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UNITED STATES AIR FORCE

# PROGRAM OBJECTIVE MEMORANDUM

(POM) FY 79-83

9 MAY 1977



## VOLUME I

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Classification, WHS  
Date: SEP 21 2016

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EXEMPT FROM GENERAL  
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OF EXECUTIVE ORDER 11652  
EXEMPTION CATEGORY:  
DECLASSIFY ON: 31 DEC 86~~

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330-80-0017, box 13, 100.54 (12 May 1977), USAF Pam

15-m-1583

DEPARTMENT OF THE AIR FORCE  
WASHINGTON 20330



OFFICE OF THE SECRETARY

MAY 12 1977

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: USAF Program Objective Memorandum (U)  
ACTION MEMORANDUM

(S) The Air Force's FY 1979-1983 Program Objective Memorandum (POM) is attached. It reflects a reasonable balance within Fiscal Guidance among combat forces, readiness, modernization, support, research and development, and quality of life.

(S) In accordance with instructions contained in your memorandum, Zero-Base Budgeting (ZBB), April 23, 1977, development of the POM involved a zero based review of all of our programs. We have taken major actions to comply as fully as possible with the PPG within the fiscal limits. Accordingly, it has been necessary to either cancel or restructure many major programs.

- Illustrative of those programs we propose for cancellation and the reasons therefore are: Airborne Command Center on the basis that the current system can continue its functions adequately through the 1980s, Compass Cope (High Altitude Drone) on the basis that systems currently under development that were originally considered as payloads for the remotely piloted vehicle may not reach maturity in the form or within the time span originally foreseen, CONUS-Over the Horizon Backscatter Radar on the basis of technical difficulties and other more promising alternatives may become available to perform the same mission, three Defense Support Program Simplified Processing Stations on the basis of cost growth, and six C-130 and eleven KC-135 simulators on the basis that these aircraft systems are mission driven and flying hour programs must be flown to support other users.

- We have removed Air Force funding support for still other programs, but have included them and their costs at the attached addendum for your consideration. These include: E4B development and procurement, E4A to E4B

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modification, [redacted] NATO Airborne Early Warning and Control RDT&E, Space Transportation System enhancements, and Outsize Cargo Tanker Aircraft (OCTA).

- Finally, some major programs have been restructured. Among these are: A-10, [redacted] Advanced Tanker Cargo Aircraft (ATCA), [redacted]

(b) Some 500 program elements were examined in detail during our Zero-Based review. Each was evaluated in terms of its level and cost, contribution to national defense objectives, its statutory requirement and its merit for continuance or discontinuance. Managers representing Headquarters and Field commands participated in the many iterations of development and review. The POM represents the highest priority programs obtainable within fiscal constraints. While objectives of improved readiness, continued modernization, and a reasonable quality of life are included, some programs that would accelerate modernization, further enhance readiness, and improve combat capability remain unfunded. We have identified the WRM spares requirements necessary to support a seven day sortie surge in Europe. This and other important above guidance items are included in the attached addendum.



This POM includes, in the out years, a wedge to provide for cost growth and unanticipated escalation from our procurement accounts. Past experience within RDT&E indicates that this is a prudent course of action rather than later being forced to identify tradeoffs to meet cost increases in ongoing procurement programs.

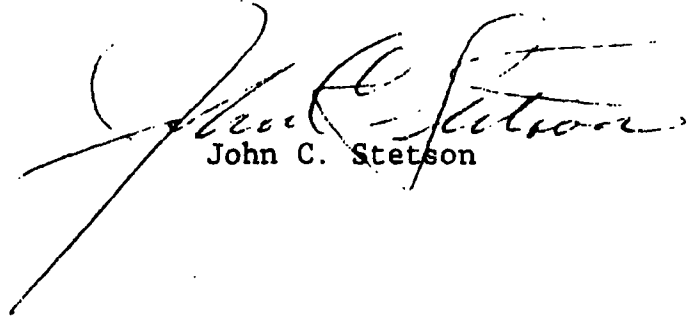
Special, National and Selected Activities and other Intelligence programs have grown at a rate greater than the stated goal of 4% real growth for the total Air Force program. Accordingly, and since these areas are not within our control, that growth which exceeds 4% in these areas is requested above guidance. Additionally, since our level of Research and Development had to be depressed so significantly below the desired growth objective, additional RDT&E funds related to special activities are requested above guidance.

USAF 3.3(b) (2)(4)(5)(8)  
OSD 3.3(b) (2)(4)(5)(8)

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(U) This POM was developed with the objective of providing program balance and increased combat capability while supporting our mutual objective of fiscally constraining our total effort in a reasonable way. In this regard, my office and the Air Staff are available to work with you and your staff to provide any information that may be needed in developing the FY 79-83 Department of Defense Program.



John C. Stetson

1 Attachment  
USAF POM FY 79-83  
(Vol I) (S)

cc: Deputy Secretary of Defense

Page determined to be Unclassified  
Reviewed Chief, RDD, WHS  
IAW EO 13526, Section 3.5  
Date: SEP 21 2016

EXECUTIVE SUMMARY USAF POM 79-83

GENERAL

The Fiscal Guidance reductions indicated in the table below were used in developing the FY 79-83 POM.

	Billions of Dollars				
	<u>FY 79</u>	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>
FYDP	38.6	41.2	45.3	47.4	-----
Fiscal Guidance	<u>37.2</u>	<u>40.1</u>	<u>43.1</u>	<u>46.2</u>	<u>49.4</u>
Diff	- 1.4	- 1.1	- 2.2	- 1.2	

Additionally, weapon system escalation reflects application of best estimates for FY 79, FY 80, and OSD indices for FY 81-83 as outlined in the POM Preparation Instructions.

	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>
Weapon System Escalation	+ .433	+ .300	+ .288	+ .134

The POM includes an addendum which sets forth additional funding requirements for important modernization and readiness programs that could not be accommodated within the fiscal guidelines.

[REDACTED]

[REDACTED] procurement and modification of the E4A to E4B configuration, enhancements for space programs, increased CRAF modifications and procurement of an outside cargo-tanker aircraft, additional support vehicles, procurement of F-16s and F5Fs for FMS training, and improved personnel programs including junior enlisted travel entitlements, and an educational benefit program which will help offset the loss of the GI bill for new accessions.

Within fiscal limits, we have partially met the objectives of maintaining and improving strategic forces, continuing modernization and full equipage of both the active and ARF tactical fighter force. We propose improving readiness in combat forces and some associated logistics support areas

[REDACTED]

We also wish to continue mobility enhancements, and maintain a satisfactory quality of life for Air Force people.

USAF 3.3(b)(2)(4)(5)

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OSD 3.3 (b) (2) (4) (5)

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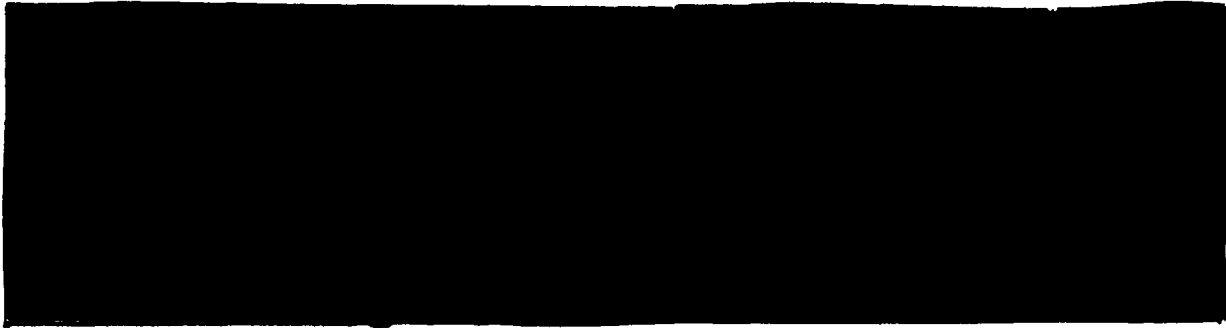


The following summarizes major program changes contained in this year's POM. The POM addendum is at page I-009.

STRATEGIC OFFENSIVE AND DEFENSIVE

KC-135: KC-135 aircraft are proposed to be modified to dual INS/doppler configuration which will permit elimination of the navigator crew position and a commensurate reduction in navigator training. A prototype KC-135 reengining program is included but no procurement decision has been made.

FB-111: The FB-111 UE is programmed to decrease from 66 to 60.



USAF 3.3(b)(2)(4)(5)(8)

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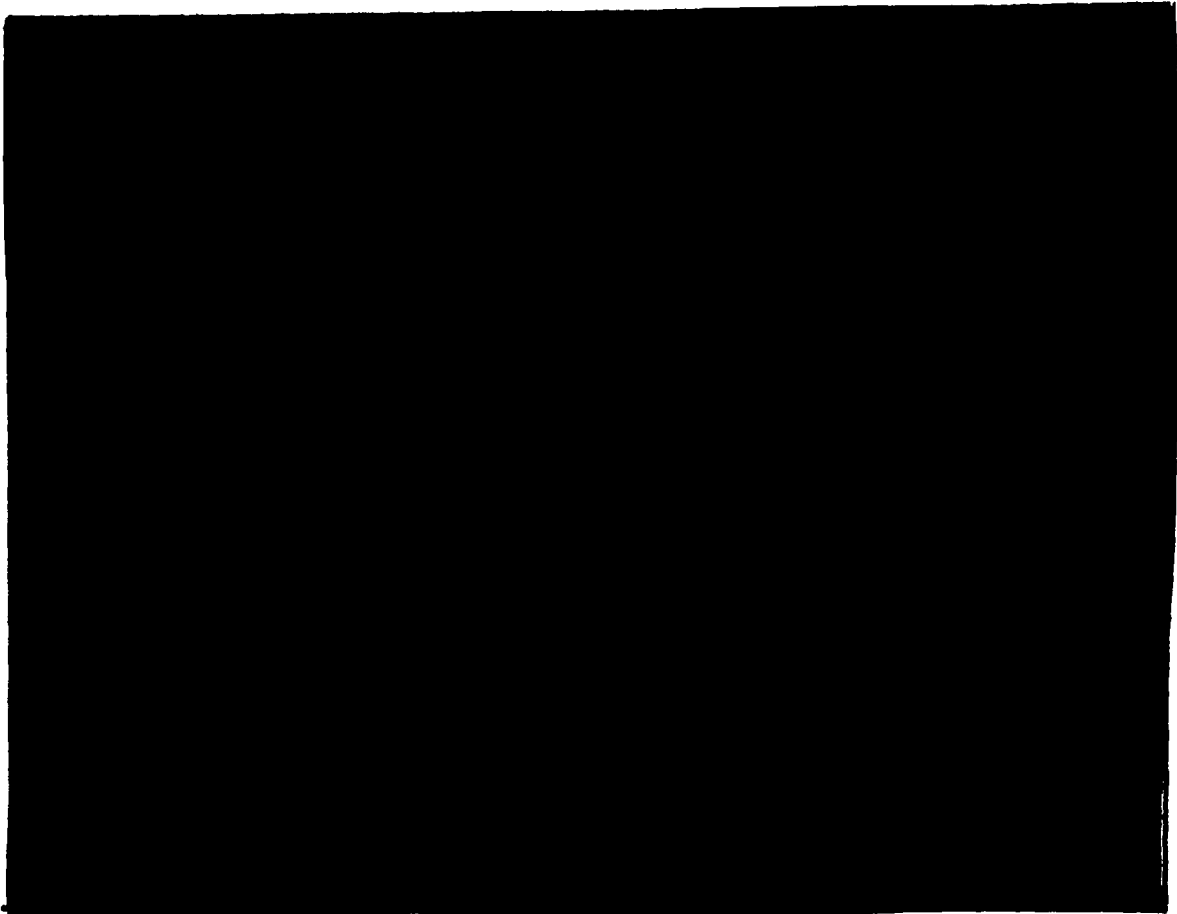
I-009



F-106: One F-106 squadron (ANG) will convert to F-4Cs in FY 78. The F-106 aircraft will be distributed to the remaining five squadrons. Peacetime TAC augmentation of ADCOM will be deleted by end of FY 78.

Joint Surveillance System/SAGE System: The IOC of the CONUS JSS Region Operations Control Centers (ROCC) is adjusted to FY 81 (fact of life) with FOC programmed for FY 82 in Alaska.

FOI: Follow-on-Interceptor procurement is retained at FYDP funding levels in FY 79-80.



OSD 3.3(b)(1)(2)(H)

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GENERAL PURPOSE FORCES

Full equipage (1872 UE) of the 26 Wing active tactical fighter force is achieved by end FY 81 while concurrently modernizing the Air Reserve Forces.

A-10: A-10 procurement is increased from 144 in FY 78 to 162/year in FY 79-80 while retaining the total 733 aircraft buy.

F-105: The F-105G Wild Weasel force is extended to FY 80 to coincide with the introduction into the force of F-4G Wild Weasel aircraft.

Advanced Tactical Fighter (ATF): ATF is introduced with an IOC of FY 86. Required funding is shown in the addendum.

RF-4: One active RF-4 squadron will be inactivated in FY 79 and the resources reassigned to the Air National Guard (ANG). The ANG will assume a second NATO "rapid reactor" mission.

EF-111A: The program has been rephased for a FY 82 IOC.

Airborne Warning and Control System (AWACS): The E-3A force will be increased from 25 UE to 34 UE during the FY 83-86 period to meet projected mission requirements. However, the procurement rate continues at three per year throughout the program period.

[REDACTED]

Advanced Tanker Cargo Aircraft (ATCA): The requirement for a small force of ATCA remains valid. Procurement of the first production increment is included in the FY 79 POM. Release of the long lead FY 77 funds, currently being withheld, will allow the ATCA source selection (90% complete) to be concluded, and will assure timely implementation of the first production increment and take advantage of the current competitive environment.

[REDACTED]

Tactical Air Forces (TAF) Readiness: Additional manpower is provided to the tactical commands to maintain tactical fighter squadron readiness during the period of conversion to new weapon systems.

COMPASS COPE: The Compass Cope program has been terminated because systems currently under development that were originally considered as payloads for the remotely piloted vehicle may not reach maturity in the form or within the time span originally foreseen.

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AIR NATIONAL GUARD

A-7: In FY 82 the A-7 squadrons will be changed from 16 to 15, however the number of 24 UE squadrons will increase from one to five to parallel the active force squadron equipage.

F-4: Squadrons will increase from 12 to 14 in FY 82.

F-16: Two squadrons of new production F-16s will be introduced in FY 83, vice FY 85.

AIR FORCE RESERVE

Fighter Squadrons: The USAFR tactical fighter force will increase from 7 to 13 squadrons by FY 82. The C-123 is phased out of the inventory.

F-16: F-16 will enter the Air Force Reserve inventory in FY 83.

A-37: A-37 force will phase out by FY 82. Assets will be used to convert ANG O-2 to OA-37 forward air control aircraft beginning in FY 80.

F-4: F-4s will replace the EC-121 aircraft in FY 79.

Tactical Drone Squadrons: A drone squadron replaces a CH-3 SOP squadron.

MOBILITY FORCES

Advanced Medium STOL Transport (AMST): The AMST is introduced into the force in FY 85.

89th Military Airlift Wing: The aircraft utilized for Special Air Mission (SAM) functions were reduced from 25 to 16 UE effective FY 3/77. One VC-6A, five VC-140s and five C-135s, which include two non industrially funded aircraft, have been reassigned to operational airlift support missions.

Civil Reserve Air Fleet: Includes funding in FY 79-80 for modifying four aircraft each year under cost sharing provisions. Expansion of this program is addressed as an addendum item.

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C-141: The C-141B Stretch program is rephased to procure modification kits at the rate of 6 per month in FY 79 and growing to 10 per month thereafter.

C-130A: The prop modification will be completed in FY 1/79, but we are assessing the possibility of accelerating this program.

C-5: The wing modification program is on schedule with the first aircraft entering the modification facility in FY 82.

CONUS Military Passenger Terminals: A study will be conducted to assess the feasibility of reducing or eliminating MAC CONUS Passenger Terminals and using commercial gateways for MAC Contract overseas travel. The recommendations as a result of this study will be submitted in September.



USAF 3.3 (b)(1)(2)(4)

RDT&E

OSD 3.3 (b)(1)(2)(4)

RDT&E Program: Total RDT&E funding has been adjusted as the result of fiscal guidance reductions, [redacted] and appropriation transfers associated with the Space and Missile Test Center (SAMTEC). The following shows a comparison of the FYDP and the POM (\$M):

	<u>FY 79</u>	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>
FYDP	5003.2	5914.7	6712.7	6651.6	-----
POM	<u>4589.5</u>	<u>5280.4</u>	<u>6339.3</u>	<u>6442.5</u>	<u>6503.8</u>
Change	-413.7	-634.3	-373.4	-209.1	-----

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Research/Exploratory Development: While Research supports a ten percent per year growth, Exploratory Development funding has been revised to support a five percent per year growth.

SUPPORT

Logistics: Manpower is added to partially offset logistics readiness shortfalls. Funding is included to fully support the aircraft spares needed for daily operational training as well as the prepositioned war reserves required for the first 30 days of wartime activity at WMP rates. Additionally, sustaining war reserve spares are programmed to incrementally increase tactical fighter capability to 90 days with FY 79-81 funding. Full sustaining capability for all forces is achieved with funding programmed through FY 83.

Vehicles: Additional funding is provided to acquire readiness related vehicles in the material handling, special purpose and cargo-utility categories. These types of vehicles are required to support extended wartime operations and to sustain a wartime sortie rate. Requirements are included in the addendum to fund for shortages and replacements of vehicles which have exceeded their useful service life.

TRAINING, MEDICAL, AND PERSONNEL

Undergraduate Pilot Training (UPT): UPT rates are increased during the POM years to avoid a large pilot deficit in the early 1980s. This programmed increase reflects increased force levels, supports our ability to conduct a high intensity conflict, and returns toward the required sustainment production level. However, there will still be pilot inventory deficits when compared to requirements.

Undergraduate Navigator Training (UNT): UNT rates have been adjusted in FY 80 through FY 83 to reflect reduced requirements resulting from the installation of inertial navigation systems in tanker and airlift aircraft, and other force adjustments.

Recruiting and Advertising: Additional manpower spaces and recruiting funds are provided to counter increasing recruiting difficulties and allow expansion of lead-generating activities.

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AFROTC Scholarships: The scholarship program has been expanded to the congressionally authorized limit of 6500 in the Academic year of 1978/1979 and thereafter. The expanded program will expand our capability to attract qualified scientific/technical students.

OTHER

Military Construction Program: The program is funded at \$720M in FY 79. Included in this level are \$120M of facilities to support readiness initiatives in Europe, and \$75M in support of new aircraft systems and flight simulators. The POM includes \$28M for the conversion of the first of three oil fired heating plants to coal as part of the President's energy conservation program. This will ultimately be a \$550M program. A major \$855M program for improvement of bachelor housing utilizing military construction (\$647) and O&M (\$208) is being initiated. Fiscal constraints necessitate accomplishment over a period of five years with the first increment of \$45M in MCP and \$46M in the O&M account that will upgrade furniture and facilities in FY 79. Bachelor housing projects required to meet quality of life standards and the overall quality of our force have been identified separately within each major force program. These funds will not be used for other projects.

Civil Engineering: Additional manpower is provided to partially satisfy military engineering shortfalls identified in the Joint Contingency Construction Requirements Study (JCCRS).

Chemical Warfare Defense: Increased funding is provided to procure protective equipment for the high threat areas of USAFE [redacted] and for forces scheduled for deployment to these areas.

OSD 3.3 (b)(5)(6)

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Office of the Secretary of Defense  
Chief, RDD, ESD, WHS  
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Declassify in Part: X  
Reason: 3.3 (b)(1)(2)(4)(5)(6)(8)  
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