

20 FEB 1980

19 FEB 1980

47 (133)

OFFICE OF THE SECRETARY OF DEFENSE

THE WHITE HOUSE WASHINGTON

~~SECRET~~

February 19, 1980

2/20
WGC - I interpret this as a goal on R0/R0 base, and a need to get OMB and SCC concerned on any project (SL-7) that requires substantial budget change
HTP

MEMORANDUM FOR

THE SECRETARY OF DEFENSE

SUBJECT: Near-Term Enhancement for Rapid Power Projection (S)

In approving your proposal for major improvements in the U. S. capability to project military power rapidly into the Middle East/Persian Gulf/Arabian Sea region, the President underscored the preliminary nature of his decision. He noted that we should proceed with caution. (S)

Once the costs of each part of the program have been reliably established, the President has indicated that he wants OMB's assessment of the program as well as an SCC recommendation to go ahead. He has also asked how much of the cost might be borne by reprogramming. (S)

In addition to the President's memo (attached), I wanted you to be aware of his comments at the time of his decision. (S)

Office of the Secretary of Defense
Chief, RDD, ESD, WHS

Date: 13 Jan 2016 Authority: EO 13526
Declassify: X Deny in Full: _____

Declassify in Part: _____

Reason: _____

MDR: 15 -M- 1706

5 USC 552

David Aaron
Deputy Assistant to the President
for National Security Affairs

Attachment

DECLASSIFIED IN FULL
Authority: EO 13526
Chief, Records & Declass Div, WHS
Date: JAN 13 2016

~~SECRET~~

~~Review on February 19, 1980~~

MAR 19 1980

DEP SEC HAS SEEN

15-m-1706

FEB 21 1980

DEP SEC HAS SEEN

Spec Asst has seen

2/21

5
COPY

1 OF 4

COPY

The program Harold recommends has been discussed and approved in principle by the SCC. While several decisions have yet to be made that may significantly impact on SL-7 acquisition costs (e.g., should some or all of the SL-7s be retained as container ships or should they be converted to the RO/RO configuration) I agree with Harold that these issues should not delay the basic decision to enhance our projection force capability. The uncertainties can be resolved in the near-term and should not prevent the Commerce Department from undertaking preliminary discussions with the SL-7 owners. I intend to work closely with OMB, Defense, and Commerce to develop the proper strategy for financing and acquiring the sealift enhancement ships. (S)

I have consulted with OMB on this issue and we are in general agreement on how to proceed. Jim McIntyre will be providing you a separate memo stressing the wider budgetary impact of the several possible courses of action in acquiring and modifying the SL-7 ships. (Tab D) (S)

RECOMMENDATION:

-- That you sign the memo at Tab A approving in principle Harold's proposal to establish a seven-ship prepositioned force in the Indian Ocean and his leasing of the two Maine-Class RO/ROs; *only*

Approve ✓ Disapprove _____

-- That you sign the memo at Tab B directing the Secretary of Commerce to initiate preliminary discussions with the owners of the commercial ships currently under consideration by DOD with a view toward acquiring these ships on the most favorable cost basis. (S) *only*

Approve ✓ Disapprove _____

DECLASSIFIED IN FULL
Authority: EO 13526
Chief, Records & Declass Div, WHS
Date: JAN 13 2016

*Be cautious -
I need SEC &
OMB assessment of
need & cost.
Can total cost be borne
by reprogramming?
J*