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HEARINGS

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ON

H.R. 5163

TO AUTHORIZE THE SALE TO CERTAIN FOREIGN NATIONS
OF CERTAIN EXCESS NAVAL VESSELS

BEFORE THE

SEAPOWERS AND STRATEGIC AND CRITICAL
MATERIALS SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

NINETY-SIXTH CONGRESS

FIRST SESSION

SEPTEMBER 5 AND 11, 1979



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SEAPOWER AND STRATEGIC AND CRITICAL MATERIALS SUBCOMMITTEE HEARINGS ON H.R. 563, TO AUTHORIZE THE SALE OF CERTAIN FOREIGN NATIONS OF CERTAIN EXCESS NAVAL VESSELS

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SEAPOWER AND STRATEGIC AND
CRITICAL MATERIALS SUBCOMMITTEE,

Washington, D.C., Wednesday, September 5, 1979.

The subcommittee met at 10 a.m., pursuant to notice, in room 2216, Rayburn House Office Building, Hon. Charles E. Bennett (chairman of the subcommittee) presiding.

Present: Representatives Bennett, Fazio, Wyatt, Spence, Emery, Tribble, and Dougherty.

Mr. BENNETT. The subcommittee will come to order.

This morning we are pleased to have with us Adm. D. M. Altwegg, the Director for Security Assistance, to provide testimony concerning the proposed sale of 14 naval vessels to friendly nations.

The law requires specific legislation be passed prior to any sale of naval vessels under 20 years old or a vessel displacing over 3,000 tons. The vessels under consideration displace over 3,000 tons and thus requires specific legislation approving their sale.

[H.R. 5163 is as follows:]

96TH CONGRESS
1ST SESSION

H. R. 5163

To authorize the sale to certain foreign nations of certain excess naval vessels.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 5, 1979

Mr. BENNETT introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To authorize the sale to certain foreign nations of certain excess naval vessels.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That in accordance with section 7307 of title 10, United
4 States Code, the Congress approves the sale of fourteen ves-
5 sels of the United States Navy as follows:

6 (1) One tank landing ship of the Suffolk County
7 class, one auxiliary repair drydock of the ARD-12
8 class, and one small auxiliary floating drydock of the
9 AFDL-35 class, to the Government of Brazil.

1 (2) One auxiliary repair drydock of the ARD-12
2 class, to the Government of Colombia.

3 (3) One auxiliary repair drydock of the ARD-12
4 class, to the Government of Ecuador.

5 (4) One dock landing ship of the Cabildo class, to
6 the Government of Greece.

7 (5) One destroyer tender of the Shenandoah class,
8 to the Government of Indonesia.

9 (6) One auxiliary repair drydock of the ARD-12
10 class, to the Government of the Republic of Korea.

11 (7) One auxiliary repair drydock of the ARD-12
12 class, to the Government of Mexico.

13 (8) One auxiliary repair drydock of the ARD-12
14 class, to the Government of Peru.

15 (9) One cargo ship of the Kukui class and one
16 small auxiliary floating drydock of the AFDL-35 class,
17 to the Government of the Republic of the Philippines.

18 (10) Two amphibious transports of the Paul
19 Revere class, to the Government of Spain.

20 SEC. 2. (a) Any sale of a vessel under the first section of
21 this Act shall be subject to such terms and conditions as the
22 President may require and shall be for a price not less than
23 the value in United States dollars of the vessel involved.

1 (b) Any expense of the United States in connection with
2 the transfer of a vessel sold under the first section of this Act
3 shall be charged to the Government involved.

4 SEC. 3. The approval of the Congress under the first
5 section of this Act shall expire at the end of the two-year
6 period beginning on the date of the enactment of this Act.

Mr. BENNETT. I understand the State Department has a prepared statement also in support of these sales. This statement may be submitted as a part of the record and you may discuss any portion of it you desire.

After consideration of this proposed legislation, the subcommittee, if it chooses to do so, will markup the proposed bill for introduction.

In addition to the vessels requiring legislation, several *Gearing* class destroyers, now in the reserve fleet, are scheduled for decommissioning and subsequent sale to other foreign nations during fiscal year 1980. Admiral Altwegg will address the current status of these ships.

It is my understanding that during the past year these destroyers have received much attention as to their military contribution to our active force. Admiral Fontaine from the Surface Warfare Division is here to address any question the subcommittee may have concerning the material condition of these destroyers and their participation in the active fleet.

In addition, I have been notified by Congressman Aspin of his concern in transferring three destroyers to the Government of Turkey. I would hope that the current status on this issue might also be addressed.

Admiral Altwegg, we look forward to your testimony.

STATEMENT OF REAR ADM. DAVID M. ALTWEGG, USN, DIRECTOR, SECURITY ASSISTANCE DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS

Admiral ALTWEGG. Thank you, Mr. Chairman.

Good morning, Mr. Chairman and members of the committee.

I am honored to have the opportunity to appear today in connection with the proposed legislation to authorize the sale of 14 ships and craft to allied and friendly countries.

This legislation is being sought pursuant to title 10, United States Code, section 7307, which requires enabling legislation to authorize the transfer to another country of naval vessels which displace in excess of 3,000 tons or are less than 20 years old.

The 94th Congress most recently enacted similar legislation authorizing the sale of 49 ships to 13 foreign countries.

The United States has transferred obsolescent and excess naval vessels to other countries as part of its security assistance program for over 25 years.

Ship transfers have their basis in the foreign policy of the United States under which security and economic assistance are structured to strengthen our mutual defense arrangements and to foster economic growth of friendly countries, many of which are developing nations.

Highly visible benefits accrue to the United States from the transfers of ships which can no longer meet the sophisticated threat which confronts us, and which are no longer economically usable. Ships which would otherwise be scrapped are instead providing a potential extension of our own seapower capabilities and constituting a significant reminder of our support to valued allies.

The common training, operations, and logistics efforts which attend the transfers serve further to coalesce customs, doctrine, and procedures.

Such transactions also permit these countries to achieve a greater degree of self reliance, afford them the opportunity to manage their own resources, and influence them to remain aligned with the United States.

We have greatly aided our allies navies over the past years. Since some of them have become sufficiently strong, ship transfers to them have tapered off. Selective ship transfers, which are tailored to the needs and capabilities of recipient countries, continue the process of strengthening mutual security arrangements, regional stability, and economic ties which have been a central theme of our foreign policy.

All U.S. Navy ship transfers are subject to congressional review pursuant to 10 U.S.C. 7307, commonly referred to as the Byrd amendment. Under the terms of the present statute, ships under 3,000 tons and over 20 years of age may be transferred if there is no congressional objection within 30 days of continuous session of Congress after notification. This 30-day notification system for ships over 20 years old and less than 3,000 tons displacement has worked well.

It has provided efficient processing of noncontroversial transfers, saved excessive deactivation and custodial costs, and allowed effective planning for and implementation of mutually economic "hot ship" transfers.

It has also eased the overall burden on the Congress and saved administrative costs associated with preparing and processing legislation in both the legislative and executive branches. Where there has been congressional objection, sustained at committee level, transfers have been stopped without further congressional action.

For transfer of ships over 3,000 tons or under 20 years of age, enabling legislation is required. All 14 ships being considered today are over 20 years old, but each displaces more than 3,000 tons and therefore requires legislation.

All of the transfers in the proposed legislation are sales. Of the 14 ships and craft proposed for sale, 11 have been on lease for some time to the prospective purchasers, and their sale is part of our Government's policy to discontinue loans and leases wherever possible.

The sale prices are based on the market appraisal value as obtained from the Defense Property Disposal Ship Sales Office in Newport, R.I. These, in turn, are based on recent experience in sales of the same or similar type ships.

The transfer of the amphibious transports to Spain deserves special note. These ships are being transferred to satisfy commitments of the United States undertaken in two bilateral agreements: an Agreement of Friendship and Cooperation entered into in 1970, and a Treaty of Friendship and Cooperation ratified by the Senate in 1976.

Agreement was recently reached between the U.S. Navy and the Spanish Navy that the transfer of these two transports would fulfill the remaining ship transfer obligations of both the agreement and the treaty. The U.S. Navy now desires to effect an

orderly transfer of the ships as they are phased out of U.S. Navy service.

Mr. Chairman, the time has come to sell the ships and craft on lease, and the orderly transfer of the amphibious transports to Spain makes enactment of this legislation a matter of some urgency. Prompt authorization of these transfers will enable the U.S. Navy to avoid unnecessary costs and undesirable personnel actions which would be caused by a delay.

Mr. Chairman, I am prepared to answer questions the committee may have with respect to this proposed legislation.

Mr. BENNETT. One question. You said categorically that no ship here is under 20 years of age and my understanding is one of the ships was 18 years of age.

Mr. KRISER. The *Francis P. Marion*, according to this document the Navy submitted to us on the type of ship and the service date—the service date is given at July 1961, which would make it 18 years old.

Admiral ALTWEGG. There is a ready explanation for that apparent anomaly. This ship was constructed and delivered to the Navy and the general decision was made to convert it to its present configuration which resulted in a 1961 commissioning when in fact its delivery was prior to 20 years ago.

Mr. BENNETT. Next question. The treaty of 1976, as I read it, mentions oilers and things like that.

Admiral ALTWEGG. The one commitment remaining under the 1970 agreement is an oiler. The Navy offered an oiler for transfer but because of its material condition and obsolescence, the Spanish Navy declined that offer.

In respect to the 1976 Treaty of Friendship and Cooperation we offered four minesweepers and one minesweeper tender. For the same reasons, the Spanish declined to accept the oiler, they in turn declined this offer of the four minesweepers and the minesweeper tender.

Mr. BENNETT. Then we have complied with the treaty without disposing of ships.

Admiral ALTWEGG. We have with respect to offering what was stipulated in the treaty.

Mr. BENNETT. That is what we are talking about. So we don't have an obligation.

Admiral ALTWEGG. It has been the view of the executive branch that we indeed do have a commitment to offer ships that are identical to those stipulated in the treaty or something of equivalent worth because as you know, Mr. Chairman, any ships that we offer for transfer under any conditions are on an as is basis or no longer needed for the public use within our Navy and, therefore, tend to be either in poor material condition or obsolete.

Mr. BENNETT. That is the reason I am interested in these two rather new ships which we are now about to dispose of to Spain. They are not really that old. We have ships a lot older than that.

Admiral ALTWEGG. We consider those ships are fit for further service but are excess to our current amphibious lift requirements.

Mr. BENNETT. We have a request in the bill—it's going on the floor of the House this week—a provision to get another amphibious ship, if I am not mistaken, for the Marine Corps.

Admiral ALTWEGG. That is correct. However, the problem we face with the LPA's is that they do not have an adequate helicopter capability and they are just not equal to the requirements for a modern amphibious force.

Mr. BENNETT. We want to develop the hearing fully. I am distressed at the fact that we don't have adequate ships in the U.S. Navy. It looks to me if we don't have adequate numbers, it seems strange that we would be disposing of ships that could be used even though they are not perfect, and procuring in our tight schedule of funding new ships to do this sort of thing.

It also distressed me that the State Department would enter into an agreement with a foreign nation to deliver ships which apparently were not such that the country would want to accept them and then would assume for the U.S. Government a responsibility, therefore, to provide other ships which are newer and more useful to us.

This is hard for me to understand. What did we get out of that treaty with Spain? They threw us out of Rota, didn't they?

Admiral ALTWEGG. Part of the agreement under the treaty of 1976 was that we would depart by July 1 of this year.

Mr. BENNETT. From Rota.

Admiral ALTWEGG. That is correct. Not totally from Rota.

Mr. BENNETT. That wasn't at our request, was it? That wasn't something they gave us. They wanted us out, didn't they?

Admiral ALTWEGG. But we agreed to terminate the presence of the FBM's as of that date.

Mr. BENNETT. What did they give us under that treaty?

Admiral ALTWEGG. We have several base rights in Spain.

Mr. BENNETT. Continuing base rights?

Admiral ALTWEGG. Continuing base rights.

Mr. BENNETT. I am trying to get a perspective as to why we are doing something that on the surface doesn't look that good but you are telling me to protect other contingent base rights you made this agreement and they weren't willing to take the ships that we had contracted to give them because they were not in adequate condition. Therefore, the State Department has arrived at other ships in the Navy that you can part with.

Admiral ALTWEGG. This has been handled on a Navy-to-Navy basis regarding the ship transfer and the treaty.

Mr. DOUGHERTY. You are talking, Admiral, about 14 ships. Can you give us a rundown of the 14 ships you are talking about?

Admiral ALTWEGG. Yes, sir. We are going to transfer, if the legislation passes, one landing ship dock to Greece which they currently have on lease, and the two transports which we have been discussing, to Spain.

We have drydocks to be transferred to the Philippines, Peru, Mexico, Ecuador, Colombia, and Brazil. They are currently under lease.

We are proposing the transfer of a drydock to Korea which is currently in our inactive fleet. We are proposing transfer of a destroyer tender to Indonesia, which is currently under lease to that country.

In addition, we have one landing tank ship under lease to Brazil that we are proposing for transfer.

I think that covers all of the proposed transfers.

Mr. DOUGHERTY. You made the comment that these ships are all excess to current amphibious lift requirements. Are you familiar with the report recently done by the American Enterprise Institute?

Admiral ALTWEGG. No, sir; I am not.

Mr. DOUGHERTY. I suggest you get a copy of it, Admiral.

On page 17 of this report, Mr. Chairman, which I will provide the committee with, on amphibious shipping, the AEF makes the following statement:

As a result, the current capability of the Marines to lift the assault echelon of 1½ Marine Amphibious Forces will decline to 1. Moreover, unless a deliberate replacement program for amphibious ships is undertaken now, our amphibious capability will soon wither away completely. By the turn of the century, the Navy will have only six amphibious ships in its inventory.

This is a 5-year study done on the Defense program.

To the best of your knowledge, is that a true statement by the end of this century we will only have six amphibious ships in the U.S. Navy?

Admiral ALTWEGG. I would have to provide that for the record. [The following information was received for the record:]

The American Enterprise Assessment of the impact of dropping the LSD 41 from the five-year program implies an immediate impact on the Navy's capability to lift the assault echelon of a Marine Amphibious Force (MAF). In fact, assuming that no new amphibious ships are built, the Navy will have the capability to lift a MAF assault echelon until the early 1990's.

[Note: Answers submitted for the record in response to further questions posed during this hearing are contained in RADM Altwegg's prepared statement submitted to the subcommittee for the further hearing on September 11, 1979.]

Admiral ALTWEGG. I could comment to this extent: The requirement for amphibious lift today is 1.15 MAF as opposed to the 1.33 indicated in the article.

Mr. DOUGHERTY. If I may, if I can recall testimony we have had before this committee from CMC, I believe the goal was 1½ but maybe we can check that out.

Mr. HALE. It was 1½. However, in fiscal year 1980 it was reduced to 1.15.

Mr. DOUGHERTY. Was it reduced because we don't have the ships?

Mr. HALE. It was reduced by the Secretary of Defense for reasons—

Mr. DOUGHERTY. Will you try to define for the record—it's nice to say we are down from 1½ to whatever, but it would seem to me that MAB is dictated by the fact we don't have the ships to lift the 1½. You are talking about selling two amphibious ships at a time when I think there are strong indications the United States does not have the amphibious lift capability to meet its current requirements.

What was the last use of the *Francis Marion*?

Admiral ALTWEGG. She is currently in the Naval Reserve as is the *Paul Revere*.

Mr. DOUGHERTY. When was her last tour of active duty?

Admiral ALTWEGG. I will provide that for the record. (See p. 31.)

Mr. DOUGHERTY. Was she ever used as a command ship?

Admiral ALTWEGG. She does have command and control capabilities that would reside in a command ship, not to the extent that you might find in an LCC but she does have flag spaces.

Mr. DOUGHERTY. I recall that the *Francis Marion* has been one of our command communications ships for the amphibious fleet when we were running landing exercises. I would like to know if she is being transferred strictly as an LPA or as a command and communications ship; and where do we stand with other command and communications ships for the amphibious fleet?

Admiral ALTWEGG. She does have communications capability beyond those in the *Paul Revere* but she does not compare to an amphibious command ship such as the *Blue Ridge* or the *Mount Whitney*.

Mr. DOUGHERTY. Do we have enough command and communications ships to provide for the amphibious fleet?

Admiral ALTWEGG. I will provide that for the record, sir. (See p. 31.)

Mr. DOUGHERTY. I appreciate the Admiral's providing for the record but I am not prepared to vote on this legislation until we find some specific answers. I find it highly difficult to be in favor of transferring a ship to the Spanish Navy that has command and communications ability if we are in effect short of those ships.

I also have some reservations when we don't have enough amphibious ships of our own based on this study.

I would like you to give me an evaluation of this study.

Admiral ALTWEGG. Yes, sir.

[The information is classified and is retained in subcommittee files.]

Mr. BENNETT. Your presentation without this material for the record doesn't really allow us to make good judgments on this legislation.

Another thing that crosses my mind, if you in fact need the ships, maybe the State Department should just see if the Spanish Government would take cash instead of ships.

Admiral ALTWEGG. The U.S. Navy position is they do not need the ships, they are excess to our requirements.

Mr. BENNETT. That may be the position but they have to have some reason behind it. We are the people that make the law and the fact that the Navy has that as an administration position doesn't mean that the Navy doesn't need them. We have had many instances where the Navy's position was one thing and the naval interests of our country are another because you were ordered to do so by the administration.

Admiral ALTWEGG. May I give some additional information, Mr. Chairman?

Mr. BENNETT. Yes, sir.

Admiral ALTWEGG. Let me point out these hulls are 26 years old.

Mr. BENNETT. Only 20 and 18 a minute ago.

Admiral ALTWEGG. They were built and then converted to their current configuration.

Mr. BENNETT. So both of the hulls are 26 and one was converted 20 years ago and one 18 years ago.

Admiral ALTWEGG. That is correct.

Their most significant contribution to amphibious lift requirements is troop lift. The troop lift capability of the LPA's has been adequately replaced by introduction of the new LHA's.

The LPA's are also qualitatively inadequate to meet future amphibious force requirements in that they lack a wet well capacity to accommodate the future air cushion landing craft. Furthermore, they contribute no helicopter lift capability in that they only have a single helo spot with no hangar or repair facilities.

The Navy is requesting new amphibious ships to replace the aging, obsolescent LSD-28 class.

Mr. BENNETT. You say the Navy is requesting it. They didn't request it this year, did they?

Mr. DOUGHERTY. It has been dropped out of the 5-year plan. It is not going to be requested next year either.

Mr. BENNETT. In other words, you have not really requested it. Somewhere in the department you would like to have it but you haven't asked Congress.

Admiral ALTWEGG. But we have requested in our budget submission to the Office of the Secretary of Defense for fiscal year 1981 the construction of the LSD-41 class.

Mr. BENNETT. How many?

Admiral FONTAINE. Two.

Mr. BENNETT. Have you had any indication it is going to be approved?

Admiral FONTAINE. Too early to tell, Mr. Chairman.

Mr. DOUGHERTY. Isn't it true that you originally were requesting five LSD-41's to replace the eight LSD-28's?

Admiral ALTWEGG. I don't want to indicate they are to replace the *Paul Revere* and the *Francis Marion*.

Mr. DOUGHERTY. You are making a request for something with a wet well capability and a helicopter capability and you are obviously talking about the LSD's and those with the helicopters on top and the boat deck underneath but, they were originally supposed to be in this year's budget and they were not. They were originally supposed to be in next year's budget and they are not, and to the best of my knowledge, the Defense Department has dropped from the 5-year plan the five LSD-41's.

I don't know how you can be talking about new amphibious ships which will take over the role of these two ships you are talking about today when, in effect, the Defense Department has told us they are not going to build the LSD-41.

Admiral ALTWEGG. That is to replace the LSD-28.

Mr. DOUGHERTY. I realize that. What other amphibious ships are you planning on asking Congress to authorize?

Admiral ALTWEGG. Beyond the LSD-41 I am not aware of any.

Mr. DOUGHERTY. I don't want to keep begging the point. You have made the comment that the Navy is planning on new amphibious ships to offset this loss in lift. I am suggesting to you that the only amphibious ships that we are aware of is the proposed construction of the LSD-41.

Admiral ALTWEGG. That is correct.

Mr. DOUGHERTY. I am telling you the latest information I have is the Defense Department has dropped the LSD-41 totally out of the

5-year shipbuilding plan which means in effect you don't have replacement amphibious lift for these two ships.

I would like to ask you how did the LPA's match up against the other amphibious ships of similar shape? Do we still have AKA's in the amphibious force?

Admiral ALTWEGG. We have LKA's, one of which is being retired in fiscal year 1980.

Mr. DOUGHERTY. What is the speed of an LPA?

Admiral ALTWEGG. They are 20-knot ships.

Mr. DOUGHERTY. Can the *Francis Marion* do 20 knots?

Admiral ALTWEGG. I am sure she can.

Mr. DOUGHERTY. What is the speed of the LSD-28's?

Admiral ALTWEGG. I will provide that for the record. (See p. 31.)

Mr. DOUGHERTY. Is the *Francis Marion* too slow to stay up with an amphibious convoy?

Admiral ALTWEGG. I would think she has adequate speed capability.

Mr. DOUGHERTY. You are talking about air cushion landing craft. Isn't it true that the only ships that will be capable of carrying the air cushion landing craft will be the LSD-41?

Admiral ALTWEGG. That is correct.

[The following information was received for the record:]

Further research indicates that this answer is incorrect. While the LSD-41 is specifically designed to support the Air Cushioned Landing Craft (LCAC), the LCAC is being designed to be compatible with existing wet well ships. Accordingly, the current LHA, LPD, and LSD's will be able to operate the craft. We have the capacity to lift approximately 55 LCAC in existing shipping.

Mr. DOUGHERTY. Therefore, if we don't build those we can forget about the air cushion landing craft and, therefore, we don't need the excuse to dump the *Francis Marion* because she can't handle an air cushion landing craft.

What would it cost to overhaul these amphibious transports? Have any studies been done by the Navy on overhauling these—let's take these two ships—to modernize them so they can still be an effective part of an amphibious fleet.

Admiral ALTWEGG. I am not aware of any modernization studies.

Mr. DOUGHERTY. I suggest, Mr. Chairman, we have a lot of information we must have before we can properly act on this request.

You said an LSD would be among the 14 ships. Is that not on lease at the present time?

Admiral ALTWEGG. Yes, it is. To Greece.

Mr. DOUGHERTY. What class is that now?

Admiral ALTWEGG. *Cabildo* class; LSD-16 class.

Mr. DOUGHERTY. You talk about these destroyers for Egypt—am I permitted to get into that now? *Gearing*-class destroyers. The information I have is some of them are going to Egypt.

Admiral ALTWEGG. That is correct. Two.

Mr. DOUGHERTY. In what condition are they? The Egyptians are not too enthused about the idea of getting two *Gearing*-class destroyers.

Admiral ALTWEGG. This is a correct observation.

Mr. DOUGHERTY. Are we telling the Egyptians what they are going to get rather than allowing them to ask for what they think they need?

Admiral ALTWEGG. The Egyptians inspected the two ships at issue.

Mr. DOUGHERTY. And reluctantly agreed to accept them as a part of the package that came about through the Israeli-Egyptian peace accords.

Admiral ALTWEGG. That is correct.

Mr. DOUGHERTY. What I am suggesting to you is, are we telling Egypt what Egypt is going to get from the U.S. Navy or are we allowing them the opportunity to say what they would like to have?

Admiral ALTWEGG. The latter. We are telling them that the *Gearings* are available, we invited them to inspect two, which they did, and they have accepted the contract and it is planned they be turned over on October 6.

Mr. DOUGHERTY. For the record, my impression is that the Egyptian Navy is extremely reluctant about getting two destroyers they consider to be very much overaged and really not a part of what they consider their naval needs.

Thank you, Mr. Chairman.

Mr. BENNETT. Since you got into the *Gearing* we ought to address the point Mr. Aspin raised. He has done some criticizing of transferring the *Gearing* ships to Turkey. I think probably his objections don't relate to the Navy's strength, but I am interested in the Navy's strength.

Are these *Gearing* ships, ships that are viable ships for the U.S. Navy?

STATEMENT OF REAR ADM. RICHARD K. FONTAINE, USN, DIRECTOR, SURFACE WARFARE DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS

Admiral FONTAINE. May I answer that, Mr. Chairman?

Before I get into that, I am here as a backup witness and I didn't prepare a statement for the record per se.

What I would like to do is give a small synopsis of where the situation stands, with your permission.

Mr. BENNETT. All right.

Admiral FONTAINE. I am not going to read the whole thing.

The primary reason for having Naval Reserve Force ships is to have readily available, mission capable ships, that are in excess of our current peacetime requirements, so that given a crisis of sufficient magnitude, Naval Reserve Force ships would be available to augment our peacetime force levels.

Since the FRAM I DD's have been assessed as not mission capable for the threat of the eighties, their continued operation is no longer cost effective in accomplishing our Navy's total mission.

These planned decommissioning actions are entirely consistent with actions taken in fiscal years 1976, 1977, and 1978 with respect to FRAM destroyers in the active fleet.

During that period, 16 such ships were decommissioned and either transferred to foreign countries or scrapped.

The Navy proposed to decommission 20 NRF FRAM I ships in fiscal year 1980 as part of an accelerated phase-out of ships which the Navy considers to be no longer mission capable against the threat the U.S. Navy faces now and will meet in the future.

In addition to the advanced ages of the ships which average over 35 years, the ships are in a material condition that reflects this age. Material and spare parts support is poor for many of the items.

Mr. BENNETT. Will the ships that go to Turkey be 30 years of age?

Admiral FONTAINE. Yes, sir.

The cost to modernize the ships to make them threat-capable and to significantly extend their service lives would be prohibitive; at an estimated cost of \$190 to \$200 million per ship, modernization is not a realistic alternative.

Additionally, to perform a modernization and service life extension would first involve 2-3 years for necessary feasibility studies and planning, followed by an additional 1½ to 2 years for the actual accomplishment of the modernization.

So at the end of it we would end up with ships that may or may not be mission capable and they would be about 40 years of age.

WRITTEN STATEMENT OF REAR ADM. RICHARD K. FONTAINE, USN

Mr. Chairman and member of this committee, I am Rear Admiral Richard K. Fontaine, USN, Director, Surface Warfare Division, Office of the Chief of Naval Operations. I would like to discuss the situation pertaining to the 20 Naval Reserve Force (NRF) FRAM destroyers which we had planned to decommission in fiscal year 1980 as set forth in the fiscal year 1980 President's Budget.

These planned decommissioning actions are entirely consistent with actions taken in fiscal years 1976, 1977 and 1978, with respect to FRAM destroyers in the Active Fleet. During that period 16 such ships were decommissioned and either transferred to foreign countries or scrapped.

We have already decommissioned 4 of the 20 NRF FRAM destroyers, USS *Higbee* (DD-806), USS *Meredith* (DD-890), USS *Craig* (DD-885), and USS *Hollister* (DD-788). An additional four destroyers (USS *Cecil* (DD-835), USS *Hamner* (DD-718), USS *Hawkins* (DD-873), and USS *Fox* (DD-829)) are currently in standdown status and irreversible preparations for decommissioning on 1 October 1979 are already well underway. These 8 ships were the ones in the worst material condition, and which would have been the most costly to overhaul and retain. Additionally, the USS *Ellison* (DD-864) and USS *Damato* (DD-871) are departing for Egypt this month, to carry out the U.S. government commitment to transfer these ships to the government of Egypt. Therefore, 10 of the 20 ships planned for decommissioning will be decommissioned prior to completion of congressional action on the fiscal year 1980 budget. Of the ten remaining FRAM destroyers, we are proceeding with plans to commence overhauls for 3 (USS *McKean* (DD-784), USS *Cone* (DD-866) and USS *Lowe* (DD-763)) in September of this year, in accordance with the desires of the defense subcommittee of the House Committee on appropriations. Of the other 7 ships (USS *Southerland* (DD-743), USS *Rogers* (DD-876), USS *McCard* (DD-822), USS *Fiske* (DD-842), USS *Johnston* (DD-821), and USS *Dyess* (DD-880)) are now scheduled for decommissioning, in mid-January 1980 and USS *Carpenter* (DD-825) in mid-February 1980. Decommissioning dates were delayed from October 1979 in the cases of 6 of the 7 ships, due to uncertainty as to the outcome of congressional action on the fiscal year 1980 budget. This action, unfortunately has created a difficult situation for many of the ships crewmembers, many of whom had made personal plans in anticipation of transfers incident to the previously announced October decommissioning dates. We are managing that situation to the best of our ability.

The Navy proposed to decommission these 20 ships in fiscal year 1980 as part of an accelerated phaseout of ships which the Navy considers to be no longer mission capable against the threats the U.S. Navy faces now and will meet in the future. In addition to the advanced ages of the ships, which average 35 years of age, the ships are in a material condition that reflects this age. Spare parts support is poor for

many items of installed equipment. The cost to modernize the ships to make them threat-capable and to significantly extend their service lives would be prohibitive; at an estimated cost of \$190-200 million per ship, modernization is not a realistic alternative. Additionally, to perform a modernization and service life extension would first involve 2-3 years for necessary feasibility studies and planning, followed by an additional 1½ to 2 years for the actual accomplishment of the modernization. By the time of completion of modernization, the ships would be nearly 40 years of age. The addition of new combat systems and components would undoubtedly impact on the already substandard habitability due to space limitations. To perform such a modernization we would have to give component procurement precedence to the FRAM's to the detriment of planned upgrading of our newer ships.

We have recently analyzed and updated cost estimates for a fairly routine type of overhaul, without any significant modernization or upgrading of combat systems. Costs to overhaul the 10 of the 20 ships which are now scheduled for decommissioning in January and February 1980 range from \$18.5 to \$20.0 million per ship. Such an overhaul would merely enable us to continue to operate them for another 2 to 3 years. Annual operating costs previously provided to the House Armed Services Committee are as follows for each ship:

	<i>Millions</i>
OMNR: Operating costs.....	\$3.3
MPN: 12 officer; 176 enlisted.....	2.1
RPN: 6 officer; 112 enlisted.....	0.2

The cost impact to retain these ships is therefore significant.

The increased overhaul costs are a reflection of the fact that the material condition of the ships is generally poor. As a class the ships have severe hull and structural deterioration, deteriorated wiring and cabling, large numbers of engineering problems, and magazine sprinkler systems which do not meet current requirements. Sonars, electronic communications, and weapons systems are old and difficult to maintain in the necessary state of readiness. Habitability is substandard with inadequate headroom, vertical clearance between bunks, ventilation, and lounge areas. Ships design characteristics prevent significant improvements in habitability. Pollution control (CHT) is not installed. While some of the material problems could be corrected in a routine type of overhaul, many could not. Such an overhaul would not solve the basic problem; that the ships have extremely limited effectiveness against the threats we must face.

The destroyers cannot operate LAMPS helicopters, the most effective delivery tactic for our ASW torpedoes. Communications are old, marginally reliable, and incompatible with systems entering the fleet. Guns are manpower intensive, have relatively short firing rates and ranges, and gunfire control systems can track only one target at a time. Guided projectile capability cannot be installed with the present gunfire control system. There is no viable ship's self-defense capability against anti-ship attacks from air, surface, or subsurface missile attacks, nor for torpedo attacks. Electronic warfare suites do not provide favorable detection or countermeasures opportunity.

The primary reason for having naval reserve force ships is to have readily available, mission capable ships, that are in excess of our current peacetime requirements, so that given a crisis of sufficient magnitude, NRF ships would be available to augment our peacetime force levels. Since the FRAM I DD's have been assessed as not mission capable for the threat of the 80's, their continued operation is no longer cost effective in accomplishing our Navy's total mission.

I realize that there is some concern over the fact that the Navy appears to be decommissioning the FRAM I NFR destroyers with no apparent intention to replace them in kind. I would like to emphasize and note that although the NFR destroyer force has contributed greatly to the Navy's total mission over their splendid history, the FRAM I NRF ships are only one element of the surface warfare Selected Reserve program. In fact, the Selected Reservists serving in the NRF FRAM I DD's only comprise about 10% of the 20,000 surface warfare Selected Reservists serving in the surface warfare reserve program. The vast majority of the SW selected reservists, some 18,000 are assigned to important, but lower visibility surface programs, e.g., NRF MSO's NRF LKA, NRF ATF's and the extremely important role of augmenting our active fleet ships and staffs in time of national emergency.

However, I would not want to leave you with the idea that we are abandoning the NRF concept.

During fiscal year 1980, 6 ships will be introduced into the naval reserve force. This includes the first introduction of 3 of the modern *Charleston* class LKA's and 2 ammunition ships (AE's). A navy salvage ship (ARS) will also be introduced for the first time. Additionally, we are continually reviewing the feasibility of transferring

other ship types that can be appropriately manned and maintained in the naval reserve force.

Naval reservists who augment our active force ships and staffs continue to play an increasingly meaningful role in the surface naval reserve. These 16,000 reservists, are the backbone of our surface warfare naval reserve, and well represent the naval reserve's primary strength, its people.

The entire surface warfare selected reserve community, in excess of 20,000 drilling reservists, are playing an ever increasing and important role in Navy's "total force".

A breakdown of the surface warfare selected reserve is as follows:

FISCAL YEAR 1979 SURFACE WARFARE (SW) SELECTED RESERVE (SELRES) MANNING PROFILE FOR PROGRAMS SPONSORED BY THE DEPUTY CHIEF OF NAVAL OPERATIONS, SURFACE WARFARE (OP-03) ¹

	SW Selected reserve allowance	Percent of total SW SELRES allowance authorized	ONBD as of June 1979	Percent of allowance ONBD
Surface combatant program:				
NRF ²	3,047	13	2,149	71
Augmentation ³	9,507	40	9,283	98
Mine forces program:				
NRF	1,110	5	836	75
Augmentation ³	472	2	438	93
Amphibious forces program:				
NRF	444	2	342	77
Augmentation ³	3,727	16	2,772	74
Mobile logistics support forces program:				
NRF	203	1	162	80
Augmentation ³	2,334	10	2,471	100
Special warfare program:				
NRF	721	3	508	70
Augmentation ³	1,960	8	1,278	65
Total surface warfare selected reserve program:				
NRF	5,525	23	3,997	72
Augmentation ³	18,007	77	16,242	90
Total	23,525		20,239	

¹ As of June 1979.

² 25 NRF FRAM Destroyers, 1 DD 946—class, and 5 COMDESRON (NRF) staffs.

³ Augmentation to reinforce active Fleet ships and staffs.

The shortfalls in surface warfare selected reserve manning shown in other important units will be reduced as a result of the destroyer decommissionings. The Chief of Naval Reserve has developed a plan to ensure that reservists who are assigned to the destroyers are afforded continued participation opportunity in other units.

Thank you for the opportunity to appear before this subcommittee.

Mr. BENNETT. We may have heard enough about the *Gearing* ships. They are not very valuable ships for our Navy. The ships you are giving to Spain are fairly valuable ships. That really worries me. It worries me because if we have this treaty obligation, maybe we should just repair those ships they don't like and maybe spend money instead; otherwise, the Navy may wind up not having an adequate lift capability.

What do you think?

Admiral ALTWEGG. With the introduction of the LHA's and the current lift requirement of 1.15, we will have adequate amphibious lift capability.

Mr. DOUGHERTY. I again emphasize for the information of the committee, my reservation. I think the question should be what are

the needs and do we have the ships to meet the needs. I think what you are saying is for what we have defined as our needs we have the ships, but I am very suspicious that has been dictated by the amount of ships and not by the need.

I still think this one and a third MAB lift capability is what we should be looking at. We don't have the ships to lift one and a third, and I think to say we now have the capability to lift 1.1, 5 years from now we will have the capability to lift half of a MAB because the ships are going to continue to go down.

The LPH is the replacement.

Admiral ALTWEGG. LHA.

Mr. DOUGHERTY. How many do we have?

Admiral ALTWEGG. We have under construction five.

Mr. DOUGHERTY. How many do we actually have in the fleet now?

Admiral ALTWEGG. We have in the fleet today four of them.

Mr. DOUGHERTY. What kind of service are you getting out of them?

Admiral ALTWEGG. They are extremely capable, reliable and modern ships.

Mr. DOUGHERTY. What was the ship that was used before the LHA?

Admiral ALTWEGG. We have never really had the equivalent before.

Mr. DOUGHERTY. You had a helicopter attack ship.

Admiral ALTWEGG. The LPH's.

Mr. DOUGHERTY. Are they everything they were supposed to be?

Admiral ALTWEGG. To my knowledge, they certainly are.

Mr. DOUGHERTY. Does the Navy have any studies on the troubles involved, if any, on utilization of the LPH's?

Admiral ALTWEGG. I will have to provide that for the record. (See p. 32.)

Mr. BENNETT. Does any other member want to inquire? I do want to ask the State Department about the idea of this obligation of turning over the ships.

Mr. Fazio.

Mr. FAZIO. Mr. Chairman, there were some points made in the statement of the admiral regarding the need for prompt authorization of transfers because of unnecessary cost and undesirable personnel actions.

Would you elaborate on what you mean by what is involved?

Admiral ALTWEGG. Yes, sir. It is the Navy's intent in any event to deactivate those ships in fiscal year 1980. There are crews currently assigned to the ship, albeit we are moving them into a caretaker service, meaning we will have just enough personnel aboard to insure the safety of the ship. Once we deactivate the ships we will go into an inactive fleet. Our intent was not to mothball them as we did following World War II. Without that mothballing their material condition will decline at an accelerated rate, so our interest in getting this legislation was while we still have an 1980 crew there, albeit a caretaker crew, we could then effect transfer in an orderly fashion prior to our having to totally deactivate the ship.

Mr. FAZIO. So on the basis of your statement these ships are going to deteriorate under any purposes. They will not be of much value to this Navy and possibly of some value to the Spanish Navy; and much greater cost would be required to bring them up to a standard under which we would continue to accept them.

Admiral ALTWEGG. That is correct. So that is the urgency of obtaining legislation.

Mr. BENNETT. I gather from what you just said these ships are not going to be in an active status anyway.

Admiral ALTWEGG. That is correct. They would at best go into the Ready Reserve.

Mr. BENNETT. Maybe we can turn to the next witness. I would like to hear from the State Department on this.

STATEMENT OF JAMES P. FARBER, DIRECTOR, OFFICE OF SECURITY ASSISTANCE AND SALES, DEPARTMENT OF STATE

Mr. FARBER. Mr. Chairman, members of the subcommittee, good morning.

If I could just say a word with respect to the proposed legislation, we have submitted for the record our statement fully supporting the legislation as it stands. We view it as consistent with ongoing U.S. policy and urge early congressional action on it.

I am supported this morning by officers from the geographic bureaus of the Department with respect to proposed destinations of some of these ships.

I believe you were interested in the United States-Spanish treaty.

Mr. BENNETT. I am interested in the fact that you are turning over ships that could be used in a pinch to do things that we need to have done and the treaty doesn't say anything about these ships. It says something about oilers and things like that.

Why wouldn't it be wise to repair the oilers we have and bring them up to standards and not be destroying the defense of our country? The trouble with the method you are pursuing here is it minimizes our own defense. Why don't we just pay them a certain amount of money? You made a treaty to turn over oilers and you are now turning over something else.

Why don't you deal with them by repairing the oilers that they don't like because they are in such bad shape or just give them money? Why was the alternative to diminish the strength of the Navy of the United States? Why not take it out in dollars or in repairing the ships you said you were going to give them?

Mr. FARBER. I understand your position. May I ask Mr. Keith Smith to respond to your inquiry?

Mr. BENNETT. I don't care who answers.

Mr. SMITH. I can't address the issue of why the money is taken out of the Navy or these ships are being taken away from the Navy.

All I can address is the political aspect of our relationship with Spain.

I would say that some of these obligations go back 9 years. During this 9-year period the Spanish have been providing us with the bases. We have had access to four military bases in Spain: Torejon, right outside Madrid; Rota in the south, which is not just for Marines which just withdrew, but the majority of Rota has

been used for logistics for the Mediterranean Fleet. That is the major aspect.

Another base that we have in Spain is Zaragoza. Outside of Zaragoza there is a bombing range, Bardenas-Reales, which is used by all the U.S. fighter bomber aircraft from central Europe.

We also have a standby base at Maron, which is outside Seville.

So we have quite a few facilities that we use as a consequence of these two treaties—the one treaty and one agreement of 1970.

The question of which ships we give, quite honestly, I think in the State Department has not been a major consideration. What we have been trying to come up with is some sort of combination of ships that the Navy can make available and which are acceptable to the Spanish since the ones we have offered before have been very, very old ships and in poor condition.

The Spanish did not draw the line in the treaty saying the ships should be of such and such an age. I think the next time we have an agreement with Spain they may look at that a little more carefully. What we want to do is come up with something which is acceptable to the Spanish in the fact it has been 9 years since we have been using the bases. Whether it is the LPA's or something else has not been a major consideration. We take the Navy's word the LPA's are excess to what they need. The Spanish have agreed on it.

Our interest, quite honestly, is to reach a quick agreement with the Spanish because next year we will be renegotiating an agreement and we would like to have this well out of the way before we sit down with them. That is really our major consideration at this time.

Mr. BENNETT. Mr. Hale.

Mr. HALE. The LPA's will replace what in the Spanish Navy?

Admiral ALTWEGG. Two ships of a similar type.

Mr. HALE. Are these already in the Spanish Navy?

Admiral ALTWEGG. That is correct. They intend to retire two ships.

Mr. HALE. Are the Spanish interested in joining NATO to become one of our allies?

Mr. SMITH. The Spanish are interested in joining NATO. The Government and the governing party has stated flatly they do want to join NATO. They have a problem because there is a large minority in Spain which oppose NATO membership, the Socialist Party and the Communist Party, and there are some other parties on the extreme right which oppose NATO membership.

So the Government has had to take a go slow attitude since they need the opposition support for a lot of domestic problems right now.

Spain is still going through a transition period to democracy. They have a tremendous amount of internal security problems with terrorism from the Basques and left-wing groups.

Mr. HALE. Isn't it true that something will be occurring within the next year as to their entry into NATO?

Mr. SMITH. I would be very leery of putting a timetable on this. Part of this is really the relative strength of the parties in the country. The present government will likely be in power for 4

years but during this transition period they very much need the support of the opposition parties.

Mr. HALE. So it really comes down to are two LPA's worth four base rights agreements in Spain?

Mr. SMITH. And what effect it will have on our next negotiations which will probably get underway some time late next year.

Mr. BENNETT. I guess you are saying even though in hindsight a person like myself who very much wants to see the U.S. Navy stronger and hopes that you would dicker for money or repair those old oilers, even though that might be a logical thing in hindsight, at the present time you might imperil much more important national defense aspects of our Nation despite the fact it looks like the Navy is losing out on some of those ships?

Mr. SMITH. I would kind of agree with that. I certainly have an interest in a strong Navy but I can't address their needs.

Mr. BENNETT. I don't know whether anything slipped through the slats here, whether the State Department or the Navy didn't think about these other alternatives. We don't know if it did slip through the slats whether it is something that would be endangering our own national defense by creating an awkward situation.

On that basis I am sort of inclined to let the ships go but I did want to express my opinion that I hate to see the Navy losing ships it could use when maybe we could have done it by repairing the old oilers they contracted for or give them cash. That disturbs me.

Admiral ALTWEGG. Mr. Chairman, one difficulty that does arise when we suggest perhaps we should take an oiler and transfer it, all of these transfers under any condition, whether they be a treaty commitment or a desire to satisfy a request from a foreign country require that all costs—all costs—are borne by the recipient country.

Mr. BENNETT. That is because of the statute.

Admiral ALTWEGG. Yes.

Mr. BENNETT. That could be changed by another statute.

Admiral ALTWEGG. Understood.

Mr. BENNETT. What I am saying to you is that it looks like on the basis of the record so far maybe the Navy is losing a little strength—it is true it is in reserve—as a result of a treaty which you have to get along with because it might make things worse for us defensewise.

Admiral ALTWEGG. The treaty and agreement notwithstanding the U.S. Navy made the decision to retire the *Francis Marion* and *Paul Revere* before they were ever offered to the Spanish. They are excess to our needs.

Mr. BENNETT. I am glad you said that.

Does anybody else have a question?

Mr. EMERY. What use would the Spanish have for these ships? They obviously have a mission in mind. Can you give us an idea what they expect to do and how that might be useful to the U.S. interests?

Admiral ALTWEGG. Amphibious lift capability will be the primary utilization of these two ships. Of course, Spain has offshore islands both in the Mediterranean and in the Atlantic. In addition, they participate on a recurring basis—as a matter of fact, it's

coming up on the 3d of November—in joint amphibious exercises with our 6th Fleet.

Mr. EMERY. How will the acquisition of these ships by the Spanish materially assist our situation in Europe?

Admiral ALTWEGG. In the absence of their being a member of NATO, not to a very great degree.

Mr. EMERY. This is exactly the point I wanted to make with Spain not being a member of NATO. If we had a military situation in Europe, would we be able to call upon the Spanish in any capacity to assist us in such a way that it would be useful to our own interests?

Admiral ALTWEGG. Only if the threat posed fell under the terms of the Treaty of Friendship and Cooperation of 1976.

Mr. EMERY. Is it the intention of the Navy to ask that those ships be loaned on any conditional basis such that in time of emergency or need to a NATO ally or directly to ourselves those ships would be transferred to the United States or borrowed by the European allies?

Admiral ALTWEGG. No, sir. Title will pass with the sale of the ships.

Mr. EMERY. So, otherwise, unless the Spanish Government agrees to cooperate with the United States or with our NATO allies, the chances are those ships will be removed completely from our use.

Admiral ALTWEGG. That is correct.

Mr. FAZIO. Following up, I think it is a question for us to know the terms of the treaty we are currently operating under.

Mr. SMITH. In answering this question, I think the one thing we have to keep in mind is we have four bases in Spain. If there were a general attack against NATO in Europe, those four bases are going to be targeted by the Warsaw Pact forces. If a crunch came they would have to defend their coastline and islands from whatever Warsaw Pact naval facilities are in the Mediterranean, so in that respect they would be on our side.

I think in a general war situation it is not a matter of Spain staying apart from NATO and staying out of the fracas. I think in a more realistic situation they would be involved and these ships would play a role in the general defense of Western Europe.

Mr. EMERY. My concern is whether that was generally understood. Do we have any greater knowledge other than what we expect to be a logical chain of events? Have the Spanish in so many words said in that situation they would become military allies and join in the defense of their homeland as well as the prosecution of the war wherever it develops?

Mr. SMITH. You couldn't ask them to make the statement because it would appear they are trying to get into NATO by the back door and they have not stated in the event of general war they would stand with the West. Although what you find is democracy has really developed in Spain. The present Government has made continuing remarks, all of its public statements are that Spain is a Western country, its defense is intricately linked to Western Europe.

They have been saying this over and over again in spite of the great opposition of the leftist parties in Spain who say their interests lie with the Third World. The Government and I think the

military have continually made statements to firmly put in the record that the Spanish Government stands with the West.

In case of a crunch that is where they would stand. I don't think we can ask for a more explicit statement than that.

Mr. BENNETT. Mr. Fazio.

Mr. FAZIO. I think we in effect would be walking right into a trap that the opposition in Spain would be very likely to set if we were for political reasons—not making a judgment on the needs of our Navy—not to provide our share to the Spanish Government after the use of these four bases.

We would in fact be saying that our willingness to aid the Government of Spain was limited and we were looking in effect for a one-way relationship. I think the leftist parties that do have to be considered by this emerging democratic government in Spain, would love to seize on that to broaden the base of their opposition to entrance into NATO.

It seems to me we ought to be thinking about how we induce their membership, their additional participation, and this would probably be one of the better ways we could do it.

Mr. SMITH. Politically in Spain I think you find one of the burning questions is what did Spain get out of its agreement with the United States? They are all looking at this before next year's negotiations.

There are a lot of people in Spain, not just the left, who think Spain is not getting from it that much. I think it is important we keep the political in mind.

Mr. FAZIO. I think we need to give our State Department every incentive to provide to the more democratically based government there to strengthen it.

Mr. BENNETT. Congress has not been famous for being democratic. That is why it gradually has tilted toward the President to control international affairs.

As a practical matter we could really cause terrible results to our country if we got too deeply into international affairs. That applies not only to the Spanish thing but to the Turkey thing.

Article 8 of the treaty doesn't provide for oilers.

The Government of the United States will offer for sale to the Government of Spain at a favorable price naval vessels in the following quantities and types: four MSO oceangoing minesweepers and one ARL minesweeper tender.

Those were in fact the ships. I am just correcting the record.

Admiral ALTWEGG. Mr. Chairman, there is one residual commitment from 1970 and that is an oiler. That is correct.

Mr. BENNETT. We do have a quorum. We don't have the ability to act on the bill because the bill hasn't been introduced. I will introduce the bill at 12 o'clock today and we will have a meeting as soon as we can.

There is another thing not related to this at all but relative to what we ought to be doing about small, efficient submarines which I would like to have the Navy address. We may combine these two things. In the near future we will have a hearing. We can't vote on it today. It is regrettable because we have a quorum here.

Mr. Dougherty.

Mr. DOUGHERTY. I have a working paper which the staff provided us with on January 22, 1979.

The recommendation as made, apparently by your office, to continue to plan for the sale of two LST's and one LPA to the Spanish Navy.

What changed your mind to the point where you are now talking about two LPA's?

Admiral ALTWEGG. We have two LST's which are in fact less than 20 years old. They were inactivated because of material difficulties. The Spanish came and inspected those ships and declined the offer of the 2 LST's.

Mr. DOUGHERTY. You obviously would have another document to that effect. I would appreciate it if the committee had that for its files.

[The following information was received for the record:]

[Translation of Correspondence]

MAY 10, 1979.

Adm. THOMAS B. HAYWARD,
Chief of Naval Operations,
The Pentagon, Washington, D.C.

DEAR ADMIRAL HAYWARD: I wish first of all to thank you for your efforts to fulfill the commitments made on the transfer of U.S. Navy ships to the Spanish Navy in accordance with the Agreements of 1970 and the Treaties of 1976. As you know the offer made by the U.S. Navy to transfer a *Paul Revere* Class LPA and two *Suffolk County* Class LSTs to us was accepted in principle by the Spanish Navy, subject to the results of the inspection of the ships by our experts.

The report made by the Spanish Commission that examined the ships indicates that the two LSTs are in poor operating condition, due perhaps in part to the decommissioning process and to the consequent dismantling of equipment, so that we cannot accept them.

The LPA *Francis Marion*, on the other hand, is a very acceptable offer. Unfortunately her recent collision with another ship has inflicted considerable damage on her. Therefore, she would be accepted if the U.S. Navy were to transfer her after the damage was repaired and the ship returned to the condition she was in at the time the offer was made.

Since we cannot accept the two *Suffolk County* Class LSTs, and considering that it would apparently be difficult for the U.S. Navy to offer us LSTs of another class, the best solution, in our opinion, would be to receive the LST *Paul Revere* in their place. In this way, we would acquire two LPAs, thereby considerably improving our amphibious capability.

Should you agree to this proposal, I feel it is important to point out to you the necessity for the spare parts that the U.S. Navy now has for those ships to be transferred to our Navy, for once the ships are transferred to the Spanish Navy the U.S. Navy will no longer have ships with the same characteristics.

Likewise, it would be desirable for both ships to be transferred as soon as possible and separately, and for the transfer to be made by the one crew to the other, with a familiarization period.

Thank you very sincerely for having Rear Admiral Altwegg come to Madrid to meet with the Commission to clarify and provide solutions to the existing problems. The talks held yesterday had truly positive results for both Navies.

I hope you will accept our proposals contained in this letter, which would signify the definitive solution to this problem which is so important for the fine relations between our two Navies.

Sincerely,

LUIS AREVALO PELLUZ,
Chief of Staff of the Spanish Navy,
Madrid, Spain.

FEBRUARY 27, 1979

Adm. THOMAS B. HAYWARD,
Chief of Naval Operations,
The Pentagon, Washington, D.C.

DEAR ADMIRAL HAYWARD: I received your letter of 1 February, and note with satisfaction that the steps you have taken for completion of the pending ship transfers to the Spanish Navy are beginning to have positive results.

In principle, I can accept your offer of two *Suffolk County* Class tank landing ships (LST) and one *Paul Revere* Class amphibious transport (LPA).

Thank you for your indication that we may inspect the offered units. Accordingly, I have instructed my Staff to schedule the visits to the ships by a commission of our Navy, which could start its work sometime during the present month of February, if that is convenient to you. Subsequently, when we have had the report prepared by the aforementioned commission, we should be able to take the decision most appropriate to cover the needs of our Navy in terms of its Amphibious Force.

It is my understanding, and I shall so inform my Government, that providing no irregularity develops in the proceedings, and when the ship transfers have taken place, the corresponding terms of the Agreement of Friendship and Cooperation of 1970 and the Treaty of Friendship and Cooperation of 1976 will have been implemented.

I share your desire to arrive at a definitive solution, and for that reason shall inform you as soon as possible of my final decision, in order that the ship transfers from your Navy to the Spanish Navy may be presented for approval to the U.S. Congress, thereby taking a noteworthy step forward that will strengthen our good relations of friendship and cooperation.

I want to thank you again for your skillful and effective measures that will permit us to attain jointly our common objectives. At the same time, I wish to say that I am confident that it is from our mutual personal collaboration that the best results can be obtained for the good of our two countries.

Sincerely,

LUIS AREVALO PELLUZ,
Chief of Staff of the Spanish Navy,
Madrid, Spain.

Mr. DOUGHERTY. Do we have the amphibious ship capability to get to Europe with the ships and materials? And if we do, how long will it take to get the amphibious ships together to do the job? (See p. 32.)

Admiral ALTWEGG. I will have to provide that for the record. [The information is classified and is retained in subcommittee files.]

Mr. DOUGHERTY. General Rogers testified informally that to get the ships in readiness to meet the contingency plans, we would have to draw down on the naval ships of our allies and our merchant marine.

In other words, to get the material to Europe to meet the current contingency plans, we will have to draw upon civilian merchant ships. I seriously question if that is the opinion of Rogers.

How we can talk about transferring amphibious ships to any foreign country—and I recognize the treaty arrangements—I seriously question how we can give away amphibious assets (1) when we do not have enough ships now without going into our civilian merchant marine; (2) when the Defense Department has canceled the development of follow-on ships; (3) when we know the LST will block obsolescence.

I think we are spinning our wheels and talking bureaucratic language if we talk about a commitment to Europe and contingency plans, but we do not have the amphibious ships to deliver to Europe.

We have two ships here, both of which are amphibious ships; both of which can keep up with the other ships we have; and

obviously which are, at 20 years of age, pretty old. It would be great if we could build new amphibious ships, but this subcommittee has to look at the very real point that we are giving away amphibious ships, and I would refer to the report by AEI which says by the year 2000 there will be six amphibious ships left in the U.S. Navy.

Mr. BENNETT. I understand what you are saying, Mr. Dougherty. I must say that what you say strikes a very responsive note with me, but I have already been down a number of these channels in my life and you have been, too, I guess.

I remember Rhodesia and Turkey, and I have been on both sides of most of those questions; and I do not think I have added very much to the national security of our country. By having our hearings document these things, I do not believe that Congress, with the time that has to elapse, the speeches that have to be made, is very well equipped to handle delicate international affairs.

Spain is just a hair away from a revolution and communism. They had a horrible situation a decade or so ago. They do not have to be in the majority; I am sure the Communists are in a very small minority, and for us to be quarreling about two amphibious ships, for something which has to be done over a period of months, it seems to me to be such a dangerous thing to our national defense. That although I regret very much the potential capacity for lift is involved, my own opinion is the dangers are so great you might get somebody very mad.

I remember the gas situation in Mexico. The United States loves Mexico and I hope they love us; and now we end up in a contest which is hurting everybody.

It is difficult for even the executive branch to handle delicately international affairs. For us to get involved in it over a long period of time and everybody speaking the way they want to speak, it strikes me, the anguish and pain and danger to our national defense is so great, though I regret seeing us lose this strength, still I do not see any way for our international security to be involved. My only suggestion is, we go ahead and pass the legislation out, and next time put up a fight where we do not minimize our needed strength.

At the moment, I am asking Mr. Hale to find out whether we can act legally on a bill that has not been introduced. The quorum is so beautifully here we can act on it today.

While we are waiting, there is something I would like to discuss in executive session; that is the nature of submarines and whether we should do something about it. I am sure we will have a quorum on this.

Anybody else can say anything they want to, because we are asking questions.

Mr. Emery.

Mr. EMERY. I do not mean to be the broken gear, but I do not believe we should be voting on a piece of legislation not before us.

Mr. BENNETT. You do have a bill before you, but it has not been introduced.

Mr. HALE. Mr. Ford said the full committee will vote on a bill that has a number on it; the subcommittee does not have to vote on

a bill that does not have a number yet. He said if the subcommittee wanted to do this, they could.

Mr. BENNETT. I will leave it up to you. It does not have to be done today or tomorrow. It is just that we do not always have such fine attendance. I do not want to press anybody. If you would rather have another meeting, we could have another meeting next Tuesday or Monday.

Mr. EMERY. I prefer to wait.

Mr. BENNETT. How many others can be here Monday, at 10 o'clock?

Mr. DOUGHERTY. I will not be able to be here next Monday.

Mr. HALE. Tuesday at 10 o'clock?

Mr. DOUGHERTY. Yes.

Mr. BENNETT. How many can be here Tuesday at 10 o'clock?

Mr. HALE. We have a full committee meeting.

Mr. BENNETT. We can make it at 9 o'clock on Tuesday?

All right, we will do it at 9 o'clock Tuesday for the purpose of voting on this bill.

Mr. DOUGHERTY. I am just wondering if we could not get rid of it now. I know Mr. Emery has reservations.

Mr. BENNETT. You want to make it 9 o'clock then?

Mr. DOUGHERTY. Time, I am not worried about.

Mr. EMERY. I just do not think it is a good idea procedurally.

Mr. BENNETT. All right. We will do it at 9 o'clock Tuesday.

Do you want the witnesses to come back?

Mr. HALE. There are some unanswered questions.

Mr. BENNETT. Try to answer those for the record.

Mr. FAZIO. It seems we need more information in answer to the questions of Mr. Dougherty. You bring up a subject that will probably be addressed in a hearing unto itself. It is obvious the Navy has declared these ships in excess. If we are going to have any kind of hearing, it seems that is where we should focus our attention. It seems to me we are talking about the capability of our Navy, and that has not been addressed to my satisfaction; and I do not think any of us would feel particularly comfortable voting either way until we have the additional response from the Navy in effect responding to the AEI article.

Mr. BENNETT. Admiral, do you understand that? He wants you to respond to the argument that a mistake was made to excess these.

Mr. FAZIO. Yes; you have to go to the heart of this.

Mr. BENNETT. You do have so many things you were going to submit for the record. Try to pin that down.

I might say if this thing goes to the floor, talking about things that are awkward on the floor is not very good, either. So, I am asking the State Department man to get a letter from Secretary Vance or somebody in high authority which will speak of something appropriate like that. Where if we do go to the floor and have a fight on it, people will realize there is a danger of causing ill will just by debating something like this on the floor.

I do not know if the State Department can get something like this; I have not read the State Department bill, but I doubt if they have discussed this aspect of it.

It will be at 9 o'clock next Tuesday, and since we will have a full committee meeting at 10 o'clock, we will not do the subcommittee

thing. But somewhere, I would hope we have a discussion as to where we will be going with the attack submarine. I am concerned about some of the things we have had in our previous hearings from the standpoint of R. & D.

Mr. Wyatt.

Mr. WYATT. Mr. Chairman, one other question has to do with the sale to Mexico of the ARD class 12.

Did they request the sale?

Admiral ALTWEGG. They already were leasing it, since 1971. This is transferring a lease over to a sale.

Mr. BENNETT. Any other questions or discussion? You realize we will have to act promptly. Of course, you have not slowed up anything. It is us who have slowed things up. Your testimony has to be brief next Tuesday at 9 o'clock, and we will meet here in this room rather than going downstairs, but we will vote on this bill at that time.

Thank you all very much.

[Whereupon, at 11:15 a.m., the subcommittee was adjourned, to reconvene Tuesday, September 11, 1979, at 9 o'clock a.m.]

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HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SEAPOWERS AND STRATEGIC AND
CRITICAL MATERIALS SUBCOMMITTEE,
Washington, D.C., Tuesday, September 11, 1979.

The subcommittee met pursuant to notice, at 9:15 a.m., in room 2216, Rayburn House Office Building, Hon. Charles E. Bennett (chairman of the subcommittee) presiding.

Mr. BENNETT. The subcommittee will come to order.

I have a letter which I haven't read which is on my desk from the Department of State signed by George S. Vest.

I am writing to you concerning the proposed transfer of two U.S. Navy LPA's which are presently being retired from our Naval Reserve Force.

We have been working for two years with the Spanish to achieve an agreement which would fulfill ship transfer commitments arising from the 1970 Agreement of Friendship and Cooperation and the 1976 Treaty of Friendship and Cooperation with Spain. The Spanish Government has repeatedly expressed to us the seriousness with which it regards the need to reach agreement on ship transfers. The successful resolution of the ship transfer issue is an integral element of our implementation of the 1976 Treaty and our support for a democratic Spain. Failure to deliver these ships could undermine our efforts to renew our important mutual security and base arrangements with Spain in 1981.

Our military relationship with Spain is critical to the defense interest of the United States. We have been working hard to strengthen our political and military ties in support of Spain's new democratic government, and in order to improve our general defense posture vis-a-vis the Warsaw Pact. A strong Spanish military force, including a more capable Navy, can contribute substantially to the defense of the West and the United States. Spain's new democratic government has stated repeatedly that Spanish political and defense interests are with Western Europe.

I believe that Congressional approval of our request on the LPA's is necessary in order for the United States to maintain its valuable relationship with the Spanish and for us to demonstrate our good will in meeting important treaty obligations. Failure to resolve this long-standing issue could cause the Spanish to question the value of maintaining their defense relationship with the United States.

Mr. Chairman, I know that you share our desire to resolve this issue in an equitable manner consistent with our security commitments and defense needs. I and my staff stand ready to assist you in whatever way you believe will bring this treaty issue to an expeditious and successful conclusion.

Mr. BENNETT. The purpose of our meeting today is to finalize action on this bill.

You may proceed.

**STATEMENT OF REAR ADM. DAVID M. ALTWEGG, U.S.
NAVY, DIRECTOR, SECURITY ASSISTANCE DIVISION,
OFFICE OF THE CHIEF OF NAVAL OPERATIONS**

Admiral ALTWEGG. I have a brief statement which I will submit for the record and then summarize.

Good morning, Mr. Chairman and members of the committee.

Thank you for the opportunity to further discuss the transfer of the two amphibious transports to the Spanish Navy. During the previous hearing last week on the ship transfer bill under consideration, you had several questions with respect to these ships and with respect to our amphibious forces. These questions are ad-

dressed in my prepared statement, which has been submitted for the record. Since you may have further questions in this area of concern, I have with me the Director of the Mobile Logistics Support Force, Amphibious, Mine, and Advanced Naval Vehicle Ship Division, Office of the CNO, Rear Adm. Harry Schrader, Jr.

The decision to retire the two LPA's was taken in the course of the development of the fiscal year 1980 budget. The draft defense consolidated guidance for fiscal years 1980 through 1984 specifies an amphibious lift requirement for 1.15 Marine Amphibious Force—MAF. At this MAF lift level the two LPA's are excess to the Navy's amphibious force requirements, and consequently they were not funded in the fiscal year 1980 budget. In the development of that budget it was, of course, necessary to achieve a balanced program to match commitments with capabilities, near-term readiness with long-term modernization, support with force levels, and people with hardware. In the face of a fiscally constrained budget and among competing warfare areas, no program sponsor is completely satisfied with the resources allocated in the budget, and the amphibious forces are no exception. It comes to a matter of priorities.

Mr. Chairman, in the previous hearing you questioned a method of setting the treaty obligations which impacts on our defense capabilities. I would like to emphasize that in this case, as in all other ship transfers, the ships were not identified for possible transfer until after the authoritative decision to retire them had been taken. There are many factors which enter into such a decision—age, condition, and obsolescence of the ships; nature of the threat; fiscal constraints; manpower constraints; changing mission requirements, and others—but it is evident that these ship retirement decisions have become increasingly controversial as the fleet has decreased in size. That is all the more reason to believe that the decisions are not lightly taken, but are the result of rigorous study and often difficult choices. Only after the process leading to the retirement decision, in which many participate, is a ship considered for transfer to a foreign country. The fact that many foreign countries would like to acquire ships of the U.S. Fleet is not and should not be a factor in any decision to retire a ship. Given our present force levels, this principle has never been more deliberately observed.

Thank you, Mr. Chairman, for the time the committee has devoted to this matter. I again ask that you act favorably on this bill so that we will be able to effect the sale of those ships and craft on lease and satisfy finally the remaining ship transfer agreements with Spain.

WRITTEN STATEMENT OF REAR ADM. D. M. ALTWEGG

Good morning Mr. Chairman and members of the committee.

Thank you for the opportunity to further discuss the transfers of the two amphibious transports to the Spanish Navy. During the previous hearing last week on the ship transfer bill under consideration you had several questions with respect to these ships and with respect to our amphibious forces. I will address these questions in this statement, and, since you may have further questions in this area of concern, I have with me the Director of the Mobile Logistics Support Force, Amphibious, Mine and Advanced Naval Vehicle Ship Division, Office of the CNO, Rear Admiral Harry Schrader, Jr.

The two ships proposed for transfer to Spain, USS *Paul Revere* (LPA-248) and USS *Francis Marion* (LPA-249), were acquired by the Navy in 1953 during their

construction as merchant ships. They subsequently were converted in the late 1950's to their present configuration as amphibious transports. Both served in the active forces until 1975 when they were transferred to the Naval Reserve Force, where they have been manned by a nucleus crew of active duty personnel who are augmented for operations by selected Naval Reserve personnel. Since 1975 they have been employed in exercises and have been available for contingency use, but because they were not fully crewed they were not deployed as our other amphibious ships are.

The decision to retire the two LPA's was taken in the course of the development of the fiscal year 1980 budget. The Draft Defense Consolidated Guidance for fiscal years 1980 through 1984 specifies an amphibious lift requirement for 1.15 Marine Amphibious Force (MAF). At this MAF lift level the two LPA's are excess to the Navy's amphibious force requirements, and consequently they were not funded in the fiscal year 1980 budget. In the development of that budget it was, of course, necessary to achieve a balanced program to match commitments with capabilities, near-term readiness with long-term modernization, support with force levels, and people with hardware. In the face of a fiscally constrained budget and among competing warfare areas no program sponsor is completely satisfied with the resources allocated in the budget, and the amphibious forces are no exception. It comes to a matter of priorities.

The decision to retire the LPA's was further based on the following considerations:

Because they are relatively old and have limited capability, these ships would be of marginal utility as a hedge to buy back a level of lift in excess of 1.15 MAF if authorized in the future. One LPA provides approximately 4 percent of the MAF troop lift, 2 percent of the boat requirement, and 1 percent of the cube and square cargo/vehicle capacity requirement.

The LPA's have no wet well and consequently are not suited to the employment of the new generation of landing craft designed to provide a greater stand-off distance from shore for the Amphibious Task Force.

The LPA's are not capable of operating helicopters. They have only one helicopter spot, have no facilities for repair, and have no hangar.

During the previous hearing the Committee posed a number of questions which I promised to answer for the record. I will read the questions and answers:

1. *Is it a true statement that by the end of this century we will have only six amphibious ships in the U.S. Navy?*

The American Enterprise Assessment of the impact of dropping the LSD-41 from the five-year program implies an immediate impact on the Navy's capability to lift the assault echelon of a Marine Amphibious Force (MAF). In fact, assuming that no new amphibious ships are built, the Navy will have the capability to lift a MAF assault echelon until the early 1990's.

2. *When was the last tour of active duty of USS Francis Marion?*

Francis Marion was transferred from the active forces to the reserve forces in October 1975.

3. *Was the MAF lift requirement reduced because we don't have the ships?*

No. The Navy's MAF lift was reduced from 1.33 to 1.15 to conform with DOD guidance as contained in the OSD Draft Consolidated Guidance for fiscal years 1980-84.

4. *Do we have enough command communications ships to provide for the amphibious fleet?*

Yes; 2 LCC's and 5 LHA's are configured to provide complete command and control capabilities to support both the commander of an amphibious task force and the Commander Landing Force while he is embarked. In addition, the Navy has 6 LPH's and 8 LPD's which are flag configured. These ships are capable of supporting embarked Navy and Marine staffs for assault operations.

5. *Provide an evaluation of the portion of the American Enterprise Institute study on the fiscal years 1980-84 defense program which pertains to the amphibious force.*

The answer to this question involves the disclosure of classified information and will be provided separately for the Committee's use.

6. *What is the speed of the LSD-28 class ships?*

In excess of 20 knots.

7. *What would it cost to overhaul these amphibious transports?*

Routine overhaul for the LPA 348 class is estimated to cost \$10.6M.

8. *Have any studies been done by the Navy on overhauling the two LPAs to modernize them so they can still be an effective part of an amphibious fleet?*

No specific studies have been conducted, however, the Fleet Modernization Program documents a total of \$7.7M of uncompleted ship alterations for the LPA-248 class which would have been accomplished over the fiscal year 1980-84 period had these ships remained in the U.S. Navy. Overhaul costs are estimated at \$10.6M per ship and three such overhauls would be required over the fiscal year 1980-84 period. Additionally, boat replacement costs over this period are estimated at \$7.2M. The modernization question focuses on the issue of tactical utility; i.e., whether a ship has the growth potential to be modernized to overcome its tactical inadequacies. With respect to the amphibious force, future tactical utility centers around wet wells (LHA, LPD, LSD) and/or amphibious aviation ships (LHA, LPH). Tactical utilization of the LPAs is based on pre-WW II technology in which amphibious ships carried large numbers of boats in which the embarked troops were transported to the assault beach after climbing down cargo nets into the landing craft. The LPAs are 26-year old merchant hulls which are fundamentally different from wet well and aviation ship hulls. Modernization of the LPA hulls would involve such massive reconfiguration that it has not been considered cost-effective. Thus there is little, if any, growth potential in the LPA hull. Even if such a modernization program were undertaken immediately, the basic LPA hull would be approximately 30 years old by the time it re-entered the fleet.

9. *Does the Navy have any studies on the troubles involved, if any, in utilization of the LPHs?*

There has been no trouble in utilization of the LPHs and therefore no studies on this subject. The LPH was designed to transport and land troops and their essential helicopter-transportable equipment and supplies by means of embarked transport helicopters of the landing force in an amphibious assault. The LPH has been extremely effective in performing this primary mission.

Six LPHs are flag configured and have the capability of supporting embarked Navy and Marine staffs in assault operations. The seventh LPH has austere flag facilities and could be used as a command ship.

10. *Provide for the committee files copies of the document showing that the Spanish Navy inspected LSTs and declined the offer of two of them*

I have provided the Committee a translation of two letters from the Chief of Staff of the Spanish Navy to the Chief of Naval Operations. These letters are dated February 15, 1979 and May 3, 1979. (Letters are attached to statement.)

11. *Do we have the amphibious ship capability to get to Europe with the ships and materials? If we do, how long will it take to get the amphibious ships together to do the job?*

The answer to this question involves the disclosure of classified information and will be provided separately for the Committee's use.

Mr. Chairman, in the previous hearing you questioned a method of settling the treaty obligations which minimizes the impact on our defense capabilities. I would like to emphasize that in this case, as in all other ship transfers, the ships were not identified for possible transfer until after the authoritative decision to retire them had been taken. There are many factors which enter into such a decision—age, condition, and obsolescence of the ships; nature of the threat; fiscal constraints; manpower constraints; changing mission requirements; and others—but it is evident that those ship retirement decisions have become increasingly controversial as the fleet has decreased in size. That is all the more reason to believe that the decisions are not lightly taken, but are the result of rigorous study and often difficult choices. Only after the process leading to the retirement decision, in which many participate, is a ship considered for transfer to a foreign country. The fact that many foreign countries would like to acquire ships of the U.S. fleet is not and should not be a factor in any decision to retire a ship. Given our present force levels, this principle has never been more deliberately observed.

Thank you, Mr. Chairman, for the time the Committee has devoted to this matter. I again ask that you act favorably on this bill so that we will be able to effect the sale of those ships and craft on lease and satisfy finally the remaining ship transfer agreements with Spain.

Mr. BENNETT. Any questions?

Mr. SPENCE. No questions.

Mr. BENNETT. Mr. Fazio.

Mr. FAZIO. No, Mr. Chairman. I was satisfied with the presentation of the questions that were answered by the Navy.

I wondered if Mr. Dougherty had had an opportunity to communicate with you prior to the meeting?

Admiral ALTWEGG. No, sir, I have not been in communication with him. But we would certainly be more than willing to answer any questions that he might have in this regard.

Mr. FAZIO. I am satisfied. Thank you, Mr. Chairman.

Mr. BENNETT. Mr. Emery.

Mr. EMERY. I have no questions. I am also satisfied.

Mr. BENNETT. Mr. Brinkley.

Mr. BRINKLEY. I have no questions.

Mr. BENNETT. We need a quorum.

Mr. HALE. We are gathering one right now.

Mr. BENNETT. I am glad that it has been clarified that the decision to surplus these ships was not based upon the fact that we had a commitment to Spain, it was arrived at separately and at a prior time, as I understand it.

Admiral ALTWEGG. Absolutely, as in the case of all ship transfers.

Mr. SPENCE. Mr. Chairman.

Mr. BENNETT. Yes, Mr. Spence.

Mr. SPENCE. I would like the record to reflect that even though I am going along with this, I am still very much concerned about the lack of amphibious ships in our Navy and the kind and number of them. I think that we should make every effort to add additional amphibious-type ships to our Navy.

Mr. BENNETT. I have had communications from the Navy and from the Marine Corps stating that they favored the transfer of these ships, to reassure me that that was in fact their desire. But following the hearing we had the other day we raised the question as to whether they wished to do it.

I would like to join with Mr. Spence in saying that in a matter of this type we are certainly very anxious, and very careful, since we are short of what some of us on the committee at least would like to see with regard to amphibious lift. It is my hope that in the future perhaps we might have a fuller input along this line to see if there is something else that could be obtained. It would have been good if we could have some informal conversations to see if it could have been met. It is sort of a *fait accompli* when it comes here and it has already been announced that you are giving the ships up, and it creates an international awkwardness that could possibly be very damaging even though there was no intent to make it damaging.

There may be informal conversations between the Navy and the chairman and with the minority member, or even the whole committee might give us other suggestions.

While we are waiting for a quorum to arrive I would like to say that there are two major things to come before the committee, actually maybe three, in the very near future. One of them is to address the need to build up the 5-year concept which has been addressed by members of the subcommittee. And we will have hearings to see what we can do to accomplish that.

Another one is to address the very controversial question as to whether or not small attack submarines can be made feasible. That is very controversial.

A third, which concerns me almost as much as the other two is—it is hard to evaluate them, it is like apples and oranges—is connected with the question of whether we can long let be the question of speed and depth of our submarines vis-a-vis the Russian submarines. A R. & D. study on that should be a matter of major concern, I would say, to the Navy.

All three of those things will be addressed soon on hearings.

I didn't want to start the hearings before we got rid of the bill, at least in its original presentation, because to do so might precipitate things on the floor like we had in the past. But since you are going to get better submarines in the future, 10 years from now, we don't need the submarines in this bill, which would be a cataclysmic thing but some credence should be given to it.

A quorum is now present. Mr. Dougherty, do you have any questions you would like to ask the admiral?

He has said in his testimony that the Navy arrived at the decision to get rid of these ships separate and apart, in fact before they came to the question of whether or not there were things that might go to Spain. He says that is a policy which they always follow. But they certainly followed it in this case, too, which is reassurance in these days that they did not surplus these ships just to give them to Spain. I understand that part of the problem is the cost of keeping these ships up. Some of them are in very bad condition, or fairly old.

Admiral ALTWEGG. That is correct.

Mr. BENNETT. Even if they are brand new they wouldn't meet our present standards. But the cost of bringing them up to combat standards for use would be very considerable.

Admiral ALTWEGG. Again, with a balanced program, the resources are not available to effect that modernization.

Mr. BENNETT. Well, that last part is something which of course this subcommittee fights to try to improve upon, because that is a question of what the Office of Management and Budget wants this country to have in the way of defense, and it is obviously short of what we need.

There was a good editorial in the U.S. News & World Report, the last edition, on that subject, and I call it to the attention of the subcommittee.

Are there any questions?

Mr. Dougherty.

Mr. DOUGHERTY. I have a couple of questions that follow last week.

Do you agree with AEI report statement that we will have six amphibious ships by the year 2000?

Admiral ALTWEGG. I would like to introduce Admiral Schrader, whose responsibility in the Office of the CNO is amphibious forces. He will answer your questions in this regard.

Admiral SCHRADER. Technically, in essence it is correct, we will at the end of this century in the year 2000 have 26 ships. However, in the first decade of 2000 we will drop to 6.

Mr. DOUGHERTY. So as of 2001 we will have six amphibious ships?

Admiral SCHRADER. We will have 13.

Mr. DOUGHERTY. How does this relate to the number of Soviet vessels that will be in existence at that time? The AEI report, for the record—I don't necessarily think you have to read it but I am trying to make the point, the AEI report estimates the Soviet Union will have about 100 amphibious ships in the year 2000. Is that correct?

Admiral SCHRADER. I have no information, and no way to substantiate their long-term building program.

Mr. BENNETT. How many do they have now?

Admiral SCHRADER. I will have to find that out for the record, sir.

Mr. DOUGHERTY. What you have, Mr. Chairman, is that they will have a reduction in the number of amphibious ships. They lose about 3 by the late 1980's, and we drop down about some 60 ships, and we go way off the end of the chart by the year 2000. I think these are important for the record.

For the record, we are going to lose eight LSD's between 1984 and 1986, is that correct?

Admiral SCHRADER. That is correct, the LSD-28 class.

Mr. DOUGHERTY. And for the record we are not going to build the LSD-41 unless Congress insists upon it, and it has been dropped out of the 5-year shipbuilding plan?

Admiral SCHRADER. That is correct.

Mr. DOUGHERTY. Under the contingency plans that affect NATO, Admiral—and if we get into information that is confidential or classified just say so—do we have enough amphibious ships today to meet the contingency requirement for NATO in the Atlantic Fleet?

Admiral SCHRADER. That is correct, sir, right now we do have enough to move the assault echelons of one MAF to the European theater, but it will require utilizing amphibious ships from both fleets.

Mr. DOUGHERTY. Let's get it straight. Because the other admiral says it was 1.1 MAF, and it is really the lead element of 1.1 MAF, it is not a full MAF, is it?

Admiral SCHRADER. The requirements according to the consolidated guidance are to maintain 1.15 MAF lift in amphibious ships. And that is based on the capability at all times to be able to carry the assault echelon of 1 MAF. Knowing that we generally have 15 percent of our ships in overhaul or upkeep, we have the capability to move the assault echelon, which is about two-thirds of a MAF in our existing bottoms.

Mr. DOUGHERTY. I think we are caught in the words we are using. You just said two-thirds of a MAF. Let's start finding the figures.

What are the assault echelons, the assault elements of a MAF; how many people are we talking about?

Admiral SCHRADER. Depending upon how the Marines organize their MAF—as you know, the beautiful thing about a MAF is that it is organized to meet the threat, the anticipated threat. I would say the average number is about 15,000 troops in the assault echelon. And that comes in on Navy ships. And we have that capability

to move that portion of a MAF, the assault echelon and all of its equipment and all of its helicopters and all of its boats.

Mr. DOUGHERTY. For the record, I would like the staff to check that, Mr. Chairman. Somewhere around, I believe, we have had prior testimony that the assault echelons of a MAF are equal to about a BLT, battalion landing team. I may be wrong.

Admiral SCHRADER. I have all the figures here. They are classified. I would be more than happy to provide them for the record.

[The information is classified and is retained in subcommittee files.]

Mr. DOUGHERTY. By 1983 will the Atlantic Fleet be able to carry the assault echelons?

Admiral SCHRADER. No, sir, we require both fleets to do that.

Mr. DOUGHERTY. By 1985 the amphibious forces of the Atlantic Fleet are not going to be able to carry the requirements under the contingency plan, are not going to be able to carry the advanced echelons of the MAF?

Admiral SCHRADER. The Atlantic Fleet, that is correct.

Mr. DOUGHERTY. That is the whole point I am trying to make. We are going to have to move the amphibious ships from the Pacific to the Atlantic to meet the current contingency plan for NATO by about 85, is that correct?

Admiral SCHRADER. That is correct.

Mr. DOUGHERTY. How many days will it take to bring the amphibious ships from the Pacific to the Atlantic so that they can meet those contingency plans?

Admiral SCHRADER. The contingency plans are based on the transit time required to swing the ships from the west coast to the east coast.

Mr. DOUGHERTY. From the west coast to the east coast. Will they have to be loaded on the east coast, or are we going to pick up the troops and the materials on the west coast? Because you are going to have additional days, obviously if you are coming from the Pacific to the Atlantic and you unload you are going to have to tie up to the ports on the east coast, load up and move out. If it is classified, I would like that submitted for the record. But I submit that that is a very key element, the amount of time it is going to take to get the amphibious fleet from the Pacific to the Atlantic so that we can take the advanced echelons in 1985 to meet our current NATO contingency plans.

[The information is classified and is retained in subcommittee files.]

The next point. Supposing we did do all this within the time frame—and I would tell you for the record I would seriously question that we can get the shipping together from the Pacific and get the troops to Europe in time to meet the very best estimate on D plus how many days before they have got to be there.

Let's talk about followup echelons. You are going to be transporting the advanced echelons of Marine amphibious forces supposedly to France or wherever they are going to go. So you drop them off. How many days before you can go back and pick up more troops and bring them back over again? Because obviously the maximum amount of ships are going to be used in the haul.

Admiral SCHRADER. That is correct. The assault follow-on echelon—AFOE—will be primarily merchant ships possibly augmented with a few of the amphibious ships not required for the assault echelon.

Mr. DOUGHERTY. That is another thing I want to get to. Do you have on paper a contingency plan today to utilize the merchant marine of the U.S. Navy and our allies to carry on these follow-on echelons?

Admiral SCHRADER. There are requirements that are kept—there are numerous ships known to be available. We have some of them in the MSC, Military Sealift Command, and some of them in the Ready Reserve Force—RRF—which are on a 10-day readiness. And specifically, we have some ships identified to support very unique requirements of the MAF, such as the delivery of petroleum products. That is correct, we do have those.

Mr. DOUGHERTY. Again I am going to ask you to be more specific. Do we have right now a contingency plan that says, what ships are there currently in the merchant fleet of the United States and our allies that we are going to draw in to be used in the follow-on echelon? Have we in effect ever had those ships reviewed to see whether they were modified to carry whatever they are going to carry, do we have that kind of a contingency plan?

Admiral SCHRADER. No, sir, because the number of ships available to perform that duty varies from day to day. We have large numbers of ships that carry our flag, and on given days only certain ones are available, some days some of them are overseas.

Mr. DOUGHERTY. That is exactly the point. The point is that before you can bring on your follow-on echelon you are going to have to bring these ships from wherever they may be into wherever you are going to need them and load them up and move them out, correct? You are basically going to be dealing with merchant ships, are you or are you not going to be dealing with Navy ships?

Admiral SCHRADER. Part of your summary is correct. Some of these ships would come from our Ready Reserve Force which are on 10-day notice. Those are laid up. We have a reduced operating status concept which our MSC operates with some of the breakoff carriers in which we pay for these ships on a rental basis even though they may not be employed. When they can be gainfully employed, they are activated. When they come back to the United States they are again available on very short notice. We have ships identified to support the AFOE in numbers, and in assignments. But the specific name of the ship, the composition by name of ship, varies as the ships are employed in the civilian market. That does not apply to our Reserve Forces, our RRF, which of course are ours all the time.

Mr. DOUGHERTY. What age are the Reserve Force ships?

Admiral SCHRADER. They are generally old. I will get an average age for the record.

[The following information was received for the record:]

The average age of the Reserve force ships is 26.5 years.

Mr. DOUGHERTY. Would it be fair to say that the *Francis Marion* and *Paul Revere* would be generally in the same category or maybe a little bit better than the ships you are talking about being in the Ready Reserve Forces?

Admiral SCHRADER. I don't know the readiness—I don't know the material conditions of all the RRF ships, I will have to look into that. The *Francis Marion* and the *Paul Revere* are basically troop carriers.

[The information is classified and is retained in subcommittee files.]

Mr. DOUGHERTY. I realize that. That is the whole point.

Admiral SCHRADER. The biggest component in our AFOE, the biggest demand is for cubic footage, not people, it is to bring in their supplies, it is to bring in a million gallons of petroleum products a day. That is why we need oilers. And the *Francis Marion* and the *Revere* will not help.

Mr. DOUGHERTY. The interesting point, though, Admiral, is that you are talking about advanced echelons. I think this is where we may want to check it up. The fact is that you are going to need follow-on transportation. Again my concern is days. We are told on a contingency that is D plus so and so that we can hold off in Europe prior to resupply.

Admiral SCHRADER. That is right.

Mr. DOUGHERTY. And you are telling us that we have to bring ships from the Pacific fleet to the Atlantic fleet to put together the kind of amphibious force to resupply.

Question: How many days to do that versus how many days do we have at best in Europe? The follow-on elements are supposed to be coming through under these great contingency plans, and I am asking you—and obviously I appreciate your problem and what you are saying—but what I am trying to get for the record is, will we then have to tap into the civilian sources?

Admiral SCHRADER. That is correct.

Mr. DOUGHERTY. We have to get ships that may be all over creation and bring them together to follow up on the second echelons, and I am suggesting that that is not too smart.

Consolidated Guidance are words that I was not familiar with until I read the AEI report. The AEI report states that the Consolidated Guidance basically takes us back to the days of Mr. McNamara and the Whiz Kids. Under Consolidated Guidance, the Joint Chiefs of Staff have very little to say about what is going on. It is not coming from the Joint Chiefs and saying, this is absolutely what we need, and going to the Defense Department, it is the Defense Department saying, this is what you are going to get. I don't want to put you on the spot. If you don't want to answer, don't. But is that a fair definition of Consolidated Guidance.

Admiral ALTWEGG. No; the way I would characterize Consolidated Guidance, it is the product of a process that goes on throughout the fiscal year which results in the President submitting his budget to the Congress in January of each year.

Mr. DOUGHERTY. Let me ask one last question if I may, Mr. Chairman. I don't want to dominate this thing.

Who made the decision, or what was the basis for the decision to reduce the elements that would be carried in the amphibious shipping from 1.3 MAF to 1 or 1.15?

Admiral ALTWEGG. That was contained in the Consolidated Guidance and was accepted by both the Navy and the Marine Corps as

part of an overall balanced defense program for those two military departments.

Mr. DOUGHERTY. Would it be fair to say—I asked you this last week—that it is based on the availability of shipping?

Admiral ALTWEGG. No; I do not think it is based on the availability of shipping, but rather it is a consideration in the availability of a balanced program for the Navy and Marine Corps.

Mr. DOUGHERTY. I have a lot of reservations about this whole subject. I think amphibious shipping is something that this whole committee should have hearings on.

Mr. BENNETT. We are going to have a series of hearings. The first part will be next Tuesday on the Soviet amphibious submarine threat. This will begin a series of hearings on our submarines and submarine designs, both the questions of getting smaller and hopefully cheaper submarines, but also looking at things that we have concern about, such as speed and depth. That will lead into the thing that the subcommittee has asked for in the way of an overall look at the 5-year program. In that 5-year program the kind of questions you are asking would be particularly appropriate when we get to the amphibious part of that. As I see it, we are going to have very important hearings in the latter part of this year which would hopefully improve that status of the Navy, which everybody seems to agree about except the OMB. We must go forward, and we want to get all the facts. But the facts as we see them at the moment are alarming, if we don't do something about improving the situation.

Mr. Emery, do you have a question?

Mr. EMERY. Very briefly, I would just like to commend the gentleman from Pennsylvania on the immense amount of work he has done in this area. In fact he has brought facts to my attention that I would not have been aware of had he not made the effort to explore this question a little further. My own attitude is, I believe that under the situation that we have at the present time we probably ought to go ahead and transfer these two vessels. But it pains me to feel that we may in fact be limiting our own capabilities and, in fact, we may have no plans in the shipbuilding program of the administration, or for that matter here in the committee, to replace our older vessels with those that more directly parallel our own needs and capabilities at this point. So I join the gentleman from Pennsylvania in asking that we spend a considerable amount of time in the next few weeks analyzing exactly what our needs are in amphibious craft and determining exactly what capabilities we may need in the foreseeable future and how they compare with the Soviet Union. I would hope that the Navy would come back with a very candid appraisal of its capabilities and its needs and give us some incentive to try to meet those needs in the committee.

Mr. SPENCE. Mr. Chairman.

Mr. BENNETT. Mr. Spence.

Mr. SPENCE. Right there I don't want the record to go out without at least some murmur or question.

Admiral, you stated a while ago about this Consolidated Guidance.

Admiral ALTWEGG. Yes, sir.

Mr. SPENCE. It was the product of a lot of input from various sources, and so forth. But isn't that based on what someone else perceives as our national goals and objectives, and so forth, and then they come to the Navy and say, considering this as our goal, how many amphibious ships will you need to carry it out? One man in the Navy doesn't go to the people in the administration and formulate this, whatever you call it, Consolidated Guidance, and say, we need all these ships. It goes the other way, doesn't it? You set up the number of ships that you are going to agree to, as you said a while ago, and the Marines and the Navy accept this, didn't you say?

Admiral ALTWEGG. That is correct.

Mr. SPENCE. You accepted that?

Admiral ALTWEGG. We did.

Mr. SPENCE. So that means that they came back to you and said, here is what you are going to be able to get in furtherance of our national goal. For instance, if they say that we are going to have a half-ocean navy, because that is all we need for our national goals and objectives, then you are in a position of accepting that, because you are having to go along in furtherance of our national goals and objectives, whatever they are perceived to be by political people.

Admiral ALTWEGG. It really goes back somewhat further than that. We have to account for the resources that are available, and then in about nine separate warfare areas, develop a balanced program that best meets the threat with the resources that are available both in dollars and personnel.

Mr. SPENCE. The threat as perceived by who, though, Admiral?

Admiral ALTWEGG. By the Joint Chiefs of Staff.

Mr. SPENCE. You mean they define what the threat is?

Admiral ALTWEGG. That is correct.

Mr. SPENCE. Do they also define what our national goals and objectives are?

Admiral ALTWEGG. The military strategy of course is a product of the executive branch. But it is of course based on input of the Joint Chiefs of Staff.

Mr. SPENCE. I am trying to get the Navy to help us help the Navy.

Admiral ALTWEGG. And we welcome that.

Mr. SPENCE. And every time we try to do it we run head on into something else. The Navy and the military are having to defend an administration which has not given the military what we need to protect this country.

Admiral ALTWEGG. That is why we welcome and need your support.

Mr. SPENCE. I am making that statement, and it is further and further in the wrong direction, every year, not just the Navy, but the Air Force and everybody else. You aren't saying it, I am saying it. Because the Secretary of Defense, the Secretary of each branch of the service, and the Chiefs of Staff of each of the services are appointed by the administration. I am saying that. And I can't conceive of any of them taking a position contrary to whatever the announced objectives are of that administration, whichever it is. That is taking us down the road to ruin.

That is all.

Mr. BENNETT. Does anybody else have any questions or comment?

Now we get back from the broad discussion, and I certainly agree with all observations being made, including those of Mr. Dougherty and others who have made intensive studies of this. Now we come to this one particular bill, H.R. 5163. I believe we have had sufficient discussion on it.

So, Mr. Brinkley, would you move that we approve it.

Mr. BRINKLEY. Mr. Chairman, I move that the subcommittee report H.R. 5163 to the full committee.

Mr. BENNETT. Let's vote on it.

Mr. HALE. Mr. Bennett.

Mr. BENNETT. Aye.

Mr. HALE. Mr. Brinkley.

Mr. BRINKLEY. Aye.

Mr. HALE. Mr. Spence.

Mr. SPENCE. Aye.

Mr. HALE. Mr. Mollohan.

Mr. MOLLOHAN. Aye.

Mr. HALE. Mr. Fazio.

Mr. FAZIO. Aye.

Mr. HALE. Mr. Emery.

Mr. EMERY. Aye.

Mr. HALE. Mr. Dougherty.

Mr. DOUGHERTY. No.

Mr. BENNETT. And by proxy Mr. Wyatt votes aye.

Mr. HALE. Mr. Wyatt, aye.

Mr. Chairman, there are seven ayes and one no.

Mr. BENNETT. I will see you at 10 o'clock before the full committee.

Admiral ALTWEGG. Thank you.

Mr. MOLLOHAN. May I ask a general question?

Admiral, let me say first, in the last several years, the last 10 years, we have been evaluating and reevaluating the numbers of ships that were needed, and you have been taking ships out of our inventory one way or another hand over fist. You have been going through a series of reevaluations of the mission of the Navy, and so forth. What will be the effects of our disposal program in relation to our construction program on the number of ships that we will have in our Navy 2 years or 3 years hence?

Admiral ALTWEGG. Sir, I don't understand the reference to dispersal.

Mr. MOLLOHAN. What we are talking about here is transfer. Maybe I shouldn't have said that.

Admiral ALTWEGG. I understand now.

Mr. MOLLOHAN. Transfer and withdrawal from the active duty forces.

Admiral ALTWEGG. I think, as the Chief of Naval Operations, Admiral Hayward, has stated on numerous occasions, both publicly and before the Congress, we must reverse the current trend of the size and capability of our Navy versus the Soviet. And if it is not done, when we come to the mid-1980's the risk to our maritime predominance will seriously be affected and threatened.

Mr. MOLLOHAN. The last goal we heard was 600 ships. And with what we are doing now, we are not about to attain any 600-ship level in our fleet; are we?

Admiral ALTWEGG. That is the trend that the CNO is severely concerned about. And I certainly sense that the committee shares that concern.

Mr. BENNETT. You have got to remember that only a few years back, less than 5, I think, the goal was about a thousand. Of course our ships are better ships.

Admiral ALTWEGG. We have much more capable ships today than we have ever had with us in the past. But we must reverse the trend.

Mr. MOLLOHAN. You have only got so much space and you can only be so many places.

Admiral ALTWEGG. A ship can only be in one place at a time.

Mr. MOLLOHAN. Thank you, Mr. Chairman.

Mr. BENNETT. We still haven't adjourned yet, Mr. Tribble. Do you want to be recorded as voting?

Mr. TRIBBLE. What is the vote?

Mr. BENNETT. The vote for the moment is 7 to 1 for the transfer of the ships to the Spanish.

Mr. TRIBBLE. I would appreciate your suggestion, and I would ask unanimous consent that the record would indicate my presence and my affirmative vote.

Mr. BENNETT. Eight to one.

Any further discussion.

[No response.]

Mr. BENNETT. If not, we will meet again on Tuesday. And of course now we have a full committee meeting today at 10 o'clock.

Admiral ALTWEGG. Thank you, Mr. Chairman and members of the committee.

[Whereupon at 9:40 a.m., the subcommittee was adjourned.]

