ability of a technician to carry and operate heavy mechanical tools.



The Littoral Combat Ship Precommissioning Unit *Fort Worth* transits through the Menekaune Bridge in Green Bay, Wis., Sept. 28, 2011. *Fort Worth* was undergoing builder's trials at the Marinette Marine Corp. Shipyard before delivery to the U.S. Navy in 2012.

There are three fleets — the fleet in planning, the fleet in construction and the fleet in being. All require substantial resources and industrial capacity and capability. They are each stressed with minimal resources, tight schedules, a shrinking industrial base and pressure to maintain the highest material and personnel readiness.

The cruiser fleet has passed its midlife point and there is no new cruiser in planning. The Arleigh Burke-class destroyers are capable ships, especially with the ballistic missile defense upgrades, but they are not cruisers and are currently undergoing design studies to install a larger radar and associated support systems. This is a densely packed ship already and clearly points to the requirement for a larger hull to accommodate the sensors and weapons needed today. Now is the time to start planning for the next surface combatant.

The programs now starting to construct two Virginia-class submarines a year must be supported and continued. The SSBN(X) is critical to ensure the viability of the most reliable part of the nation's triad, however it currently resides in the Navy's SCN budget, which will disrupt and delay other ship construction programs.

The Navy's aircraft carriers are under immense stress to meet training and deployment schedules and still receive necessary maintenance. Every aircraft carrier is essential, and the CVN 79, now under construction, should be supported to continue on schedule. Huntington Ingalls' Newport News Shipyard in Virginia is a national treasure and should be carefully supported with all of its carrier and submarine work. General Dynamics' Electric Boat operation in Groton, Conn., is likewise essential, especially with its robust design teams who work on nuclear propulsion systems.

The amphibious forces currently have two major programs, LPD 17 Class and LHA 6, under construction. Both classes have experienced delays and cost growth, but both designs are sound and the ships are needed in the fleet to reach and maintain a minimum of 33 amphibs for Marine Corps lift.

When asked, the Marines will say that they need 38 ships, but 33 looks like it is obtainable with 11 LHD/LHAs, 11 LPDs and 11 replacement LSDs (now in the fiscal 2017 program). That represents an absolute floor for Marine lift, and so these ships must be constructed and supported with robust maintenance when in service. The Joint High Speed Vehicle now under construction will be able to provide the Marine Corps and Army intratheater fast transport. Forward-deployed and -based LCSs should be able to add support to the Marine missions. LCSs with their mission packages are still under development and testing, with a considerable shake-down of the class necessary.

The shipyards, both for construction and maintenance, must be able to plan on a sustainable and predictable workload, which will allow them to invest in training personnel and improve facilities. The Navy is trying to trim costs in a variety of ways, but the industrial base must be protected, as we are down to a minimum of major shipyards to construct and support our fleet. There is scant competition in new construction with the prime contractors, but competition does exist with the second- and third-tier suppliers. There is sufficient competition in the repair business in Norfolk and San Diego.

The U.S. Coast Guard has two shipbuilding programs under way, with the fifth of eight NSCs under construction at Ingalls Shipyard in Pascagoula, Miss., and the first of the FRCs under construction at Bollinger Shipyards, Lockport, La. The OPC is ready to contract for design and construction when funding allows, after the NSCs are funded.

The Navy must coordinate and cooperate with the Military Sealift Command and MARAD, as they operate all of the Navy's logistic ships upon which the fleet depends. General Dynamics NASSCO, San Diego, is close to finishing the last of a long run of T-AKE supply ships and is looking forward to future work, such as the T-AO program in fiscal 2014 to replace the aging and mostly single-hull Kaiser-class fleet oilers.

We must design, construct and maintain our warships in robust ways so that we can obtain a minimum of 35 years of service life, with 40 years being the goal. This is critical as we must keep up and enlarge the number of warships in the fleet. All warships must be provided an engineered maintenance plan at delivery from new construction. Those ships that do not have such a plan and are in service should be provided one at the earliest time. Ship service allowances must be increased during design to allow for combat systems upgrades, as we are required to meet and outpace the threat. Ships must not be designed to be densely packed, as they require more time and funds to construct, maintain and often operate.

As the Navy tries to become more green (biofuels, exhaust emission controls, ballast water treatments), fuel consumption can be reduced by optimum hull design and the latest hull coatings. Research and development funds must be maintained yearly and focused on our future fleet needs. It is worrisome that some of our premier Warfare Centers and Navy Labs have

All shipyards need long-term predictability and stability in order to properly manage their business, delivery quality and timely work and know when and how to invest in people and facilities.

Sustaining the industrial base requires a multifaceted effort and ranges from the need to construct more ships and submarines, purchase more ship systems, educate more engineers and scientists, improve the industrial facilities and better train the work force.

been performing more ship engineering than research. The industry needs increased investment in maritime research and development that includes dual-use vessels for America's Marine Highway System, with military-useful capabilities that can be called upon for DoD strategic sealift capability.

It should be noted that the combat systems, weapons and sensors on a modern surface warship represent more than 60 percent of the sail-away costs of the ship. Software costs are unusually expensive, and with low throughput, the vendors and suppliers of systems and equipment have costs that could be lowered with increased order quantities and/or multiyear procurements. All shipyard-related commercial activities should strive to lower their indirect costs and the Navy should incentivize contractors to do exactly that, as indirect costs have grown excessively and represent a large fraction of ship construction costs.

The Navy League of the United States supports:

- Significant fiscal 2013 and sustained out-year increases in appropriations to design, construct, maintain, modernize and support the force structure to meet current and predicted operational requirements.
- Ensuring that fleet maintenance funding is increased above current levels to ensure the material readiness of our ships is maintained at a high and ready level and that we can achieve the 35- to 40-year service life of our ships.
- Funding and reopening the I level maintenance facilities in several home-ports for the surface forces that are manned by Sailors.
- Continuing modernization of all Aegis warships to have ballistic and cruise missile defensive systems in addition to their normal capabilities of anti-air and anti-underwater warfare. Ballistic-missile defense and anti-air warfare should be fully capable of simultaneous operations.
- Enough funding and staffing of the Navy's Supervisor of Shipbuilding organizations that they can effectively engage with the shipbuilder and ensure that a delivered ship is ready in all aspects for fleet service and meets its requirements and specifications.
- Funding and starting early studies for the design of a new cruiser or large destroyer to replace the Aegis cruiser fleet, which is past its midlife point.
- The construction of several heavy lift Float on/Float off ships to support the Marine Corps equipment movement ashore.
- Adequate funding to continue the recovery, building and sustaining of a vital organic Navy Shipbuilding Technical Authority, including a robust design and research capability, which has dwindled to a reduced and inadequate size.
- The aggressive execution of the Coast Guard's fleet recapitalization efforts. Continue to build out the NSCs and start design and construction of the OPCs. Continuing support for the construction of the FRCs is essential. All of the Coast Guard's older cutters (all classes) must be replaced as soon as possible.

THE INDUSTRIAL BASE

The Navy League has expressed the deepest concern over the past several years with the slow but steady decline of the industrial base that is required to support the nation's sea services. Reduction in throughput and consolidation has continued unabated and there is no sign of improvement as we face impending deep budget cuts. The current production levels for ship construction and the manufacturing of the systems, equipment and weapons that we install in our ships and submarines resides at a critical level. Any number of recent studies have pointed with alarm at the current state of the industrial base and the danger to our military's capability and capacity to engage in sustained operations and conflict.

Shipbuilding, ship repair and ship modernization create well-paying jobs for thousands of workers and, when added to the equipment and material supply companies, add a large number of jobs to the U.S. work force. There is potential to create many more jobs in our shipyards and in every state if we increase the number of ships under planning and construction that our Navy and Coast Guard badly need to relieve the operations tempo.

Sustaining the industrial base requires a multifaceted effort and ranges from the need to construct more ships and submarines, purchase more ship systems, educate more engineers and scientists, improve the industrial facilities and better train the work force. In addition, the work force is aging and an adequate number of younger skilled workers and engineers have not been produced in sufficient numbers. The



Stratton, the U.S. Coast Guard's third of eight planned National Security Cutters, sits docked at Huntington Ingalls shipyard in Pascagoula, Miss., July 29, 2011, after completing builder's trials, marking a significant step in preparing the cutter for delivery to the Coast Guard.

weakest link in our industrial operations is our work force. Increasing the number of qualified workers and engineers if the nation called for immediate increased production would be the hardest task and would delay production. Our shipyard work forces are not trained to the level that is required and this results in serious quality problems, rework, missed schedules and excessive costs.

The materials needed to construct our ships in the current quantity under contract are generally available, but the raw materials and minerals for many of our metal and electronic products must be imported from around the world. There are no strategic stockpiles of minerals (sold off decades ago to reduce budgets) and we have allowed the stocks of key shipbuilding materials and components stocked by the Defense Logistics Agency and the Navy's stock points to be seriously degraded. We seldom purchase adequate numbers of battle spares with new ships as we once did. Serious battle damage repair to restore a warship to combat operations would be nearly impossible today for lack of materials and equipment. Spares are only available if taken from new construction under contract.

Maritime commerce is vital to our nation, but most of the goods, energy and materials imported and exported are carried in foreign-constructed, -flagged and -crewed ships. The construction of a modest number of non-Jones Act merchant vessels in U.S. commercial shipyards would greatly assist in providing well-paying jobs and would help absorb overhead costs for military construction. At present, this does not



The 112,000-pound main mast of the aircraft carrier USS *Harry S. Truman* was installed Aug. 20, 2011, two days ahead of schedule, at Norfolk Naval Shipyard, Va., during the ship's 13-month docked planned incremental availability.

often occur, as our shipyards cannot meet the schedules and costs offered by overseas shipyards. Several U.S. shipyards constructing naval warships and submarines produce highly capable ships with quality designs and construction. However, the Navy's shipbuilding costs are close to pricing us out of business. Numbers are vital to meet the global demands and we must find a way to produce more at responsible costs. An enlarged and strengthened industrial base will greatly assist in achieving that goal.

No nation can support and sustain a capable and sizeable Navy without a strong and sustaining industrial base manned with adequate numbers of skilled personnel. It is essential that this nation have a policy at the highest levels of government to support and sustain an adequate industrial base capable of providing and supporting a strong Navy, Coast Guard and maritime commerce.

The Navy League of the United States supports:

- The U.S. government developing and instituting an effective industrial base policy that addresses critical issues such as improved facilities and the education and training of a work force for key industrial facilities and manufacturing plants.
- An increased and stable level of predictable funding for the production of ships, submarines, aircraft and combat systems that are the essential elements of our fleet. The cost of these programs continues to rise beyond normal inflation rates, which is inflamed by low production rates and unstable funding. Costs are closely tied to schedules, so reduced production time also will help lower costs.
- Capital investments in our existing infrastructure to allow us to stay abreast of the latest technological advances, attract the best young engineers and skilled workers, and ensure that we have the capability and capacity to surge, repair and construct the nation's fleet in a time of crisis.
- Adopting incentives to cut costs and reduce schedules and reward firms that achieve significant cost and schedule savings, while maintaining quality work. This will create an environment in which high-performing companies can achieve returns on capital comparable to those commercial enterprises of similar risk and capitalization. Contracts should be structured so that earning higher fees for higher performance is achievable.
- Better methods of industry teaming and integration, especially with combat systems development, yet with the Navy fully in charge.
- All parties (government and industry) spending more time and effort to train and educate the work force and endeavor to improve retention and recruiting of high-quality professionals, underpinned by a stable industrial environment.
- Sufficient numbers of engineering personnel with the required skills and experience in the Naval Sea Systems Command to have the capability and

Maritime commerce is vital to our nation, but most of the goods, energy and materials imported and exported are carried in foreign-constructed, -flagged and -crewed ships.



U.S. NAVY

Sailors assigned to Maritime Expeditionary Security Squadron 2, based in Portsmouth, Va., and Coast Guard Deployable Operations Group 307, based in Clearwater, Fla., patrol Kuwait Naval Base's harbor Jan. 7, 2012. Both units are part of Commander, Task Group 56.5, which provides harbor defense and force protection in the U.S. Fifth Fleet area of responsibility.

The number of veterans who are currently underemployed, unemployed or homeless after honorably serving the United States in wartime is estimated to be more than 50,000 men and women.

capacity to fully research and produce preliminary and contract designs for naval ships in-house. The final stages of design would be performed by industry.

- Selected modernization of the Navy's infrastructure (naval shipyards, laboratories and engineering stations), which has fallen seriously behind in developing new technology and in the capability to repair and modernize the fleet.
- Taking care that competition for the sake of competition — the goal of reduced prices and innovation — does not lead to the destruction of a prime source of equipment or services that has taken many years to develop.

IT'S ALL ABOUT PEOPLE!

The national imperative to reset our maritime forces not only requires the replacement of equipment, but also demands the continued effort to attract, train and retain intelligent and capable men and women. Today's environment of budget cuts and reducing the national debt could lead some to believe that cutting military personnel and the support infrastructure are a logical place to cut. However, without the people and the support infrastructure (i.e., housing, commissary and exchange availability, office and classroom modern-

ization) achieving victory against terrorism and keeping the world's sea lanes free for continued trade and commerce may not be possible.

Navy manning should be set at 314,000 to 317,000 active personnel if the service is to fight and win in major combat operations (MCO) and succeed in irregular warfare, humanitarian assistance and disaster response. The delay in seeing the benefits of technology improvements coupled with the continued deployment of Navy personnel to Individual Augmentee assignments preclude reductions in Navy personnel that prevents the Navy from performing its mission.

The Marine Corps' end strength should be maintained at 186,800 Marines, plus a Reserve force of 39,600. This force size is required to support a relevant, efficient and effective force for crisis response and forward engagement with capacity for a single major operation/campaign. This level of manning also supports a dwell-to-deployment ratio of 2:1, which is critical to being able to adequately train Marines to prosecute global contingencies.

The Coast Guard is a critical component of our country's national defense capability. Since 9/11, Coast Guard manning has not been sufficient to support the mission-rich environment into which the service has been thrust. To ensure the Coast Guard has sufficient personnel resources to meet these evolving missions while maintaining its core competencies, the Coast Guard manning should be set and maintained at 45,000, in addition to maintaining a 10,000-person Reserve force.

The number of veterans who are currently under-employed, unemployed or homeless after honorably serving the United States in wartime is estimated to be more than 50,000 men and women. The Navy League considers this to be an issue that all Americans should find a disgrace. In the near term, this untenable situation is only going to be exacerbated by the number of personnel who are going to be involuntarily released from active duty due to our troops coming home from Iraq and the expected budget reductions. The number of veterans on the street with no job could easily exceed 100,000 if no action is taken to provide the training or services necessary to match jobs with

the superb skills these young men and women have learned while serving their country. The Navy League believes it is imperative that transition services be provided for these men and women so they can either find out how the skills gained in the service can be matched to skills needed in civilian industry or receive the training necessary to adapt those skills to the available civilian industry.

The national imperative to reset the maritime forces requires the will of the American people, the president and Congress to commit the necessary resources. We can no longer demand more from an already stressed manpower pool to respond to worldwide disasters while redeploying to war zones and maintaining a high operational tempo. We can no longer reduce the number of personnel to fund force recapitalization and operations and expect to recruit as well as retain the men and women at the tip of the spear.



U.S. MARINE CORPS

Cpl. Tyler J. Southern and Cpl. Todd Love plot a course on the map during the land navigation part of the first Wounded Warrior Detachment corporals' course Jan. 12, 2012, at the Walter Reed National Military Medical Center Bethesda, Md. The detachment's goal is to continue professional development classes to wounded warriors throughout the Marine Corps.

The Navy League of the United States supports:

- Recruiting and retention policies that ensure adequate personnel for the current and future operational tempo to support the war on terrorism and natural/man-made disaster response, while ensuring the readiness to fight and win in an MCO.
- Right-sized investments in infrastructure to ensure the viability of our bases in supporting our warfighters' training before deployment as well as their families while deployed. This type of support not only makes the warfighter better able to deploy with the right mindset but also can contribute to the economic recovery.
- Sufficient funding for the Navy, Marines and Veterans Affairs Department to properly provide for the large number of veterans who are currently without adequate work or those who will be released as a result of the anticipated budget reductions as well as the removal of forces from Iraq.
- Retirement pay and policies that recognize the long service and sacrifices of armed services personnel.

CONCLUSION

In 2020, 40 percent of the U.S. Gross Domestic Product will be dependent on ocean shipping and maritime trade. Maritime superiority is essential to our economy. The Navy League is committed to persuading, through education, the senior leadership in the Executive and Legislative branches of the U.S. government, as well as the media and the American people, of the continuing need for U.S. sea power, both naval and commercial, to protect U.S. interests throughout the world and ensure the nation's economic well-being. The most important "reform" that can be made in the field of national defense is to provide adequate funding for America's sea services, which today are the greatest force for peace in the world.

While specific funding initiatives are mentioned in the body of this document, the most critical requirement that demands our national attention is an adequate number of ships to accomplish the sea services' missions. Since "presence with the capability to engage" is the primary strength of the sea services, and that is achieved through the global movement of our ships to provide diplomacy, humanitarian assistance or combat capability, it is imperative that we fund an aggressive shipbuilding and modernization program. Due to lengthy construction times, it will realistically take several years to return our fleet size to the numbers needed. Sustained maritime superiority is paramount to supporting the American economy.

The Navy League of the United States believes that providing for the common defense is — and must always be — the first and most important responsibility of the federal government. To that end, Navy League believes that a defense budget figure of 4 percent of the Gross Domestic Product is the minimum to ensure that all of our armed forces are ready to fight and win our nation's wars, as well as deter those who would seek to engage us.



U.S. COAST GUARD

Petty Officer 3rd Class Darren Hicks is hoisted into an MH-60 Jayhawk helicopter from Air Station Elizabeth City, N.C., while conducting rescue swimmer training in the James River in the vicinity of the Monitor-Merrimack Bridge Tunnel, Portsmouth, Va., on Dec. 28, 2011. Coast Guard Jayhawk air crews train regularly in swimmer deployments and recovery in waters within their area of responsibility.

NAVY LEAGUE MISSION

The Navy League of the United States is a nonprofit organization dedicated to educating our citizens about the importance of sea power to U.S. national security and supporting the men and women of the U.S. Navy, Marine Corps, Coast Guard and U.S.-flag Merchant Marine and their families.





U.S. NAVY

MARITIME POLICY 2012-13

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