U.S. Navy's industrial capability is being destroyed by cost-cutting

by Lt. Cmdr. John Patrick Anamosa (USN, ret.)

The naval force reductions of the last few years have seriously impaired the United States Navy's ability to maintain and repair the fleet, particularly in the event of a war at sea. The reductions have been done in unseemly haste with a meat cleaver, cutting muscle and bone, but leaving much of the fat. Especially hard hit have been Training and Maintenance budgets, Naval Shipyards and the Repair Ships (AR), Destroyer Tenders (AD), and Submarine Tenders (AS).

Citing "privatization" and "reducing overhead," Department of Defense (DOD), Department of the Navy (DON), and the Base Realignment and Closure Committee (BRAC) have made disabling and short-sighted cuts in the vital repair and maintenance infrastructure, ostensibly because of the smaller fleet they are required to support. In order to cut costs, much of the repair work is to be shifted to commercial shipyards (supposedly more efficient than the government-owned yards or repair ships).

Vital infrastructure and know-how lost

Commercial shipyards are in business to make money. They hire and fire people as needed, depending on what repair contracts they win. When skilled tradesmen are laid off, they must look for work elsewhere, and are frequently lost to the marine repair industry. Naval shipyards, on the other hand, keep a relatively stable career workforce of skilled tradesmen, engineers, and planners, and can afford more of the expensive machine tools and large graving docks needed to support a fleet of warships. Naval shipyards are also tasked as "planning yards," to plan the long-term alteration and modernization of each class of ships, a function and cost (overhead) that commercial yards are not burdened with. Because naval shipyards are required to factor in the cost of this additional overhead in charging the fleet for work accomplished, they cost 40-50% more to do the same work.

Four Naval shipyards have recently closed (Philadelphia, Pennsylvania; Charleston, South Carolina; Long Beach, California; and Mare Island, California). To make matters worse, these shipyards will not be mothballed for future use if needed, but turned over to the city for "development." Hundreds of millions of dollars of unique, specialized, and, in some cases, irreplaceable equipment will be sold off or junked. The dry docks may be lost unless a commercial repair facility can be found to operate them. Worst of all is the loss of thousands of skilled and experienced workers who will have to find other employment and may be lost forever to the shipbuilding and repair industry.

Repair facilities

Tenders and Repair ships are large floating machine shops capable of accomplishing a wide range of repairs not needing the specialized equipment found in a shipyard. They have a crew of about 350 to operate the ship, and a repair department of 700-800 to conduct repairs on all propulsion and auxiliary engineering systems, weapons and electronics, cargo handling equipment, and a ship's hull and structure. Commercial shipyards have long complained about tenders taking work from them, as these ships are tasked with much fleet maintenance, in order to keep the crew's training and skill levels high. However, the main reason for the existence of these ships is not to do repair and maintenance for the fleet in San Diego or Norfolk, but to be able to steam anywhere in the world and maintain the fleet in forward areas, so that a damaged ship does not have to come back to the continental United States for repairs (or, to make a seriously damaged ship seaworthy enough to make the trip). This is especially important if foreign governments will not permit our ships access to repair facilities in an area where the fleet is operating.

The Navy's fleet of Tenders and Repair ships has dropped from 21 ships a few years ago, to four! Some 13-14,000 skilled repair technicians have been scattered to the four winds, as a result of the "downsizing" of the Navy. This can become especially critical in the Pacific and Indian oceans, where distances are great and suitable repair facilities are few and far between.

An unfortunate trend in Navy trade schools over the last several years, has been to emphasize teaching the operation of equipment at the expense of teaching troubleshooting and repair of that equipment. Also, the Navy is tasking the manufacturers of equipment to write the technical manuals, instead

of doing it in-house. This out-sourcing has resulted in a great reduction in the quality of technical documentation and drawings needed to troubleshoot and repair malfunctioning equipment, because the manufacturers are loathe to include what they consider proprietary information.

This inadequate training and inadequate technical documentation has adversely affected the ability of ship's crews to troubleshoot and repair their own equipment, and has caused increased reliance on technical specialists from various engineering commands who must go to the ship (often at great expense) to assist the crew with repairs which, 10 or 15 years ago, would have easily been within the crew's ability to handle on their own. In wartime, it may not be feasible to bring in outside talent, and the delay in effecting repairs could have disastrous results for the ship and the campaign (". . . for want of a sail . . .").

Requirements for national defense

Those who would slash "overhead" must remember that the entire defense establishment is overhead on the national economy. The first bullet and the first pair of boots are overhead. Like the fire department, we hope we do not need to use them, but they must be ready at all times to combat an emergency and be able to sustain themselves for the duration of that emergency.

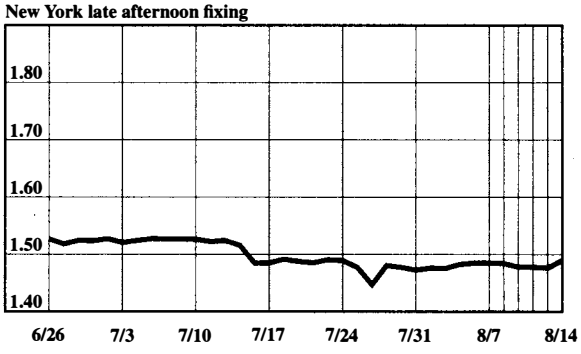
The size of the fleet is expected to shrink to about 340 ships by the time the "downsizing" has stabilized. With a much smaller fleet, each individual ship becomes that much more valuable. Modern warships are very expensive and take a long time to build, fit out, and work up the crew. It would take years, and a massive investment, to increase U.S. shipbuilding capacity to that of World War II. It is therefore imperative that we keep the ability to maintain our ships in fighting trim, and repair demaged ships as quickly as possible, if we get into a naval war. Officers plan military operations to minimize friendly casualties and maximize enemy casualties, but the first casualty in battle is usually the plan, and we must expect that military operations will result in damage to our ships (two ships were badly damaged by mines during the Gulf war). The collapse of the Soviet Union did not negate the need for a large U.S. blue water fleet. The world is neither kinder nor gentler, and is in fact more unstable. While we may have the biggest and best Navy in the world, an alliance among smaller nations and modern weapons could still negate much of that advantage.

LCDR Anamosa enlisted in the U.S. Navy in 1965, serving in the Pacific Fleet, Vietnam, and Japan. He was commissioned as a Surface Line officer in 1975. He has held a variety of shipboard assignments in the Engineering and Operations departments in six Pacific Fleet ships, and spent two and one half years on the staff of the Canadian Maritime Command. He retired from the Navy in 1990 and has worked as a contractor on Navy maintenance staffs.

Currency Rates

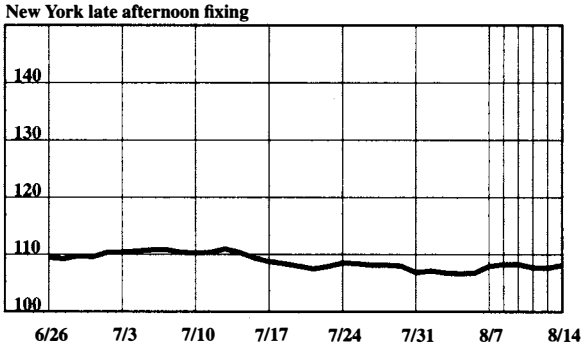
The dollar in deutschemarks

New York late afternoon fixing



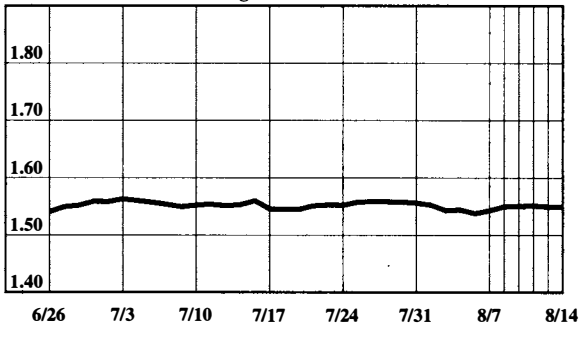
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing