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Panelist, Session 4, "Supporting and Enabling the Force to Meet Emerging and Future Challenges"

DR. ERIC J. LABS: I want to thank IFPA and the Marine Corps for inviting me here today. It's a great pleasure to be here. General Wissler, I used to be the one to bring the gloomy budgetary outlook to these sorts of talks, but you've preceded me in that sense. I'm going to take a minute and talk about some issues that touch on that and the impact from that budgetary outlook.

Quickly, just a standard disclaimer. These are my views, not those of the Congressional Budget Office or the U.S. Congress.

The central theme I'm going to talk about here today is on the outline I've got for you. Review the Navy's 30 year shipbuilding plan, what are the recent changes, inventory shortfalls, the effects on operational availability and presence. But if I could sum it up in one phrase, it's really: what's the long-term outlook for the amphibious force? What's the long-term outlook for the amphibious fleet? And I can say that in the 2009 time frame, the 2009 shipbuilding plan that the Navy and the Marine Corps put out, to today there was a significant change in the sense that the Navy and the Marine Corps agreed on a requirement for amphibious ships, 33 ships.

The 2009 plan was signaling that this is where things were going. The Navy and Marine Corps have now formally agreed on that number as the requirement. That represents a compromise for the Marine Corps; their objective is actually 38 ships. But the 33 number is the fiscally constrained number.

But even though you agree on 33 as your number, that doesn't mean you're going to get 33. What this slide shows is a catalogue of changes that has occurred to the amphibious and maritime pre-positioning force over the last three years, a catalogue that affects this 30 year time frame, 2010 to 2040. We've added a couple of LPD 17s, but we've canceled the concept of MPFF. That doesn't mean we canceled all the ships in MPFF. The mobile landing platform, a scaled down version but a very capable version, is still part of the shipbuilding plan. The TAKEs that were part of the MPFF squadron are still there. But we did cut two large flat deck aviation ships, and we cut the three LMSRs. The LMSRs may yet come back, but they're not in the 30 year shipbuilding plan as of today.

We cut a gray hull LHA-6 class ship out, and this was a function of reorienting the production schedule for the large flat deck amphibs from three year centers under the 2009 plan to four and five year centers under the 2011 plan. There's a ten year shipbuilding plan that was submitted for the 2012 budget that I consider an addendum to the 2011 plan for now.

We've delayed the start of the LSDX by a year. The delivery of the LHA-6, because of construction delays, has been delayed by a year. And also over the past three years in terms of the changes in those plans, we've accelerated the decommissioning of the two LHA-1s that remained in the fleet by nine years. And we've accelerated the LPD-4 decommissionings by five years.

What that all totals up to is, in some ways, is a decline in the capability of the amphibious force over the next 30 years. This chart is an inventory chart and what you see here is that it opens up a gap in the amphibious forces over the next five to six years until about 2016 or so. Then you start hitting your 33 ship objective for another 10 years to-- until about 2030. And then you've got this yawning gap that's going to open up behind that, that is going to be very difficult to close. If you had looked at the same chart for the 2009 shipbuilding plan, it would have looked a little bit different. You would have seen basically 33 or 32 ships throughout almost the entire 30 year period. So you didn't get this little bump up for about ten years in the middle, but you didn't have the rather substantial shortfalls that bookend the bump-up.

And this now relates back to what General Wissler was talking about. This is the optimistic case. This is the case where the Navy says they need \$18 billion a year to fully fund everything in the shipbuilding program. That's not just new construction. The Navy says they need \$16 billion for new construction. But in the shipbuilding budget, you need more than that. You have to pay for carrier refuelings and you have to pay for some other things. So the number really is around \$18 billion a year and we've only been spending 15 or 16 billion dollars a year on shipbuilding over the last few years, and less than that if you want to go back a few more years than that.

And those are the Navy numbers. The CBO numbers are going to tack about \$2 billion a year on to that. We think you need \$20 billion a year to implement the Navy shipbuilding plan as currently constituted. And that is the Navy shipbuilding plan that's currently constituted.

Now, part of what you don't see in that chart that occurred over the last three years is these two bullets here. One is that we actually, in terms of a restoration of capability—you don't see too much of that in the plan by the way—but you do see getting the well deck back in the LHA-6 class in the 2016 ship. That's what's currently programmed. It had been the 2025 ship. So that's a major change. But more importantly in some ways, from my perspective, is that at least for now implicitly, the capability of the LSDX, the replacement for the LSD 41 and 49 classes, has been scaled down within the context of the shipbuilding plan. And that is an official report to Congress. That to me is something that is definitive and something that I pay very close attention to, as does the Hill.

Although the analysis of alternatives is still forthcoming, to see what this ship is really going to look like, it doesn't change the fact that under the 2009 plan, the ship was based on an LPD-17 hull and was going to displace somewhere in the neighborhood of 23-25 thousand tons, depending on what the final configuration was going to be. But it was assumed under the 2011 30 year shipbuilding plan that it was going to be a much smaller ship, specifically about 30 percent smaller and they chopped about half of the cost out of it. Some of that cost depends on how you compute inflation. The Navy treated inflation in the two plans a little bit differently. But nonetheless, you saw a removal of capability between the 2009 and 2011 plans.

Perhaps the AOA will restore that, but given the current fiscal environment that we're in and we're going to be in, and I agree with General Wissler that we're probably looking at that for eight to ten years, if not a good deal longer. The likelihood of that capability being restored by going back to an LPD-17 sized hull, I think, should be viewed with some degree of skepticism.

So it is in that context, with the fact that some of the Marine Corps equipment is getting larger and heavier, we're going to design amphibious ships that are going to be smaller than originally intended. The efforts therefore to lighten the force as a whole are good, they're steps in the right direction. But it does not necessarily mean that if you have fewer numbers of bigger pieces of equipment that that's going to work well inside a smaller ship.

I don't know the answer to those issues. These are questions I'm raising. The AOA will address that. I know the Marine Corps and the Navy are going to work closely together to figure out what's going to work for the LSDX. At least that is certainly what the hope and expectation is.

So having shown you what the force was going to look like over this 30 year period, let's go to the question that matters, what are the number of operationally available amphibious ships? Well here again, it will obviously fluctuate as it fluctuates with the inventory. If 90 percent of the amphibious forces is supposed to be operationally available for Marine Corps operations in a major contingency scenario, 90 percent of the force is not available on a day to day basis. But on a major contingency scenario, if you can get 90 percent of the force, basically every ship that isn't in maintenance, you're not going to achieve your 30 ship objective for most of this time period.

Right now, also, the red line shows you what is going on with the LPD 17 force. Right now, the LPD-17s are not able to achieve the 90 percent availability. They are going through a lot of berthing problems, as you well know far better than I do, and they're achieving right now, at least the latest data I have, about an 83 percent availability. So if they can't improve that, then your operationally available force, trying to get to the magic number of 30 which is already fiscally constrained, is not going to be achieved. You're only going to get it for about a ten year period.

Looking at more day to day operations, this chart, what it shows you, is the demand for ships by U.S. military community, what General Jones called the unified commanders. And the number of amphibious ships that are actually being deployed on a year-to-year basis. All the data that I have here goes back to 2007, but it's kind of a-- I should note that even though this is the official data that I have, it is a little bit of a misnomer. The actual demand for amphibious ships in, say, that 2007, 2008 time frame was really actually higher than that. But for various policy and political reasons, they tried to align the demand with the actual supply. If you take a look at what the true demand is, which is what's going on now, you see the wider gap of the 2010 to 2011 time frame. That is probably a sort of truer representation of what is required by the unified commanders overseas.

And then finally, I want to spend a couple of slides on looking at this issue of can you close this gap in any way? Well, you can close the gap if you want to run your amphibious ships a lot harder, but you basically got to go on year long deployments. Actually, a little bit more than that. And that is, frankly, unsustainable. It's unsustainable for the crews of the ship, it's unsustainable for the material condition of the ships, it's unsustainable for the marines that are going to be aboard those ships.

So you can't close the gap that way. And it has effects on Marine Corps training operations and the Marine Corps only gets a little more than half of the shipboard training days that they need to be able to train for all the requirements and all the missions that they're being slated to do. So there's a cascading effect that goes through from the inventory levels to the availability to the forward presence that's being provided, down to the training that you need to do the jobs that you're going to be assigned to do.

So lastly, one slide here just to talk briefly about the ways to at least try and address the presence gaps. There might be some things that could be tried. Maybe you could home port another amphibious ship or two overseas, that would increase certainly the availability of your ships overseas. It doesn't necessarily get you more training days, and it certainly doesn't get you more availability for major contingency operation, but it might get you some more presence.

And the Marine Corps would need to look hard at looking at alternative platforms. What kind of force packages can you put together using the LCS and the JHSV's, since we're looking to buy those ships in quantity? I don't know what the answer to that is. I don't know if there is a respectable force package that can be used. I know the Marine Corps is examining these issues, and I would heartily encourage that examination to continue.

But finally, as my concluding remark up here is kind of redundant at this point because lots of speakers have talked about it. But as you think about the reset and you think about the-- and rethinking the force, you're really going to have to keep in mind, it seems to me, this ship reality. What is the operational force of amphibious ships that you're actually going to have, and what are you going to be able to do with that force? Not necessarily what are you going to do with a 33 ship force. Thank you very much. [applause]