MEMORANDUM FOR DISTRIBUTION

SUBJECT: SECNAV VECTOR 6

Maritime power is an essential element of the National Defense Strategy, and as we look to a future of greater global trade and greater unpredictability, it has never been more critical to the success of our nation. For the past several years the debate over defining what enhanced naval power really means has centered around the aspirations for a 355 ship Navy. Today, this 355 ship goal is the law of the land, as outlined in the bipartisan “Securing our Homeland by Increasing our Powers on the Seas” Act, signed into law by President Trump in 2018. The 355 target goal was based on our 2016 Force Structure Assessment (FSA), which recommended not only a total number of ships but also the capabilities required to address emerging security threats. We have been working towards this goal over the last several years, but I am not satisfied with the progress we have made in terms of reaching it within a reasonable and strategically relevant timeframe. As a result, I have asked Navy and Marine Corps leadership to come up with a plan to reach this goal within the next 10 years.

To develop this plan, we will be relying upon the Integrated Naval Force Structure Assessment (INFSA). The INFSA will be the first time the Navy-Marine Corps team has ever worked together to create a truly integrated naval force design. Despite some erroneous recent reporting, all of these initial plans reflect a continued net increase in ships in Fiscal Year (FY) 21 towards our goal of 355 vessels or more, not a decrease. As we develop the plan, I believe it is important for all of us to reflect upon, and embrace, the rationale for why a larger and more capable naval force is required for our nation’s security, and the challenges we face in getting there.

The Simple Mandate for a Larger, More Capable Navy

- Today, our Navy is less than half as large as when it last faced a major peer competitor in the late 1980s. Meanwhile, U.S. gross domestic product has grown from $5 trillion in 1988 to $19.5 trillion. Our trade by sea has since tripled, from $230 billion to over $880 billion. Almost the entire internet and trillions of dollars in trade are carried today on a largely unsecured network of undersea cables. Four decades later, we simply have a lot more to protect from increasingly capable maritime adversaries who will present challenges to our economic security and indeed, our very way of life.

- Our global competitors and adversaries continue to grow their naval forces, and they are expanding their areas of operations and collaboration with each other. China’s battle fleet, for example, has grown from 262 to 335 surface ships over the last decade, and China’s commercial shipbuilding grew over 60% from 2007-2017. Russia continues to invest in advanced submarines with stealth capabilities, and other nations such as Iran, North Korea, and non-state actors are exploiting asymmetric capabilities to create instability and uncertainty on the global maritime commons.
SUBJECT: SECNAV VECTOR 6

Math is a Stubborn Thing - And It is Our Biggest Challenge

- The climb to an ultimate force structure consisting of 355 ships as articulated in 2016 is a steep one. We currently stand at 293 ships, up from 275 just a few years ago. To reach, and more importantly sustain, a 355 ship force within a reasonable timeframe could require an additional $20-30 billion in the Navy’s annual budget of approximately $160 billion. The simple fact is that a fleet of 30% more ships is going to require a much bigger topline to build, man, operate, and sustain.

- The mathematical truth is that based on current budget expectations, we can only build and sustain approximately 305 ships by traditional measures of what counts as a “battle force ship.” Therefore, we are compelled to look at the 2016 FSA 355 ship goal differently, and to redefine whether that number is relevant to what it truly means to serve as an effective integrated future naval force. This is the work of the INFSA team as lead by Vice Admiral Jim Kilby, USN (OPNAV N9) and Lieutenant General Eric Smith, USMC (Deputy Commandant, Combat Development and Integration). Their mandate is to design a force structure that is both creative and relevant to the emerging, more complex, maritime security environment.

How Agile and Creative Thinking Can Help:

- In reexamining our 355 ship goal, we must consider how to shift costs away from high-end platforms to a larger number of smaller, but still highly capable ships. In FY18 dollars, the average cost of a ship during the Cold War “600 ship Navy” era was approximately $1 billion. It is now twice that. This trend is not sustainable, so we must shift the cost curve on all of our ships in the other direction – and they must deliver the distributed capabilities we require. Such a shift could allow broader presence, reduced manning, and longer reach through a significant increase in hypersonic weapons, greater stealth, and advanced anti-ISR capabilities. All this must be achieved through lower acquisition and sustainment costs – a strategic imperative.

- We are also considering how unmanned surface and subsurface platforms not traditionally counted as “battle force ships” (mostly because they have never existed at scale) should figure into our force mix. These platforms will not only allow us to distribute and conceal lethality, but also do so at reduced cost and in ways multiplied through its integration and interdependencies with the Joint Force. Whether it consists of 305 ships, 355, or 500, it is difficult to imagine a future scenario in which American naval power will not be the critical piece of an integrated multi-service, multi-domain national security campaign for lasting peace and prosperity.
SUBJECT: SECNAV VECTOR 6

The Ship Count Matters, But Ultimately YOU Matter More

- In the end we must all understand that American seapower can’t be defined merely by ship counts or hardware. It depends far more upon the talented people who build them, maintain them, crew them, and make them ready to fight, repeatedly and sustainably. Yes, we want to lead with technology and a necessary number of “gray hulls,” but we also must continue to outpace our competitors by fully investing in “gray matter” – the skill and innovation our uniformed and civilian teams must deliver to form the most capable, best educated, fully integrated, and most professional naval force in the world. Without that, our ship count, and ship mix, will be irrelevant. YOU must be our enduring competitive advantage.

From my perspective, there is no question that as a nation we must urgently commit to invest in significantly more naval power. Our Navy and Marine Corps team is at work to define more precisely what that naval power might look like, whether the 355 ship goal is sufficient when considering alternate force mixes, and how we are to achieve it affordably within a timeframe that is relevant to the threats we face today and into the future. Finally, we should all recognize that this determination demands a broader national discussion, not simply one held within the halls of the Department of the Navy or the Pentagon.

When it comes to the primacy of naval power we, as a nation and a Navy-Marine Corps team, have never given up the ship - and now is not the time to start.

Thomas B. Modly
Acting

SECNAV Vectors are released each Friday to the entire DON. Previous Vectors can be viewed https://navylive.dodlive.mil/2020/01/02/secnav-vectors/.

SECNAV VECTOR 1: Priorities and Near-Term Objectives
SECNAV VECTOR 2: Unified in Grief, Heroism, and Resolve
SECNAV VECTOR 3: Make Ford Ready
SECNAV VECTOR 4: December Honors and Remembrance
SECNAV VECTOR 5: DON Business Operations Plan

Distribution:
CNO
CMC
ASN (RD&A)
ASN (FM&C)
ASN (M&RA)
ASN (EI&E)
OGC
VCNO
ACMC
SUBJECT: SECNAV VECTOR 6

DNS
DMCS
DUSN
OJAG
DON CIO
CHINFO
NCIS
OCLO
DIR OCMO
OLA
OSBP
CNP
CNR
NAVIG
SAPRO
NAVAUDIT
DALO