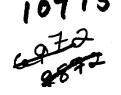


UNITED STATES GENERAL ACCOUNTING OFFICE WASHINGTON, D.C. 20548



PROCUREMENT AND SYSTEMS ACQUISITION DIVISION

APRIL 20, 1979

B-163058

The Honorable Harold Brown
The Secretary of Defense

AFC 00005

Attention:

Assistant for Audit Reports

Room 3A336

ASD (Comptroller)

Dear Mr. Secretary:

We have reviewed the Department of Defense's (DOD's) Theater Nuclear Forces' modernization efforts with particular emphasis on North Atlantic Treaty Organization modernization since 1975.

To achieve greater flexibility in using Theater Nuclear Forces, DOD modernization efforts were directed towards:

- --Improving the Theater Nuclear Forces' survivability under nuclear or nonnuclear attack through greater mobility, increased hardness, and well-planned dispersal.
- --Upgrading command, control, and communications systems to maintain Theater Nuclear Forces' responsiveness to other military organizations and political authorities.
- --Improving the accuracy and timeliness of operational intelligence and target information, provided to both political authorities and military organizations.
- --Modernizing aging armaments with new systems, to provide an enhanced Theater Nuclear Forces' capability for militarily effective employment.

109151

PSAD-79-68

Our assessment of efforts to achieve these goals has led us to conclude that the Theater Nuclear Forces Modernization Program could have benefited by more centralized management and coordination by the Office of the Secretary of Defense.

EFFORTS TO COORDINATE MODERNIZATION PROGRAM

Improving the survivability and security of tactical nuclear weapons is an essential part of modernizing Theater Nuclear Force capabilities in Western Europe. In December 1974 DOD directed the Army to initiate a program to study the survivability of its dispersed ground force elements. The program was to begin in fiscal year 1976. The program objectives were to assess the vulnerability of Theater Nuclear Forces to enemy attack, identify deficiencies, and develop doctrinal, procedural, and technological solutions to improve their survivability. DOD guidance was to be general, to allow the Army flexibility in developing a detailed program. Funding was the responsibility of the Army, but oversight and guidance was to be provided by a steering group chaired by the Office of the Director, Defense Research and Engineering. Disagreements within the Army over responsibility for the program's direction, implementation, and scope delayed its start. Finally, in April 1976 the Army defined the scope and prepared a master plan to accomplish the assigned task.

At about this time, the DOD steering group was replaced by an Army Program Advisory Group which included a representative from the Office of the Secretary of Defense to provide advice and guidance for the survivability program. Funding problems followed when the Army placed the Theater Nuclear Forces survivability program and the Army's research and development hardware programs in competition for the budget dollar. The program requirements were partially funded in fiscal years 1977 and 1978, but deleted from the fiscal year 1979 budget. The Army has reprogramed nearly \$2 million and the Defense Nuclear Agency has provided about \$1.6 million to keep the program going through 1979. The Army has requested about \$2.5 million for fiscal year 1980. Some tasks have been completed but a low priority and consequent lack of funding have caused the program's completion date to slip from fiscal year 1979 to 1981. The program's estimated cost has increased from \$7 million to \$15 million.

In January 1977 DOD directed the Defense Nuclear Agency to develop a broad technological program to evaluate current survivability and security problems of Theater Nuclear Forces and to identify technological solutions. This program is operating under the guidance of a steering group chaired by the Assistant to the Secretary of Defense (Atomic Energy).

This group's objectives are somewhat similar to those of the 1974 steering group formed to provide general advice and guidance for the Army survivability program. Initially, the Defense Nuclear Agency's program is to take advantage of suggested solutions to problems identified under prior and ongoing efforts such as the Army's still-continuing survivability and security program. The most promising solutions will be tested and evaluated, after which decisions will be made as to the need to incorporate the tested solutions into the Theater Nuclear Forces. The individuals responsible for this program maintain that it will not duplicate or conflict with other survivability/security programs now underway or recently completed.

Department of Defense officials advised us that the staff of the Office of the Secretary of Defense annually reviews all Theater Nuclear Forces' programs as a discrete category and, as necessary, raises specific issues for consideration by the Secretary of Defense. It was not apparent to us that this process has provided the broad view of the entire Theater Nuclear Forces' mission that appears necessary to make informed decisions regarding the many individual programs that are a part of the Theater Nuclear Forces' modernization effort.

On August 28, 1978, the Under Secretary of Defense for Research and Engineering established a Theater Nuclear Forces Acquisition Planning Coordinating Group responsible for managing and coordinating all efforts related to Theater Nuclear Forces.

We believe establishing this coordinating group is a start towards centralizing and strengthening the management of Theater Nuclear Forces improvements. We believe such a group, if it can provide forceful guidance, establish priorities, and continually evaluate and review ongoing programs, would help achieve the Theater Nuclear Forces' modernization goals in an effective and timely manner.

RECOMMENDATIONS TO THE SECRETARY OF DEFENSE

We are recommending that you direct the Theater Nuclear Forces Acquisition Planning Coordinating Group to:

- Review the Army and Defense Nuclear Agency survivability programs to ascertain whether both are necessary or whether they should be consolidated, and also provide high-level direction and funding priority to the resulting program(s).
- Make sure that proposals to the Secretary of Defense for the development or modification of weapon systems, designed to improve Theater Nuclear Forces capability, include information on
 - --how the system is expected to contribute to the total Theater Nuclear Forces' mission;
 - --its relative priority with respect to other systems needed for the mission;
 - -- the time frames for accomplishing the improvements; and
 - -- the effect of the proposed development or modification on the total cost of forces modernization, including Department of Energy costs related to nuclear warheads.

We are sending copies of this letter to the Director, Office of Management and Budget. We are also sending copies to the Chairmen of the House and Senate Committees on Appropriations and Armed Services, the House Committee on Government Operations, and the Senate Committee on Governmental Affairs.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first

request for appropriations made more than 60 days after the date of the report.

We would appreciate being advised of any specific action taken regarding these matters.

Sincerely yours,

J. H. Stolarow

Director