## THE SECRETARY OF DEFENSE WASHINGTON, D. C. 20301

13.144 1976

MEMORANDUM FOR THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET THROUGH: THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

SUBJECT: Revised Navy Five-Year Shipbuilding Plan

As you know, the Navy has revised its existing five-year shipbuilding plan so that it will more closely "fit" within the revised five-year Defense topline projection. The result permits retention of an active Navy of about the same size as in 1973-1974.

In accordance with our previous discussions, it was agreed that there would be an NSC project to consider the requirements and composition of the Navy for the 1980's and 1990's. The Department will be reviewing this matter in considerable detail over the course of the next month or two. As a result of this review, appropriate recommendations will be made for consideration by the President and the National Security Council. If there is acceptance at the national level of the need for a significantly different naval force, it is my understanding that the Defense topline projection will be adjusted accordingly and that the Congress will be so informed.

Donald Rumsreld

Rewritten by MG Wickham/cb IOSD/13 Jan 76

