

DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON 25, D. C.

Op-90/sah
Ser 191P90
⑥ DEC 1960

MEMORANDUM

From: Assistant Chief of Naval Operations (General Planning)
To: Distribution List
Subj: Briefing Book for Tour of new Secretary of Defense
Ref: (a) CNO Memorandum 704-60 of 3 December 1960
Encl: (1) Sample Point Paper

1. Reference (a) requested submission, as soon as possible, of data for use by the CNO in briefing the new Secretary of Defense, probably during a tour of United States military installations. This memorandum designated Op-90 to coordinate the preparation of a briefing book containing this data. Enclosure (1) is a sample of briefing material in point paper form.

2. In view of the imminence of appointment of a new Secretary of Defense this project must be undertaken on an urgent basis. The following action is requested:

a. Preparation, in point paper form, (see enclosure (1)) of briefing papers on:

- (1) Naval forces throughout the world
- (2) Shortages of forces, equipment, and material
- (3) Naval activities, worldwide
- (4) Problems, issues and general topics of interest

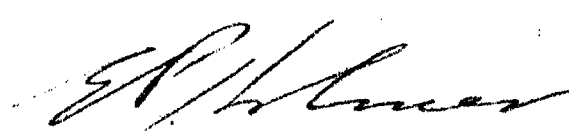
b. Forwarding of the point papers to Op-90C direct, Room 4D682, by messenger as they become available.

3. Target date for completion of the briefing book is 9 December, but corrections and additional position papers will be welcomed after that date and prior to the briefing of the new Secretary of Defense. Original and two copies are requested.

4. Papers on many of the subjects which should be covered are already in existence, and many of these are currently in the proper point paper form. The CNO's Backup Books contain much of this material. Where papers are available, duplication by any process producing legible, black and white copies on reasonably durable duplicating paper is encouraged. To save space, use of backs of sheets is requested.

Distribution List

Op-01	(6)	Op-07	(10)
Op-03	(12)	Op-92	(6)
Op-04	(12)	Op-93	(4)
Op-05	(8)	Op-94	(6)
Op-06	(6)	Op-09B	(12)



E P HOLMES
ACNO (GENERAL PLANNING)/DIRECTOR
GENERAL PLANNING GROUP

NAVY VIEW ON FUNCTIONALIZED BUDGETING

Op-90C

30 Sept 1960

PROPOSAL: Present the Navy's views on the value of a functionalized budget

POINTS:

1. Naval forces can participate in variety of combat functions, at same time or in succession, alone or in company with forces of all services.
2. Task force principle served by having ships capable of many functions since flexibility is heart of task-force concept. Multiple capabilities of ships permit quick on-the-spot forming of task forces to carry out tasks at hand with maximum economy and efficiency.
3. Task forces tailored on basis of having ships and planes of multiple capabilities. Can carry out missions and services in hostile environment consisting of many elements. Examples:
 - a. Aircraft carriers can be assigned to strike missions, close air support, ASW, defense of convoys.
 - b. Carrier-based aircraft serve as interceptors, attack planes, ground support, reconnaissance, early warning, ECM, air control.
 - c. Submarines (except FBM) are used for ASW, destruction of shipping, raiding, reconnaissance, clandestine operations.
4. Balanced fleet concept implies capability to operate on and from sea in wide range of hostile environment -- from limited war to all-out war.
5. Assignment of forces, especially naval, to specific functions solely to allow identification of funds by function is impossible. Without multiple capabilities, naval forces lose characteristic flexibility, would be unable to adapt to changing situations of war at sea.
6. No good way to categorize naval ships and aircraft by functions. Many ships and aircraft, especially combat types, have multiple capabilities and are equipped to discharge many functions. Example: A destroyer type ship fitted for only ASW would be ineffective in environment of hostile air or if needed for gunfire support of amphibious troops.
7. To assign ships and planes to single functions is uneconomical:
 - a. Would not utilize full range of capabilities.
 - b. Each function would require own number of ships and aircraft with consequent increase in overall numbers.

Enclosure (1) to Op-90 Memo
 Ser 191P90 of

8. To build only single-purpose ships and aircraft is dangerous since units could be confronted by enemy weapons systems with which they were not prepared to cope. Example: A ship conducting support fire for an amphibious landing has to protect itself against submarines, or other ships must be provided to furnish this protection.

9. Functionalization of naval forces would require more planes and ships. (Example: Destroyer has many capabilities - ASW, AAW, gunfire support, bombardment, air control, early warning, surface engagement - and may be assigned to various types of task forces. If each function were reposed in single-purpose ships, the number of ships required would be multiplied. Present destroyer can perform all these functions simultaneously.)

10. Some forces are presently organized for only one function. Examples: (a) SAC; (b) CONAD; (c) FBM force. This does not establish a principle, however, and does not have universal application. It does not apply to forces which must remain effective over long periods in hostile environment, where diversity of offense and defense is required. Limited war situations are of this nature.

11. Balance of U. S. forces are not so organized. Navy ships and aircraft can fight against many types of weapons.

12. Functionalization would ultimately lead to:

- a. Stratification and loss of adaptability.
- b. A decrease in the sum total of readiness for a given force level.
- c. Fragmenting of total combat potential.