



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON, D.C. 20350

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IN REPLY REFER TO

C04061:05C:jr
Memo 603/S224-80
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MEMORANDUM FOR THE RECORD

Subj: FY-81 Supplemental Budget Request (U)

Encl: (1) CJCS Memorandum for the Secretary of Defense

1. (S) The memorandum at enclosure (1) was forwarded to the Secretary of Defense on 31 October 1980. It provides JCS recommendations for actions to be taken in the near term to enhance readiness and deterrence in Southwest Asia. A brief chronology of events leading up to signing of this memorandum follows:

a. (S) In late August/early September 1980 the OPG, with Joint Staff and Service Action Officer assistance developed a listing of "measures to enhance deterrence/readiness in Southwest Asia". This listing was in two parts, first, "actions that could be taken in the near-term to signal the Soviets" (within existing funding); and, second, "actions that could be started in the near-term but which would require supplemental funding."

b. (S) The "no-cost" actions were incorporated into a paper on strategy for SWA then under consideration by JCS. The list of actions requiring supplemental funding was incorporated by J-5 into a draft DJSM for ASD(PA&E).

c. (S) That draft memorandum was provided to the services for information on 18 September. Navy objected to forwarding the memo as a DJSM because it recommended funding some initiatives through reprogramming and included unstaffed service submissions. On 19 September, the JCS directed that the memo be reworked as a joint action.

d. (S) At about the same time ASD(PA&E) verbally tasked the military departments to provide a similar listing of initiatives. A proposal including \$2 billion worth of initiatives was developed by a joint Navy/Marine Corps working group chaired by RADM Miller (OP-92P). SECNAV submitted this listing to ASD(PA&E) on 2 October 1980.

e. (S) The DON submission was incorporated in its entirety into the JCS FY 1981 Supplemental Budget Request. The Army and Air Force submissions (with some additions) were likewise included. The final version of the JCS request at

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enclosure (1) includes five items requiring Navy funding which were not included in the DON submission:

<u>ITEMS</u>	<u>FY 1981 \$</u> <u>in millions</u>
SL-7 Container Ship Modifications	55.0
Accelerate Laser ZUNI <u>1/</u>	7.6
Additional NTPS	63.0
Deployment Community ADP (MSC Portion)	1.9
Additional USMC EW Enhancements <u>1/</u>	29.7

Note: 1/ This is a USMC program for which Navy has funding responsibility.

f. (S) On 21 October SECDEF met with JCS and discussed the form and content of the JCS request which was under consideration at that time. As a result of that meeting the request was somewhat restructured to more strongly emphasize the supporting rationale for each item and clearly distinguish between those items which did, and those which did not, require additional authorization.

g. (S) On 24 October ASD (COMP) requested DON refinement of initiatives previously submitted to PA&E which are now under consideration for a possible amendment to the DOD FY 1981 budget. Navy responded on 27 October and was informally advised that the proposed amendment would be forwarded by SECDEF on 30 October. We now believe that this submission was held up to permit consideration of the CJCS memo at enclosure (1).

2. (S) During discussion prior to approval of the JCS request, CJCS expressed the hope that, where appropriate, the items being requested had been included in the FY 1982 request. In general, many items included in the DON submission are fully or partially funded in the FY 1982 budget. Those which were not included in that budget submission are the result of more recently generated requirements. The following U.S. Navy proposals were included in the DON package. The general degree to which they were included in the FY 1982 budget is as indicated:

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<u>INITIATIVE</u>	<u>FUNDED IN FY 1982</u>
a. CVBG I.O. OPS	FULL (Enhanced)
b. MLSF Enhancement (LYNESS)	NONE
c. Ordnance and Other Equipment	PARTIAL
d. Iranian Trust Fund Missiles	NONE
e. Fleet Hospitals	FULL
f. Special Equipment for RDF	PARTIAL
g. Naval Logistics Bridgehead Mombasa	NONE
h. Rapid Runway Repair Kits	NONE
i. Communication - Navy	PARTIAL
j. Naval Aviation Improvements	PARTIAL
k. Reactivate USS Sanctuary	NONE
l. Submarine Towed Array Support	NONE
m. ASWOC - Diego Garcia	NONE
n. Navy Ordnance/Munitions Rework	PARTIAL
o. Increased Aircraft Readiness	PARTIAL



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