

琉球大学学術リポジトリ

在日米軍の削減可能性を探る研究

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SECTION VII: DEFENSE FOUNDATIONS

FORCES READY TO FIGHT

The first priority of the Clinton-Aspin defense plan is to ensure that the United States has forces ready to fight today and in the future.

Currently, we have the best and most ready military force in the world. We have worked hard to get it that way over the past several years. Now, we face the even more difficult challenge of preserving readiness as we reduce the defense budget, draw down our overall force structure, and reorient our armed forces toward the new dangers facing us in the post-Cold War world.

Our approach to preserving readiness will be not only to identify readiness problems as they emerge and take corrective action, but also to anticipate, and thus prevent, problems from occurring through development of a readiness “early warning system.” This focus on prevention guides our readiness planning and organizational innovation. It is also one of our most difficult challenges.

Defining Readiness

The first problem in addressing the issue of readiness is that there is no simple way to define what readiness is, and what it is not. Broadly speaking, almost everything DoD does is related to readiness. Yet, such a broad definition suggests that any reduction in the overall defense budget automatically reduces readiness — an overly simplistic conclusion that does not help to establish priorities in defense planning. However, too narrow a definition may shift the focus to individual units, underemphasizing the “joint” readiness we seek from our forces as a whole.

Current definitions of readiness, established during the Cold War, need to be updated to address new dangers and conform with the new defense strategy and forces that have resulted from the Bottom-Up Review. One of our primary challenges, therefore, is to define readiness broadly enough to include elements of

jointness and sustainability while reflecting the shifting requirements of the post-Cold War era.

Once an updated definition of readiness has been developed, we must proceed to establish:

- Clear and agreed-upon standards that specify the levels of performance our forces must be able to attain.
- Reliable measurements to assess whether current and future forces meet these standards.
- Responsive management structures to ensure that readiness receives appropriate attention within the policymaking and resource allocation processes.

Standards

Determining standards for readiness used to be easy: The Soviet Union was our principal enemy and the main readiness standard was a requirement to be able to halt an attack on Western Europe by Warsaw Pact forces. We no longer face a single potential adversary or have a familiar and long-standing scenario for which to prepare. Our forces may be called upon to fight on short notice in any of a number of locations or conditions, or they may have to be inserted into a civil conflict where they would seek to enforce a peace settlement among warring factions.

Traditionally, levels of readiness have been determined by specified metrics. We are working to determine whether existing standards could be supplemented or replaced by other standards more appropriate to the requirements of the new defense strategy.

Our broad standards of readiness should be determined by the ability of our forces to carry out our defense strategy, specifically the requirement to be

this can hurt readiness. To some extent, recovery in readiness and related accounts can be accomplished through reprogramming, as was done in this year's supplemental and reprogramming requests. However, in order to preclude, or at least to mitigate, the impact of future contingency operations on readiness, the FY 1994 defense budget request included \$448 million for contingency operations: peacekeeping/peace enforcement, humanitarian assistance, democracy building, and disaster relief.

By expanding and improving our measures of readiness, in line with standards agreed upon by OSD, the CINCs, and the services, we can get a better appreciation of the status of our forces, and what supplemental steps are needed to maintain their readiness.

Management

The last step in the process of improving our means of maintaining high combat readiness is the creation of management structures within DoD that ensure that readiness concerns permeate all levels of decision-making.

First, there must be no doubt that preserving readiness is the cornerstone of our new defense strategy. The Clinton Administration and its defense team have made maintaining forces ready to fight the number one defense priority. This emphasis will be reflected, for example, in the Defense Planning Guidance and other key DoD planning and programming documents. These documents direct the services, which have principal responsibility for readiness, to make combat readiness the first priority in their programs and budgets.

In addition, several organizational initiatives related to readiness are underway. The OSD staff is being reorganized to create a new Assistant Secretary for Personnel and Readiness. This position will provide a single focal point for overseeing all aspects of readiness. There are also three readiness committees that have been formed to examine different aspects of the issue.

- **Senior Readiness Council.** This senior-level forum is chaired by the Deputy Secretary of Defense and includes the Vice Chairman of the Joint Chiefs of Staff and the service chiefs, with the Assistant Secretary of Defense for Personnel and Readiness serving as Executive Secretary. The group was created to bring together the key military leaders who are responsible for advising the Secretary and the Deputy Secretary of Defense on readiness policy. Specifically, the group will be attempting to link near-term considerations with longer-term programs and to alert OSD to any critical readiness problems that may occur. The panel will receive and consider recommendations made by the Readiness Task Force and the Readiness Working Group (discussed below), and other sources.

- **Readiness Task Force.** This group, operating under the Defense Science Board and headed by General Edward C. "Shy" Meyer (USA-Ret.), consists of eight retired general and flag officers. It was created to provide the Secretary and Deputy Secretary of Defense expert outside advice and alert them to critical readiness issues. The Meyer panel will meet as required and periodically visit units in the field in order to develop insights on readiness matters and provide recommendations to the Secretary. It will focus on establishing key readiness indicators — especially those that provide early warning of future problems — and alerting the Secretary and the Senior Readiness Council to critical readiness concerns it may identify.

- **Readiness Working Group.** This group, to be chaired by the Assistant Secretary of Defense for Personnel and Readiness, will include senior representatives from the Joint Staff, the services, and offices within OSD. It will be the primary forum in DoD for raising, discussing, evaluating, and recommending solutions to readiness issues. The Readiness Working Group will also be responsible for overseeing the implementation of readiness initiatives, programs, and decisions. The group will charter studies of readiness issues, ensure that DoD readiness goals are met, convey the Secretary of Defense's readiness decisions throughout the department, and develop and use readiness early-warning indicators to alert DoD and advise the Secretary on readiness-related issues.

Funding Issues

Despite the promise of these new standards, measures, and organizations, without adequate funding, readiness will decrease. Too often in the past, readiness has suffered when increased operating tempos, caused by crisis responses around the globe, have forced the services to draw from the same operations and maintenance accounts that fund readiness. In the first years of the post-Cold War era, we have already been involved in many such operations, from peacekeeping and peace enforcement to humanitarian assistance and disaster relief.

This is especially true in the case of smaller-scale operations where reimbursements from other sources

— whether contributions from coalition partners or a supplemental appropriation from Congress — are not readily available. Frequently, when reimbursements to the services have been received, they have come after decreases in readiness — as a result of missed training or deferred maintenance — have already occurred.

The establishment of a special peacekeeping account in the FY 1994 budget to fund U.S. commitments to such operations will help to avoid siphoning off O&M funds needed for readiness. However, this fund is insufficient to support larger, long-term deployments of U.S. forces to these operations. In the future, DoD will press to get such contingency operations funded through supplemental budget requests as rapidly as possible.

SECTION VII: DEFENSE FOUNDATIONS

FAIRNESS TO PERSONNEL

People are at the heart of our armed forces. The best planning, the highest-technology weapons, and the most well-conceived strategy will have no impact if the military personnel upon whom the planning, weapons, and strategy depend are not fully motivated and trained.

In order to meet Cold War threats, we created the most highly professional, trained, and motivated force in the world. The results of those efforts were clearly seen in the overwhelming victory achieved in Operation Desert Storm. To meet the new dangers and seize the new opportunities of the post-Cold War environment, we need to maintain that quality in our people.

During this era of shrinking budgets and force reductions, we have a responsibility to those individuals remaining in the military to maintain their quality of life and to ensure that they retain the high level of professionalism they have worked so hard to attain. We also have a responsibility to treat fairly and ease the transition of those who will be leaving the military, as well as the people and communities who supported our forces—from defense workers to the communities losing bases or defense plants.

Our Commitment to People in the Force

Our first challenge as we reduce the size of our defense structure is to make sure that our military remains the most dedicated and professional in the world. With the range of activities that America's armed forces will be involved in, it is more important than ever that we provide the full range and quality of support, training, and education that our troops need. In order to meet this challenge, DoD will pursue the following objectives:

- ***Maintain high recruit quality.*** We must continue to ensure that we recruit the best young men

and women we can for our armed forces. Thus far, the services have continued to meet their recruiting objectives with top-notch people, although educational achievements of incoming personnel have declined slightly from the unprecedented highs of the past few years. Somewhat worrisome is the fact that some surveys indicate that interest in joining the armed forces is beginning to decline among America's youth. This appears to be due, in part, to the uncertainty they perceive as to the long-term viability of a military career. We plan to take steps to halt both these trends. Two steps that will help are to provide adequate funding and support for our advertising and enlistment bonus programs so that they continue to work effectively.

- ***Successfully implement social changes.*** Our armed forces will be going through significant social changes as we seek to expand the number and types of opportunities available to service women and to implement President Clinton's decision on homosexuals in the military. We must implement these new policies in a careful, practical, fair, and consistent way, while preserving the current high levels of combat effectiveness and unit cohesion in our armed forces.

- ***Maintain the quality of life of our military personnel and their families.*** Our ability to attract and retain high-quality men and women in the armed forces will be heavily influenced by our ability to provide a military lifestyle that encourages talented people to join and remain in the military. To achieve this goal, we are implementing a proactive, "people first" strategy. We must provide adequate compensation, benefit levels, and "quality-of-life" incentives, while continuing to improve our welfare and recreation activities, dependent education, child development, youth activity, and family support programs. We must also monitor the tempo of operations of our deployed forces so that our troops and their families will not be hit so hard by frequent, lengthy separations.

- **Training.** We must also provide rigorous, realistic, and challenging training to our troops if we are to keep their readiness high. We are determined to maintain adequate funding for field training and related programs, such as expanded use of combat simulators.

- **Limit disruptions as the personnel drawdown proceeds.** Perhaps our most important goal is to manage the personnel drawdown process intelligently, with as little disruption to our armed forces as possible. As the drawdown proceeds, there will inevitably be some upheavals and reorganizations. We will face a temporary increase, in the near future, in relocation moves for separated and realigned staff, but we are determined to try and minimize these moves and disruptions.

Our Commitment to People Leaving the Force

We owe a great deal to all those who have chosen to serve in the Department of Defense, and we have a responsibility to treat those who separate from DoD with the compassion and fairness they deserve. Several programs are intended to minimize involuntary separations and ease any separations that must take place.

Voluntary Separation Initiatives (VSI) and Special Separation Benefit (SSB) Programs. DoD ended FY 1992 with an active-duty military end-strength some 17 percent, or 366,000, below the peak end-strength of 2,174,000 in FY 1987. We must still draw down by approximately 400,000 more people, to 1.4 million by FY 1999. Until now, most of the reductions have been achieved by attrition, reduced accessions, and our very successful voluntary separation programs. More than 22,000 service members have already applied for separation under the VSI and SSB programs this year; this is more than half of our FY 1993 goal of 30,000. We will continue to use these programs wherever possible to achieve further necessary personnel reductions.

Early Retirement Authority. While the VSI and SSB programs are working well for members with 6 to 15 years of service, these programs have not induced large numbers of DoD personnel with more than 15 years of service to separate. Temporary early retirement authority will complement other programs and help us shape the 15- to 20-year segment of the force. The goal of this program is to supplement the voluntary separation programs so that our forces can maintain an appropriate mix of skills and experience as they are reduced in size. The temporary early retirement program will help reduce those overstrength skills, grades, and year groups and minimize involuntary separations.

Reserve Component Separation Initiatives. The reserve component transition initiatives enacted by the Congress and implemented by DoD include special separation pay for those with more than 20 years of service, early qualification for retirement pay (at age 60) for those with 15 to 20 years' service, separation pay for those with 6 to 15 years of service, post-separation use of commissaries and exchanges, continuation of Montgomery G.I. Bill educational assistance, and VSI/SSB and temporary early retirement programs for selected full-time reservists.

Civilian Separation Incentives. Like our plans for active military and reserve personnel separations, plans for civilian separations will minimize involuntary departures. DoD intends to reach the civilian reduction level first by attrition, then by using the authorized buyout provisions recently passed by the Congress, and last, by involuntary separations. We will also continue to adhere to civilian hiring restrictions already in place, replacing two civilian employees for every five employees who leave.

Transition Assistance Programs. There are other programs being undertaken to ease the transition for personnel leaving DoD:

- **Extended medical care.** We will pay the government portion of health insurance premiums for an additional 18 months beyond the release date of employees who are involuntarily separated.

- **Separation assistance counseling.** There are several programs available to help departing DoD personnel find new jobs. The Verification Program provides a form with a service member's military experience, training history, associated civilian-equivalent job titles, and educational credit information. Another automated program registers mini-resumes of civilian employees, military members and their spouses in the Defense Outplacement Referral System. Through this program, the Department, in cooperation with the Office of Personnel Management, refers the resumes of DoD personnel to federal and other public and private-sector employers. The Defense Priority Placement Program (PPP) remains the backbone of our internal civilian placement efforts, providing fine-tuned PPP policies that are responsive to employee needs. Registrants in this automated program average about 7,000 per month, and we place approximately 500 employees monthly. To accommodate the transition needs of individuals stationed overseas, DoD has sponsored job fairs in Europe and Asia.

- **Relocation assistance.** This is a Congressionally-directed program that operates through the family centers at military installations. It provides planning assistance, community information, and emergency aid during the relocation process.

- **"Softlandings" for troops.** To address the transition needs of military personnel, DoD civilians, and defense contractors and, at the same time, place talented individuals in public service jobs, we are establishing a program to encourage separated individuals to go into teaching, law enforcement, health care, and environmental restoration and preservation. We are also establishing a public and community service jobs registry containing both resumes and job vacancy notices.

- **Retraining.** DoD is helping displaced military, civilian, and contractor personnel prepare for new employment by working with other federal agencies to provide employment and retraining services.

- **Department of Veterans Affairs.** We have also provided significant funding to the Department of

Veterans Affairs to implement the Service Members Occupational Conversion and Training Act, which will provide training to veterans in need of additional civilian job skills.

Assistance to the Larger Defense Community

We have established the Defense Reinvestment Initiative to aid the people and communities that have long supported our national defense but are now losing defense facilities in their area. This initiative, in conjunction with others from DoD and other government agencies, will help affected communities adjust to the defense drawdown.

Base Closure and Redevelopment. DoD is working with the Commission on National and Community Service to explore how the Civilian Community Corps can assist us in addressing the needs of communities where bases are being closed. Examples might include (nontoxic) environmental base cleanup activities, installation maintenance, conservation programs, and wildlife protection.

Continued Commitment to Society. To further address the school dropout problem, the Department will fund a Civilian Youth Opportunities pilot program, administered by the National Guard. The program will provide military-based training and community service opportunities to improve the life skills and employment potential of youth who drop out of school. We also are implementing a pilot program through the National Guard to provide health care services to medically underserved communities and populations. DoD has doubled the size of the Junior Reserve Officers Training Corps (JROTC) program, which uses retired defense personnel to teach leadership, citizenship, and responsibility to high school students. Combining JROTC instruction with vocational training and academic instruction, we have developed the JROTC Career Academy Program directed toward at-risk youth in inner-city high schools.

Demonstration Programs in Job Development. DoD is working with the Department of Labor to assist

employees adversely affected by base closures and realignments and contractor cutbacks. We have transferred \$100 million of the \$150 million authorized to the Department of Labor for the Defense Conversion Adjustment Program to help displaced defense workers prepare for and find new jobs, and to provide them with relocation and other support services, such as transportation and child care. In addition, three base closure locations (Castle Air Force Base, Philadelphia Naval Shipyard, and Williams Air Force Base) were among 12 locales awarded demonstration grants to provide job development and job search services beyond those traditionally available through the Labor Department program.

Defense Diversification Program. Additional funds, authorized and appropriated in FY 1993, have been transferred to the Department of Labor for an expanded assistance initiative, called the Defense Diversification Program. New provisions include access to training assistance 24 months in advance for DoD civilians at bases slated for closure and needs-related stipends for displaced defense workers while on training.

Department of Commerce. The Department also transferred \$50 million appropriated in FY 1991 and \$80 million appropriated in FY 1993 to the Economic Development Administration of the Department of Commerce to help communities implement their adjustment plans.

SECTION VII: DEFENSE FOUNDATIONS

ROLES AND MISSIONS

To ensure that our armed forces are properly aligned to meet future challenges, we must continually evaluate the division of labor — the allocation of roles, missions, and functions — among the services and combatant commands.

This section describes the Bottom-Up Review of:

- **Roles.** The broad and enduring purposes for which the military services were established by Congress in law;
- **Missions.** The tasks assigned by the President or Secretary of Defense to the combatant commanders; and
- **Functions.** The specific responsibilities assigned by the President or the Secretary of Defense to enable the services to fulfill their legally established roles.

The Goldwater-Nichols Department of Defense Reorganization Act of 1986 requires the Chairman of the Joint Chiefs of Staff (JCS) to “periodically recommend such changes in the assignment of functions (or roles and missions) as the Chairman considers necessary to achieve maximum effectiveness of the Armed Forces.”

In March, Secretary Aspin forwarded to the Congress the Chairman of the Joint Chiefs of Staff’s *Report on the Roles, Missions, and Functions of the Armed Forces of the United States* — the second such version of that report since Goldwater-Nichols became law. In his letter transmitting the report and in a subsequent directive issued throughout DoD in April, the Secretary provided his decisions on the Chairman’s recommendations. Within OSD, the services, and the Joint Staff, 31 working groups were formed to implement the Secretary’s decisions. Deliberations commenced immediately. In most cases, 60-day implementation plans or 90-day “fast track” study results were for-

warded to the Secretary to keep him apprised of progress on the actions.

The most encompassing action taken — one which has broad implications for the conduct of evolving, post-Cold War missions such as peacekeeping — involves placing the majority of U.S.-based forces, including the Atlantic Fleet, Forces Command, Air Combat Command, and Marine Forces Atlantic, under a single, unified combatant command. The U.S. Atlantic Command was selected because it is particularly well-suited to assume this new mission. The principal purpose of the new command is to ensure joint training and readiness of forces stationed in the United States. As a result of this change, forces would already be accustomed to operating together and could therefore be deployed efficiently to overseas locations when crises arise. Consequently, overseas CINCs will be able to focus more on in-theater operations and less on deployment readiness concerns.

In addition to developing jointly trained forces, the U.S. Atlantic Command would be assigned other important new functional responsibilities:

- Supporting U.N. peacekeeping operations and training units for that purpose.
- Assisting with disaster relief operations in the United States and fulfilling other requirements for military support to civil authorities when requested by state governors and as directed by the President.
- Planning the land defense of the United States.
- Improving joint tactics, techniques, and procedures.
- Recommending and testing joint doctrine.

Depot maintenance represents another area examined in the most recent Roles and Missions Report

where important follow-on work is underway to eliminate redundancies. Government depots comprise a huge organization of some 130,000 civilians and 2,000 military personnel spread across 30 facilities. Today, with the ongoing reductions in the U.S. force structure, DoD's depot capacity exceeds requirements by 25 to 50 percent. The Base Realignment and Closure (BRAC) Commission recommended closing seven depots and realigning three others. A DoD working group is reviewing additional consolidations and new management schemes. The goal is to reduce depot capacity significantly so as to align it more closely with our reduced force structure and overall requirements.

Another action resulting from the Roles and Missions Report and the Secretary of Defense's directive is the establishment of an Executive Agent management structure for DoD's vast training, test, and evaluation (TT&E) establishment. The services have agreed to pool their TT&E infrastructures and resources under a joint board of directors comprising senior officers from the four services. This action will streamline and vastly improve the efficiency of this large complex of facilities and ranges.

The April directive also identified five areas for further study in conjunction with the Bottom-Up Review (four of which are addressed in this section):

- Expeditionary ground force roles and requirements.
- Service air power roles and force requirements.
- Service contributions to meeting overseas presence needs.
- Service responsibilities in new mission areas, such as peacekeeping.
- Responsibilities assigned to the active and reserve components (examined in the next section).

In each of these areas, the focus was on preserving the benefits that derive from competition among the services, while eliminating unnecessary and duplica-

tive practices. As Secretary Aspin and the Chairman of the JCS have both stated, fielding unique but complementary capabilities in different military services can be an efficient use of resources. It may be necessary to assign a particular function to more than one service in order to ensure that critical capabilities are available when and where they are needed. Moreover, cross-service diversity can foster greater innovation, seriously complicate enemy planning, and hedge against possible breakthroughs in countering a particular capability.

The Bottom-Up Review determined that it is necessary to maintain multiservice capabilities in all of the areas listed above. However, where those capabilities involve the use of similar weapon systems or platforms, special attention must be given to ensuring that the services adopt common approaches, to the extent possible, in several areas. These include:

- Developing standard tactics and techniques, adopting common doctrinal approaches, and carrying out joint training where coordination with other force elements is required.
- Consolidating support and training infrastructures to reduce excess capacity.
- Exploiting opportunities to develop and field common weapon systems and subsystems.

Expeditionary Ground Forces

As was discussed in Section IV, the Bottom-Up Review assessed a number of alternative force mixes weighted toward ground, sea, or air components, but validated the need for a balanced force that is highly responsive to a broad array of possible contingencies.

The review of expeditionary ground force requirements included the full range of contingency and expeditionary forces: active Army heavy (armor and mechanized), light, and specialized airborne and air assault forces; all Marine Corps forces, including the organic contributions of the Marine air component; and special operations forces. These forces were

examined for their contributions under a range of circumstances and conditions.

Under our proposed defense strategy and force structure, expeditionary ground force capabilities appear sufficient for any single contingency, large or small. However, if we had to deal with more than one contingency at a time, such a scenario would place extraordinary demands on certain elements of the force, such as Army airborne and air assault forces, Marine expeditionary forces, and some special operations forces.

Smaller-scale operations also place special requirements on "light" forces and on special operations forces. Threat and terrain conditions and the lack of available infrastructure often exclude the use of armor or mechanized forces in such circumstances. So-called light forces (Army infantry, airborne, and air assault) and medium forces (Marine air-ground task forces) may be required to perform a variety of functions, including forcible entry, assuming access is contested. For contingencies extending over lengthy periods of time, consideration must also be given to providing an adequate rotation base. Reserve component forces might be called upon in these situations.

Adoption of new missions such as peacekeeping, humanitarian assistance, and disaster relief, or a significant expansion of existing missions such as increased amphibious ready group presence in maritime regions, has the potential to place far greater demands on the operating and deployment tempos (time deployed) of our forces. Combat force contributions to peacekeeping operations, for example, will in most cases be infantry and SOF-intensive and will likely involve force commitments of an extended duration. However, planned reductions in light infantry forces and rotation factors will limit the size and number of commitments these forces can support. Moreover, once committed to peacekeeping operations, these forces will not be readily available to respond to crises elsewhere. Again, we are exploring greater use of reserve component forces as a means of relieving the burden on our active forces and increasing our flexibility to perform such operations.

Theater Air Operations

The Bottom-Up Review's assessment of theater air operations drew heavily on Joint Staff analyses exploring the contributions of various service air components under a variety of scenarios and circumstances. However, some independent modeling was conducted within OSD which looked specifically at the capabilities of modern munitions against large armored forces.

As with ground force operations, theater air operations require a careful sequencing of forces in the early stages of conflict. If control of airspace is contested, air superiority must first be established. When airspace is contested in maritime areas or when air bases ashore are not available, Marine and Navy fighter aircraft play a crucial role. In certain circumstances, Marine and Navy air elements, along with long-range bombers, will be the only sources of theater air power available. In contingencies where access to local land-based facilities is well assured and logistics support can be maintained, land-based air-superiority aircraft will combine with Navy and Marine tactical aircraft to provide the most capable mix of forces possible. Joint Staff war-gaming analysts explored air-superiority requirements against a variety of potential threats. In all cases, land- and sea-based air-superiority aircraft were found mutually supportive and necessary.

Interdiction operations and attacks on strategic targets could begin almost immediately with long-range missiles, stealth aircraft, and aircraft capable of delivering standoff weapons. Once air superiority was assured, emphasis would be placed on interdiction efforts. Strike platforms from all services would contribute, adding confusion to enemy planning and overwhelming remaining enemy air defenses. Bombers could play especially important roles in the early stages of a conflict, once outfitted for delivery of precision-guided munitions.

Engaged ground forces will require close air support. Air Force, Navy, and Marine fixed-wing attack aircraft and Army and Marine attack helicopters will provide this support. In implementing another recommendation of the recent Roles and Missions Report,

joint doctrine is being updated to better account for the contributions of attack helicopters. Work must continue in the area of integrating long-range rocket artillery fire with air-delivered munitions.

The danger presented by the proliferation of weapons of mass destruction, particularly nuclear weapons, places additional demands on theater aviation. First, development of conventional counterforce capabilities will be necessary. Second, while we believe the Navy and Marine Corps can prudently do away with the tactical nuclear mission of their air components, a limited number of Air Force multirole aircraft must remain capable of delivering theater nuclear weapons.

One other promising change in the area of theater aviation is the integration of Navy and Marine Corps fixed-wing fighter/attack aircraft. Three Marine Corps F/A-18 squadrons and one EA-6B squadron will participate in aircraft carrier deployments. We will also examine further integration of Marine Corps fighter/attack squadrons in support of carrier operations, while ensuring that such integration does not disrupt the integrity of the Marine air-ground task force concept.

On the programmatic side of theater air operations, the Bottom-Up Review analyzed the potential for joint Air Force-Navy development of single aircraft types and components to meet the requirements of both services at substantial cost savings. As a result, the Joint Advanced Strike Technology Program has been launched with the aim of achieving far greater commonality of components and "jointness" in the next generation of Navy and Air Force strike aircraft.

While it is clear that all services will retain important air power roles, more work must be done to ensure that air and missile contributions are better integrated. This will remain a critical area for ongoing analysis.

Overseas Presence

Overseas presence requirements are apportioned among the services according to the needs of regional

commanders. Given the diversity of situations and locations where U.S. interests are represented in peacetime, multiservice capabilities are crucial to maintaining adequate overseas presence as the overall size of our force is reduced.

Throughout the Cold War era, land-based ground and air forces constituted the majority of U.S. forces stationed overseas. Guided by a strategy of forward defense and containment, these forces were deployed in significant numbers and were supported by a relatively large forward base infrastructure.

Today, our overseas presence is both declining and being restructured in response to the changed strategic environment. In some regions, such as Europe, our land-based presence, both troops and bases, is declining sharply. In other regions, like the Pacific, where we had fewer forward-stationed forces to begin with, the decline is less dramatic. In still other regions, such as the Persian Gulf, the post-Cold War period has brought with it more, not fewer, demands for presence.

The decline in the number of U.S. forces permanently stationed abroad and the accompanying draw-down in bases and facilities to which we have historically had access means that our remaining overseas presence forces and facilities take on added significance in implementing our regionally-oriented defense strategy.

We will continue to examine innovative concepts to fulfill our commitments as we reduce our overall overseas presence, ensuring, for example, that increased operating tempos and a shrinking rotation base do not degrade combat readiness. A number of these concepts — including a reserve/training carrier, adaptive and joint force packages, and combined exercises of land, air, and naval forces with U.S. friends and allies — have already been discussed. Over time and in consultation with our friends and allies, adjustments will continue to be made in our overseas presence that recognize the limitations of a smaller U.S. force structure while continuing to serve our interests abroad.

Service Roles in New Mission Areas

Peacekeeping, peace enforcement, humanitarian assistance, and disaster relief operations place new demands on U.S. armed forces and require some redefinition of missions and functions, with an attendant impact on resource allocation. Of these potential missions, peacekeeping and peace enforcement operations will be the most demanding. Here again, the flexibility of complementary, multiservice capabilities is a tremendous asset.

As noted earlier, one prominent step in our response to this new requirement has been to make the U.S. Atlantic Command responsible for evaluating and refining joint and combined doctrine for peacekeeping and other peace support operations and for developing joint training programs and exercises. In terms of the distribution of other roles and missions, the military services will retain responsibility for individual and unit training and general leadership preparation for peace support operations, while regional commanders will be responsible for operational and contingency planning.

Planning and associated force structure implications for peace enforcement operations will resemble those for major (or lesser) regional conflicts, as was discussed in Section III. Peace enforcement is a form of armed combat requiring tailored forces from all components, as determined by a regional commander. Service functions in these types of operations will differ little from those required for other combat operations.

Planning for peacekeeping requires different techniques and a different mix of combat and support forces. Effective multinational staff and leader training and familiarity with certain noncombat techniques

(such as negotiation and integration of nongovernmental and private volunteer organizations into the overall effort) will be critical to the outcome.

Peacekeeping operations typically will also require heavier concentrations of combat support and combat service support forces than is the case for combat operations. Emphasis will be placed on medical, engineering, transportation, and command and control capabilities. Depending on the anticipated level of U.S. participation in peacekeeping operations, the mix of active and reserve forces in these areas may need review.

Combat forces for peacekeeping will usually include both ground and air components, as well as maritime forces if blockades are to be enforced or naval interdiction is required. Ground forces will likely be infantry-intensive, depending upon the scenario, and could, in some cases, severely strain overall "light" force capabilities. Air contributions will mostly involve supply and reconnaissance assets. As a follow-on to the Bottom-Up Review, we will continue to evaluate overall force requirements for peace support operations.

A Concluding Comment

The Bottom-Up Review has provided an important opportunity to further clarify service roles, missions, and functions in selected areas and, therefore, build on the recommendations of the Roles and Missions Report. In each of the five areas examined, the need for multiservice capabilities was reaffirmed. However, several important matters raised in the Bottom-Up Review will require further attention as the process of defining America's post-Cold War security needs continues in the months ahead.

SECTION VII: DEFENSE FOUNDATIONS

RESERVE COMPONENT FORCES

Reserve component forces are an integral part of our armed forces and are essential to the implementation of our defense strategy. Reserve forces were key to our success in the Persian Gulf war, clearly demonstrating their commitment, dedication, and professionalism. After Iraq's invasion of Kuwait, reserve volunteers from all of the services were among the first military personnel to deploy — literally thousands of reservists volunteered to be activated in the initial days of the operation. The Persian Gulf War, which required the largest mobilization and deployment of the reserve component since the Korean conflict, was also the first major test of our Total Force policy, instituted in 1973 to integrate the active and reserve components of our armed forces more closely with one another.

Since the inception of the Total Force policy, our National Guard and reserve forces have been sized and structured in much the same way as our active forces — which, during the Cold War years, required that they be able to meet the demands of a global conflict with the Soviet Union and the Warsaw Pact. During the 1980s, major improvements were made in the readiness of reserve forces for wartime missions. The reserve component structure also was expanded significantly — the Selected Reserve (those units and individuals within the overall Ready Reserve structure designated as essential to wartime missions) increased by some 35 percent, to 1,150,000 personnel from 850,000.

Adapting the Reserve Components to Address New Dangers

Today, new regional dangers have replaced the global Soviet threat and, as with our active forces, we must adapt the reserve components to meet these new challenges. Our approach is to seek “compensating leverage”; that is, to use the reserve components to reduce the risks and control the costs of smaller active forces. Compensating leverage does not mean maintaining larger Guard and reserve forces. Rather, it

means making smarter use of the reserve component forces that we have by adapting them to new requirements, assigning them missions that properly utilize their strengths, and funding them at a level consistent with what will be expected of them if we have to use them during a crisis or war.

One of the most important tasks is to define explicitly the roles and missions we expect the reserve components to perform in the new security environment. During regional contingencies, Guard and reserve forces will continue to provide — as they have in the past — significant support forces, many of which would deploy in the early days of a conflict. Reserve component combat forces will both augment and reinforce deployed active forces and backfill for active forces deployed to a contingency from other critical regions.

Guard and reserve forces also will help promote international stability and security during peacekeeping, peace enforcement, and humanitarian assistance operations. Missions appropriate to the reserve components include support for active forces engaged in such operations, including strategic airlift, service support, civil affairs, and other capabilities. During prolonged operations, or when active forces redeploy during a major regional conflict, reserve forces are available to provide a rotational or replacement base.

Finally, the Army and Air National Guard will continue to serve as the first line of defense for domestic emergencies. They will provide forces to respond to natural disasters, domestic unrest, and other threats to domestic tranquility. They also will provide air defense of the United States and protect U.S. airspace sovereignty.

In some areas, the reserve component force structure is well suited to future needs. In others, too much force structure exists and organizations are not prop-

erly organized, trained, or equipped to undertake new missions. Described below, for each of the services, are the changes we intend to make in the reserve components to adapt them to the new environment.

Air Force Reserve Forces

Increased investments in the Air Force Reserve and the Air National Guard during the last two decades have produced forces able to meet the demanding missions given to them. All of the roles already assigned to the Air Reserve components, from aerial refueling to airlift to air combat, are well suited to our future needs. We also intend to assign new or expanded roles to the Air Reserve components in several important areas. At the same time, the end of the Cold War has made necessary some reductions in these force elements.

The Air National Guard will assume a larger share of the air defense mission in the United States, including manning and operating 1st Air Force Headquarters and all U.S. regional and sector operations centers. The total number of Air National Guard air defense interceptor squadrons and aircraft will be reduced in light of the virtual elimination of the long-range bomber threat.

Air National Guard and Air Force Reserve units will also assume an increased share of aerial-refueling and airlift operations — a task they have performed so well in past operations, like Desert Shield/Desert Storm. Also, for the first time, B-52 and B-1 heavy bombers will be transferred to Air National Guard and Air Reserve units. Finally, both the Air National Guard and the Air Force Reserve will undertake occasional short-duration peacetime fighter deployments overseas to help reduce personnel demands on the active Air Force and to meet surge requirements.

Finally, there will be reductions in Air Reserve component fighter wings. As a result of the Bottom-Up Review, it was determined that 20 fighter wings would be required to fight and win two nearly simultaneous

major regional conflicts. This allows for a significant reduction in the total number of U.S. fighter wings from the Cold War level. At the same time, peacetime presence needs, including an active rotation base, require us to maintain a minimum of 13 wings in the active force. Thus, the active Air Force will be reduced from 22 general purpose fighter wings in 1991 to 13 wings, and the reserve force will be reduced from 12 to seven wings, along with a restructuring and reduction of selected support elements. The resulting active-reserve mix will help reduce costs while maintaining adequate levels of readiness, overseas presence, and warfighting capability across the entire Air Force.

Naval Reserve Forces

The Naval Reserve has many units that simply are not needed for regional contingencies. During the Cold War, a substantial number of Naval Reserve ship augmentation units were maintained to increase manning to wartime requirements and to replace battle casualties. Now that new technology has automated many ship functions and the threat posed by a blue-water Soviet navy has disappeared, these requirements have declined significantly.

Some units will be reoriented to missions that support a high tempo of peacetime naval operations, while providing a surge capability to augment the active force during contingencies. The resulting Naval Reserve will be smaller, more specialized, and more immediately effective in responding to a range of potential operations, including the needs of two nearly simultaneous conflicts.

The demanding peacetime tempo of naval forces means most ships must be manned by active-duty crews. Ships will be placed in the Naval Reserve Fleet (NRF) where the need for a high tempo of peacetime operations is limited. For example, we will be substantially increasing the Naval Reserve's role in mine warfare by placing additional minesweepers and mine countermeasure ships in the Naval Reserve Fleet. We

also expect to retain about ten frigates (FFG-7s) in the NRF.

In addition, we are proposing a major innovation in the force structure for Naval Reserve ships — placing an aircraft carrier in reserve status. In peacetime, this carrier, with a largely full-time crew, would conduct training missions for active and reserve aviators, and could be available for limited deployments overseas. In a war that called for a very large force and mobilization, the reserve carrier and its air wing could be deployed to a conflict theater relatively expeditiously.

A single reserve carrier air wing composed of Navy and Marine Corps squadrons will be created. The Naval Air Reserve will also have significant responsibilities in the areas of antisubmarine warfare and countermine operations. For example, the Navy intends to integrate active and reserve mine countermeasure helicopter squadrons.

Marine Corps Reserve Forces

The Marine Corps Reserve is a relatively small force — representing only 19 percent of total Marine Corps end-strength. It is characterized by high prior-service officer accessions and the integration of Marine Corps Reserve combat units at the smaller unit level. Such characteristics have given the Marine Corps Reserve an ability to deploy and integrate itself effectively with active forces with minimal “train-up” time following mobilization. For example, during Operation Desert Storm, more than 50 percent of the Marine Corps Reserve was activated and employed, including some two-thirds of the reserve combat structure.

Marine Corps Reserve forces, which have long been designed and structured to augment and reinforce expeditionary operations in distant regions, are well suited to the challenges of the post-Cold War era and require only limited changes in their composition. We plan to retain a Marine Corps Reserve end-strength of

about 42,000, slightly larger than planned under the Base Force, to ensure that the Marine Corps Reserve can fulfill both its augmentation and reinforcement roles.

Army Reserve Component Forces

Achieving an Army total force capable of meeting new security requirements demands adapting the Army National Guard and the Army Reserve to the new defense strategy, improving and accelerating the process of readying combat forces for deployment, and utilizing the Army Guard and Reserve in areas where they have performed effectively and responsively in the past. Currently, there are about 700,000 personnel in the U.S. Army Reserve and National Guard. As the reserve structure is realigned to support the new defense strategy, end-strength in the Army reserve components will decline to about 575,000 by 1999.

Support Forces. Combat support and combat service support (CS and CSS) units in the Army Reserve are able to deploy rapidly and be integrated effectively into the active force — a fact that was demonstrated clearly during the Persian Gulf conflict. Our reliance on the reserves for CS and CSS units in the future will depend on how quickly we can activate them in a crisis, as well as on the size of the residual active-duty support forces needed for peacetime missions. We plan to expand the role of Army reserve component CS and CSS units in key areas to provide additional support for Army combat units and other U.S. forces involved in combat operations.

Reorganizing the Army National Guard. The Army National Guard will transition to a combat force of about 37 brigades, including 15 enhanced readiness National Guard brigades, to execute the strategy of the Bottom-Up Review, to provide strategic insurance, and to support civil authorities. Within the overall force structure, the focus will be on the readiness initiatives directed toward the 15 enhanced readiness brigades as well as combat support and combat service

support needed to execute the strategy of winning two nearly simultaneous major regional contingencies.

The 15 enhanced readiness Army National Guard brigades will be organized and resourced so that they can be mobilized, trained, and deployed more quickly to the fast-evolving regional conflicts that we expect in the future. These brigades will be able to reinforce active combat units in a crisis. The goal is to have these brigades ready to begin deployment in 90 days.

The other Army National Guard combat forces, maintained at lower readiness, are needed as well for:

- **Extended Crises.** The warfighting analysis of the Bottom-Up Review focused on regional crises where an enemy invasion of its neighbor is countered by an early American response that results in a quick and decisive military victory for the United States and its allies. In cases where a large scale American deployment to a region successfully deters an invasion but requires forces to remain in place over an extended period, additional Army National Guard combat units will provide the basis for the rotational forces.

- **Peace Operations.** The United States should have the option to provide forces to engage in peace-keeping or peace enforcement when it is in the country's interest. Generally, active duty forces would be used in the initial stages of such operations. Protracted commitments to peace operations could lower the overall readiness of U.S. active duty forces over time, and in turn, reduce our ability to fulfill our strategy to be able to win two nearly simultaneous major regional conflicts. To avoid such a path to decreased readiness, the Army Guard and Reserve forces must be prepared to share the burden of conducting these operations.

- **Deterrent Hedge.** The collapse of the Soviet Union has greatly reduced the imminent threat to U.S. vital interests in Europe and the Far East. The reduced threat has permitted the Defense Department to make significant reductions in force structure and military

endstrengths of the Total Force (both active and reserve). However, it remains prudent to maintain a hedge against the possible failure of democratic reforms in Russia, Ukraine, and elsewhere in the world. The additional reserve component force structure provides a hedge that could form the basis of an expanded American force structure and serve as a deterrent to future adversarial regimes that could threaten U.S. interests.

- **Domestic Missions.** In addition to the defense missions discussed above, Army National Guard and reserve forces are called upon to meet domestic dangers such as natural disasters and civil unrest. Substantial numbers of reserves must be available during both peacetime and wartime to support civil authorities in responding to domestic crises. The Army National Guard and reserve force structure provides added capability to respond to external conflicts and to support civil authorities at home.

Readiness and Training Initiatives

A series of readiness and training improvements is necessary to ensure that the reserve components are able to meet the demands of the new defense strategy. Improvements are particularly necessary in the Army because of the demanding roles that Army National Guard and Army Reserve forces may be called upon to perform.

During the Persian Gulf War, several National Guard brigades were mobilized, but the needed post-mobilization training of those brigades was not accomplished as quickly as had been hoped or expected. Important lessons about readiness and training were learned from this experience.

Following the Gulf War, the Army's active and reserve components initiated a series of efforts reflecting the experiences of that conflict — the Army's Bold Shift program, the Army National Guard's Project

Standard Bearer, and the Army Reserve's Project Prime. Title XI of the 1993 Defense Appropriations Act added a series of requirements to further improve the deployability of individual Guard members, to sharpen the emphasis on unit and leadership training in the National Guard, to strengthen the capability assessments of National Guard units, and to increase the compatibility of active units with Guard units.

To help ensure that Guard and reserve units can indeed be available when we plan for them to be, we will be continuing a number of initiatives and undertaking some new ones to alleviate deficiencies in Guard and reserve training and combat readiness that were identified during the Persian Gulf War.

- **Reserve equipment initiative.** Adequate equipment is a crucial part of readiness. We will formulate our plans and budgets in order to fulfill the reserve components' legitimate equipment needs — in the Army and the other services as well. The Department will develop a balanced program of new procurement and redistribution to provide needed equipment.

- **Full-time support for the Army Reserve.** We are increasing the percentage of full-time support personnel in the Army Reserve component. These personnel perform key support functions — administration, maintenance, and so forth — enabling reserve personnel to focus their limited training time on required military skills.

- **Pre-mobilization preparations.** On strategic warning, several measures can be taken to improve the readiness of combat forces without mobilizing them. These include filling equipment shortfalls, completing school training of all personnel, providing two weeks of drill training per month, and providing a two- to three-week training period after six months.

- **Post-mobilization training.** Currently, only the National Training Center and a few other sites are able to provide post-mobilization training to National Guard

combat brigades, if such training is needed. This limits our ability to call up and train more than a few brigades in a crisis. The Army, recognizing this deficiency, is creating several "readiness divisions" to assist with the training of reserve component units during peacetime and crises. These divisions will contain active Army, Army National Guard, and Army Reserve personnel, and will provide the peacetime and post-mobilization training assistance needed by reserve component combat and support units.

Army Guard and Reserve units must be trained and ready to fight when called to active duty. The initiatives and restructuring we are proposing are designed to ensure that is the case. After these initiatives have been implemented and in place for some time, they will need to be evaluated carefully to determine whether the readiness achieved is satisfactory or further improvements are needed. We will also need to continue to evaluate the reserve component structure against evolving warfighting requirements.

Making the Force More Accessible

As DoD becomes more reliant upon the contributions of the reserve components, ensuring better access to Guard and reserve forces takes on increasing importance. Our concerns span the entire spectrum of needs: wartime contingencies, domestic emergencies, and peacetime operations.

We are examining the adequacy of existing legislation and have submitted a request for two changes to Title 10, USC 673b. We have asked the Congress to amend that provision of law to give us access to the reserve component for 180 days plus an extension of an additional 180 days, versus the 90 + 90 days provided under current law. We have also asked that the Secretary of Defense have the authority to call up 25,000 people if needed to support deployment operations during the early stages of a conflict.

The Department of Defense has formed a Reserve Component Accessibility Steering Group which will identify and develop solutions for a full range of accessibility issues: legislative and regulatory changes; mobilization policy guidance; better ways to use volunteers; and methods to meet domestic mission needs more effectively. In addition, accessibility for domestic missions of National Guard forces could be im-

proved by implementing recent proposals for bilateral and multilateral agreements for cooperation among states.

Our ultimate objective, of course, is to assure the availability of reserve component forces when needed, while ensuring that we do not overextend our call on our citizen-soldiers.

SECTION VII: DEFENSE FOUNDATIONS

INFRASTRUCTURE

Infrastructure is the foundation upon which our military strength is built. It includes all DoD activities other than those directly associated with operational forces, intelligence, strategic defense, and applied research and development.

For example, in FY 1994, infrastructure activities will account for \$160 billion in appropriated and revolving funds, or approximately 59 percent of DoD total obligational authority.

Infrastructure activities fall into seven broad categories:

- **Central Logistics** — includes depot maintenance, supply operations, and transportation. This is the largest functional area.
- **Central Medical** — includes all DoD medical activities except those directly associated with the readiness mission. CHAMPUS and the military medical treatment facilities make up most of this category.
- **Central Personnel** — includes all permanent change-of-station costs, recruiting and advertising

expenditures, dependent support programs, various public relations functions, and assorted other personnel activities.

- **Central Training** — includes only formal training activities, not the larger costs of unit training and exercises.
- **Science and Technology (S&T), DoD Labs, and Acquisition Management** — includes primarily S&T funding and oversight of DoD labs.
- **Installation Support** — includes costs driven by the number and size of DoD installations.
- **Force Management** — includes management headquarters, some defense agencies, and some aspects of command, control, communications, and intelligence (C3I).

As indicated in Figure 13, logistics represents the largest share of infrastructure expenditures, claiming 40 percent of the total, followed by installation support, with a 17 percent share.

Infrastructure Categories (As percentage of \$160 billion in FY 1994 budget)

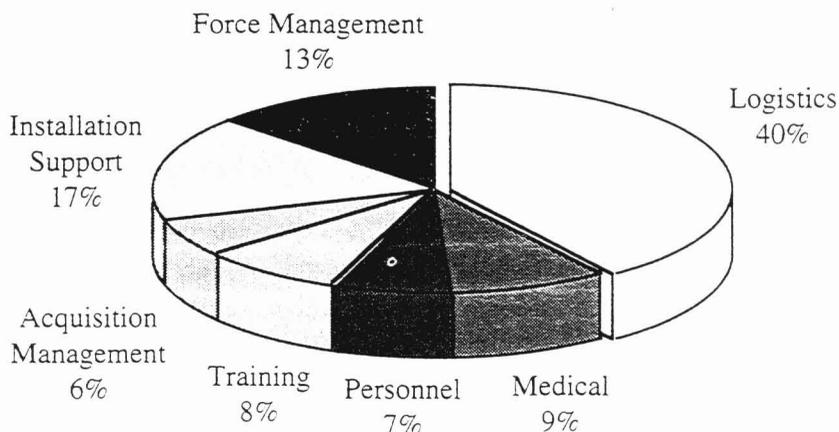


Figure 13

Infrastructure costs fall into two categories: those that are sensitive to changes in the overall force structure and those that are not affected when the size of the force is reduced. Our objective in the Bottom-Up Review was to identify potential savings and to launch a longer-term process of reducing and streamlining DoD's infrastructure without harming readiness.

Approximately 40 percent of infrastructure costs are tied directly to force structure. Examples include training, supply, and transportation costs. We will, of course, realize savings in these areas as our forces are reduced. Further opportunities for savings can be derived from supporting our operational forces more efficiently.

A detailed analysis of costs savings that could be realized as a result of force downsizing alone was conducted as part of the Bottom-Up Review. Since decisions on the final force structure were not available at the time the analysis was performed, a notional force was used. The analysis suggested that DoD should see direct infrastructure savings of between \$10 billion and \$11 billion resulting directly from the force draw-down.

The Bottom-Up Review also examined ways to obtain substantial savings in areas of infrastructure where costs have traditionally been seen as relatively fixed. Savings in these areas will require changing the basic ways in which DoD does business. For example, about 50 percent of infrastructure costs are a product of policy decisions or statutory requirements and can be reduced only through changes in public law or DoD directives. These include elements of funding for military installations, family housing, military base operations, depot maintenance, and schools for DoD dependents, both in the United States and abroad.

One such area of potential savings is the realignment and closure of additional U.S. military bases and facilities. This is accomplished through the BRAC process. Implementation of BRAC-93 decisions is expected to result in a savings of about \$4 billion.

Another 10 percent of infrastructure costs are attributable to public law and policy decisions but are virtually impossible to reduce. Cutting expenditures

here would require extremely difficult and, in some cases, undesirable changes, such as Congressional action to rescind or rewrite U.S. environmental laws. Included in this category are most environmental restoration efforts (which involve myriad legal, regulatory, and policy constraints), various legal entitlements of current and former service members, and the obligation to provide medical benefits to dependents of active-duty personnel.

There are three general methods of reducing variable infrastructure costs. These include increased use of privatization for business operations, additional consolidations and expanded use of executive agents, and better business practices and incentives. There have been many attempts to reduce costs in these areas before, and such efforts must be encouraged and expanded. The potential for savings, however, differs significantly across functional categories.

Privatization of DoD operations can, in selected cases, provide cost savings. Transferring operations to the private sector could yield savings in such areas as maintenance, base operations, and concession functions. There are significant economies of scale that can be realized from consolidating certain functions, such as accounting services, and appointing executive agents for training and depot maintenance. Employing better business practices over a range of DoD activities will enable us to reduce infrastructure costs without cutting outputs.

The Bottom-Up Review has provided a detailed framework of options for reducing infrastructure costs. Just by reducing force size, savings of around \$10 billion to \$11 billion will be realized in the 40 percent of infrastructure costs that are directly tied to our operational force structure. Another \$4 billion in savings will be achieved with the implementation of BRAC-93 decisions. Further cost savings will come from changes in policy directives and, in some cases, public law, as we make adjustments with an eye toward privatization, consolidation of functions, and better business practices. We will pursue the maximum savings possible in each infrastructure category, while maintaining an adequate level and quality of infrastructure to support our forces.

SECTION VII: DEFENSE FOUNDATIONS

ENVIRONMENTAL SECURITY

In the post-Cold War era, DoD's approach to environmental problems must rest on two basic premises. First, our national security must include protection of the environment, and environmental concerns must be fully integrated into our defense policies. Second, to protect our nation we must also have a strong economy; protecting the environment and growing the economy must go hand in hand.

Environmental concerns are an integral part of U.S. national security policy because of the effect that environmental conditions have on economic and political stability, because of the growth in environmental costs as a share of the national security budget, and because of the loss of public trust caused by military noncompliance with environmental laws and regulations.

Reflecting the Clinton Administration's commitment to preserving and protecting the environment, the Department of Defense created a new Environmental Security Program with a mandate to ensure that appropriate environmental, safety, and health considerations are brought to bear in the development of national security policy; that the environment is protected in defense operations; and that our environmental stewardship is used to promote economic growth. This program is being pursued in partnership with other federal agencies, states, private industry, the public, and Congress.

This new program is based on a C³P² (C-cubed, P-squared) foundation, which stands for cleanup, compliance, conservation, and pollution prevention. The Department will establish goals and priorities in each of these areas and will establish measurable ways to demonstrate progress.

Over time, this program should provide DoD with a better environmental security strategy, better information and control systems for effective management, uniform cost-estimating methods within the Depart-

ment, an environmental security technology program directed toward user needs, and increased public involvement in environmental security efforts.

Threats to Environmental Security

The Department's national security mission includes performing defense operations in an environmentally responsible manner, deterring environmental threats that could lead to international instability, and when appropriate, applying military capabilities to mitigate environmental effects of natural disasters.

Environmental security threats are defined as conditions affecting human health, safety, or the environment that actually or potentially (1) impair the ability of DoD to prepare for and perform its national security mission or (2) create instabilities that can threaten U.S. national security.

The most notable environmental threats to U.S. security to which the Department must respond are: *global threats*, such as warming, ozone depletion, loss of biodiversity, and nuclear proliferation; *regional threats*, such as environmental terrorism, accidents or disasters, regional conflicts caused by scarcity or denial of resources, and cross-border and global contamination; and *national threats*, such as risks to public health and the environment from DoD activities, increasing restrictions on military operations, inefficient use of DoD resources, reduced weapon system performance, and erosion of public trust.

Program Objectives

The Bottom-Up Review evaluated each of the Department's environmental security programs in light of the following objectives: *reducing environmental risk* by minimizing threats to human health and safety; *ensuring full compliance* with U.S. environmental laws and regulations and with the Overseas Environ-

mental Baseline Guidance document; *enhancing cost-effectiveness* and reducing costs wherever possible; *targeting environmental technology* on the most serious problems and where research and development will achieve the highest payoffs; *improving U.S. public involvement and awareness* by conducting open, frequent, and meaningful public dialogues and information exchanges; and *producing measurable results* in performance, schedule, and cost. This includes reductions in environmental risks, protection of natural resources, compliance with environmental laws or regulations, and reductions in pollution levels.

New Directions Needed

The Department has stewardship for about 25 million acres of land around the world, and has identified more than 18,000 sites that may need to be cleaned up. Cleanup requirements include: fuels and solvents at about 60 percent of our sites, toxic and hazardous waste at about 30 percent, unexploded bombs and artillery shells at about 8 percent, and low-level nuclear waste at about 2 percent.

Based on its examination of environmental programs, the Bottom-Up Review identified the following objectives for DoD's environmental security strategy:

Cleanup programs must reflect a new "common sense" strategy that relates cleanup standards to planned land use; eliminates contamination "hot spots" and evaluates the balance of contaminated sites for application of environmental technologies; increases public involvement in decisionmaking; and achieves significant economies in the management of cleanup programs. We will complete preliminary assessments at all sites; mitigate contamination at all "hot spots"; consider future land use in developing cleanup strategies; and fully implement the President's "fast track" cleanup program at bases slated for closure.

Compliance programs need to improve our ability to identify, program, and budget for environmental security requirements and evaluate program execution; improve education and training to ensure full compliance; increase partnership efforts with federal

and state regulators and the public to achieve sustained compliance, including creation of regional DoD environmental offices; develop an investment strategy to upgrade the Department's infrastructure; and resolve deficiencies as soon as possible.

Conservation programs need to enable DoD to participate fully in the National Biological Survey and complete resource inventories of all DoD lands and waters; improve ecosystem management and protection of resources; and establish DoD-wide energy and resource conservation guidelines and incentives to reduce energy consumption.

Pollution prevention programs need to ensure that life-cycle environmental security costs and benefits are considered explicitly in acquisition and supply system decisions, and that incentives are provided to reduce sources of pollution and promote more efficient material and energy procurement and use, including reuse, recycling, and creating markets for recycled materials. Specifically, the Department will reduce non-mission-essential use of ozone-depleting substances and reduce toxic releases and the generation of solid and hazardous waste.

Technology development efforts need to meet widespread environmental needs with programs that yield quick results and have high payoffs. In addition, the Department must develop a system to determine technology priorities and eliminate overlapping funding; engage in technology partnerships to stimulate innovative technology development and promote dual use where appropriate; and improve technology transfers within and outside DoD, particularly technologies to characterize and clean up sites.

The Department also needs to redesign its budget preparation and execution tracking procedures for environmental security programs.

The new Environmental Security Program will ensure that both environmental threats and environmental protection are prominent parts of the defense program. Giving these issues the attention they deserve will be vital to our national security and to our economic growth in the years ahead.

SECTION VII: DEFENSE FOUNDATIONS

ACQUISITION REFORM

The Need for Reform

The DoD acquisition system developed and acquired the best weapons and support systems in the world. It was critical to fielding the quality armed forces the United States has today. However, just as we need to reshape our forces from the bottom up in response to the changed security environment, so must we restructure our acquisition system to compensate for the decline in available resources for defense investment and to exploit technological advances in the commercial sector of our economy more effectively.

In addition, certain oversight and regulatory practices that were adopted during the Cold War are no longer affordable or necessary today. The existing DoD acquisition system is based on outdated management philosophies and organizational structures. Our acquisition organization is segmented, overly specialized, and hierarchical. There are so many hand-offs of responsibility for any one acquisition program that accountability is difficult, and the ability of any one person or organization to change the process is small.

The current acquisition system has been shaped by myriad rules, regulations, and laws that were intended to protect the government, ensure fairness, check the government's authority over its suppliers, or further social objectives. However, while these laws and regulations were noble in intent, in practice they have often burdened the acquisition system unnecessarily, adding unnecessary costs to items produced by defense contractors, discouraging commercial contractors from selling to the government, and increasing DoD's management and control costs. Examples include:

- Regulations governing military specifications that were adopted to ensure that products would both meet users' needs and be purchased from the lowest bidder.

- Laws requiring DoD to use small businesses and buy only American-made products, which were enacted to further particular public interests.
- Oversight requirements both within DoD and over DoD contractors that have burgeoned in an effort to eliminate waste, fraud, or abuse of the system.

Today's rules and regulations are barriers to the use of commercial practices, the purchase of commercial products, and the integration of the defense and commercial industrial bases. Any attempt at acquisition reform must take the original intent of current regulations into consideration, but must also find ways to: (1) reassess their viability given expected DoD procurement changes or (2) where appropriate, modify laws and regulations to ensure that they protect the government's interest while fostering more effective and efficient acquisition procedures.

The Path to Reform

The DoD acquisition system should establish reasonable and affordable requirements and provide the most efficient, timely, and effective means of acquiring state-of-the-art goods and services to meet those requirements at the best value to the American taxpayer.

There are two goals that reform of the defense acquisition system can and must achieve immediately in order to succeed in our longer-term reform objectives:

- First, we must adopt commercial practices to the maximum extent possible to make DoD a better customer and to foster the integration of the defense and commercial industrial bases.

- Second, we must more closely link the systems requirements process to the operational plans and needs of the unified commands, as well as to the resource allocation process.

Integrating major parts of the defense industrial base with the commercial industrial base and having DoD adopt the best practices of today's commercial industries is the key to our reforms. We can no longer rely on a large defense industrial base consisting of companies who cater only to the needs of the military; our reduced defense spending will simply not support a separate defense industrial base with many companies largely isolated from the commercial sector.

Integrating the defense and industrial bases and making DoD a better customer will allow us to meet several key objectives:

- **Maintain “leading edge” technology.** In order to stay on the cutting edge of technology, we must look beyond our traditional defense contractors and subcontractors. Modern weaponry relies heavily on advanced electronics, software, telecommunications, flexible manufacturing techniques, and other advanced technologies where commercial companies are often making the most significant advances.

- **Broaden the industrial base for DoD.** Because the defense-dedicated industrial base will necessarily shrink, it would probably not be sufficient to handle expanded requirements in a large-scale crisis. Broadening the base of potential suppliers will ensure that the United States has the capability to gear up production again should that become necessary.

- **Encourage innovation and reduce acquisition time.** Having a larger base to draw upon and making DoD a better customer will encourage innovation in products and practices, both in government and private industry; allow more flexible solutions to acquisition problems; and reduce the time it takes to acquire products and services.

- **Become more efficient.** A larger base of companies creates more competition, which in turn yields more efficient operations and reduces the time required to acquire products and services. Increased competition also allows the market to set and enforce fair prices. This will allow us to reduce unnecessary infrastructure and oversight still further.

- **Integrate military and commercial advanced technologies.** Integrating the defense and commercial industrial bases means that the results of substantial investments in military-related technologies will be available for exploitation by commercial industry. This will help the U.S. economy.

We also plan to better integrate the unified commanders, those who will actually use the systems, into the process of determining what systems will be acquired. In addition, the overall budget process must be linked more closely with individual acquisition decisions. Such integration will add flexibility, efficiency, and innovation to the acquisition process by encouraging consideration of alternative or substitute systems to meet the needs of weapons users.

An Agenda for Reform

To bring daily attention to these issues, the office of the Deputy Under Secretary of Defense for Acquisition Reform (DUSD(AR)) has been established. This office will be the focal point for all acquisition reform issues and for restructuring the acquisition system. The DUSD(AR) will also chair a Senior DoD Acquisition Reform Steering Group, whose members will make recommendations on acquisition reform goals, principles, and actions.

We have identified the following short-term priority measures as the first steps in what will be a larger reform effort:

- Simplify the acquisition of purchases under \$100,000.

- Remove impediments to the purchase of commercial items and services.
- Develop proposals for pilot programs pursuant to the authority in Section 809 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510).
- Reaffirm the policy preference for the acquisition of commercial items and the use of functional performance specifications unless a DoD-unique product specification or process is the only practical alternative to ensure that a product or service meets users' needs.
- Repeal outdated and unnecessary service-unique statutes as proposed by the "Section 800" *Acquisition Streamlining Report*.

These priorities, the objectives of the acquisition reform effort, and the strategy for meeting those objectives will continue to develop as DoD works with other organizations conducting related efforts — such as the National Performance Review. In addition, many of these initiatives require coordination with and support from other federal agencies, such as the Department of Labor and the Small Business Administration. We will work with the Office of Federal Procurement Policy, the Office of Management and Budget, and other federal agencies to ensure that acquisition reform initiatives are applied government-wide where appropriate.

The Bottom-Up Review was only the beginning of our efforts to reform the acquisition system. The process does not end here. The DUSD(AR) will soon be unveiling a detailed strategic plan for acquisition reform that builds on the results of the Bottom-Up Review and increases the scope of action.

SECTION VII: DEFENSE FOUNDATIONS

DEFENSE REINVESTMENT AND ECONOMIC GROWTH INITIATIVES

The Clinton Administration has placed a high priority on confronting economic dangers to the nation's security. This means revitalizing the American economy and laying the foundation for a competitive U.S. economy in the next century. The Department of Defense will be central to that effort. It can begin by contributing resources once earmarked for defense to investments aimed at improving our long-term productivity — education and training, infrastructure, investment incentives, and “civilian” research and development. But beyond simply shifting resources to non-defense sectors, DoD can actively assist in the transition to a post-Cold War economy.

The Defense Reinvestment and Economic Growth Initiatives aim to promote economic growth while preserving a strong military and defense industrial base. The initiatives focus on three main program areas: dual-use technology, personnel assistance, and community adjustment assistance.

Dual-Use Technology. In an era in which our national security cannot be separated from our economic security, it is imperative that we support the development of dual-use technologies and encourage the freer flow of technology between the civilian and military sectors. Programs in this area include: reinvestment initiatives to boost research and development of critical dual-use technologies as well as efforts to commercialize and deploy such technologies; programs to assist small manufacturers (with up to 500 employees) in upgrading their capabilities to meet commercial and defense needs; and electronics and materials initiatives to support industry research on dual-use technologies in areas ranging from higher-definition systems to composite materials manufacturing.

Personnel Assistance. To achieve the economic strength that will underwrite our national security in this new era, we must refocus the talents, energy, and dedication of men and women involved in national defense on creating economic growth in their communities. Personnel assistance programs will help military members and defense workers make professional transitions, with services ranging from employment consulting and job training to separation pay and health benefits.

Community Adjustment Assistance. Scores of defense-dependent communities are experiencing hard times as defense workers lose their jobs and as businesses contract. These communities need investments to help reorient their work forces, their firms, and their economic base. Initiatives in this area include programs designed to speed and improve the process of base closure and property disposal in affected communities; ensure that every community with a military base scheduled for closure has the tools and the expertise to develop a plan for economic conversion and revitalization, through programs such as those administered by the Office of Economic Adjustment; and allow retired military and reserve personnel to address unmet needs in the nation's schools and communities, such as an expanded Junior ROTC program and the National Guard's Youth Opportunities pilot program.

Funding in FY 1994 for these initiatives is \$1.66 billion. These programs represent an investment in both our economic and our national security. As such, they are an investment we cannot afford not to make.

SECTION VIII

RESOURCES TO IMPLEMENT THE DEFENSE STRATEGY

The Bottom-Up Review's Budgetary Starting Point

The final step in the Bottom-Up Review process was to match resources to the defense strategy, force structure, and modernization programs selected. While the Bottom-Up Review was driven primarily by considerations of what constituted the best defense strategy and policy for America, it obviously could not ignore economic realities. Thus, at the conclusion of the review, we estimated what the recommended program would cost and matched it against President Clinton's direction for reductions.

To establish a baseline for this cost comparison, we began with the Bush defense program and adjusted it to reflect updated economic assumptions, the government-wide federal pay reduction, and the findings of a Defense Science Board task force, led by defense analyst Philip Odeen, which was formed to determine if the Bush Administration's defense program had been properly costed. Those adjustments resulted in a baseline total of \$1,325 billion for the FY 1995-99 FYDP. The Clinton Administration defense budget target for this same period was \$1,221 billion; this was based on the President's April 1993 budget, adjusted to reflect the Odeen Panel's findings. Thus, as shown in Table 1, the difference between the baseline and the fiscal target for the FYDP years is \$104 billion.

Baseline Versus Clinton Future Years Defense Program

(Billions of Dollars in Budget Authority)

	FY95	FY96	FY97	FY98	FY99	FY95-99
Baseline	257	261	264	270	273	1,325
Clinton Budget	<u>249</u>	<u>242</u>	<u>236</u>	<u>244</u>	<u>250</u>	<u>1,221</u>
Reduction	8	19	28	26	23	104

Table 1

Budgetary Impact of the Bottom-Up Review

The results of Bottom-Up Review decisions will become adjustments to the FY 1995-99 baseline (\$1,325 billion) program. The decisions fall into four categories:

- Force structure
- Infrastructure (including base closures)
- Modernization and investment programs
- Initiatives

Force Structure. These changes comprise adjustments to Army, Navy, Air Force, and Marine Corps force structure and end-strength, as compared to the Base Force. The active-duty forces of the Army, Navy, and Air Force will be reduced, while Marine Corps and National Guard and reserve forces are increased. Savings in infrastructure directly related to force structure cuts will also be realized. Finally, provisions have been made for the costs of achieving DoD's environmental security objectives. In total, force structure decisions from the Bottom-Up Review will reduce funding requirements by \$24 billion from the FY 1995-99 baseline.

Infrastructure. Separately from the force structure-derived changes to DoD infrastructure, opportunities for savings and efficiencies were found elsewhere in DoD supporting activities, as discussed in Section VII. For example, savings were identified through reductions in headquarters and cuts in civilian personnel levels, as well as through the realignment and closure of military bases and facilities. Estimated savings in these infrastructure programs total \$19 billion.

Modernization and Investment Programs. This broad category includes the development and procurement of ships, aircraft, and other combat equipment, as well as DoD's Science and Technology and Defense

Reinvestment programs. The realigned ballistic missile defense program will generate savings of approximately \$21 billion during FY 1995-99. Other modernization decisions focus on areas where the Bottom-Up Review determined that savings can be achieved (aircraft carriers, space launch, theater aircraft, military communications satellites, and other programs). There also are some systems in which the Clinton-Aspin strategy requires additional investment (combat helicopters, attack submarines, and the V-22 program). Finally, the Defense Reinvestment program will emphasize technologies of potential "dual use" in the military and civil sectors, assist DoD personnel affected by the restructured defense program, and help communities adjust to closure of nearby military bases. The net effect of these investment program decisions (aside from ballistic missile defense) will be a \$32 billion savings during FY 1995-99.

Initiatives. As discussed in Section VI, new initiatives include cooperative threat reduction; counterproliferation efforts; expanded contacts and cooperation with the states of the former Soviet Union; global initiatives to promote democracy; peacekeeping and peace enforcement operations; and humanitarian assistance. The Bottom-Up Review determined that \$5 billion could prudently be added over FY 1995-99 to pursue these objectives.

Summary of Savings in the FYDP. In total, decisions made in the Bottom-Up Review will achieve an estimated \$91 billion in savings (during FY 1995-99) from the \$1.325 billion baseline program (see Table 2). Relative to the Administration's target reduction of \$104 billion, this is a shortfall of about \$13 billion. This difference is spread across the first four years of the FYDP.

Estimated Resource Changes from the Bottom-Up Review

(Billions of Dollars in Budget Authority)

	FY 1995-99
Force Structure	-24
Infrastructure	-19
BMDO	-21
Other Modernization and Investment	-32
Initiatives	+5
Total Savings	-91

Table 2

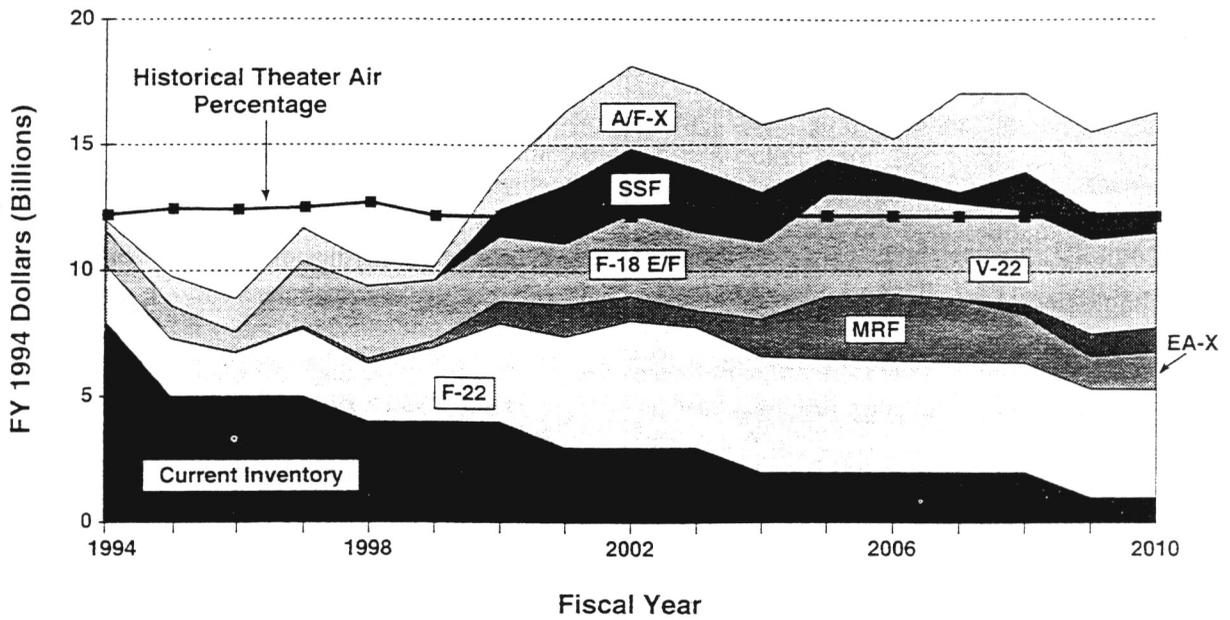
It is important to note that these figures are planning estimates. The Bottom-Up Review developed a strategic framework for defense reductions, not a budget. Throughout the fall, DoD will conduct its normal program and budget review, during which it will identify the additional \$13 billion in reductions needed to meet the President's target. Further savings are likely to come from the following areas:

- **The National Performance Review.** The Vice President's study has many good ideas for better, cheaper government that will be examined by DoD.
- **The FY 1995 Base Closure and Realignment Process.** Savings here may be significant, but would not occur until late in the FYDP.
- **Acquisition Reform.** No savings from acquisition reform were counted in the Bottom-Up Review.
- **Strategic Programs.** We are conducting an extensive review of strategic requirements and programs and are likely to find reductions possible.

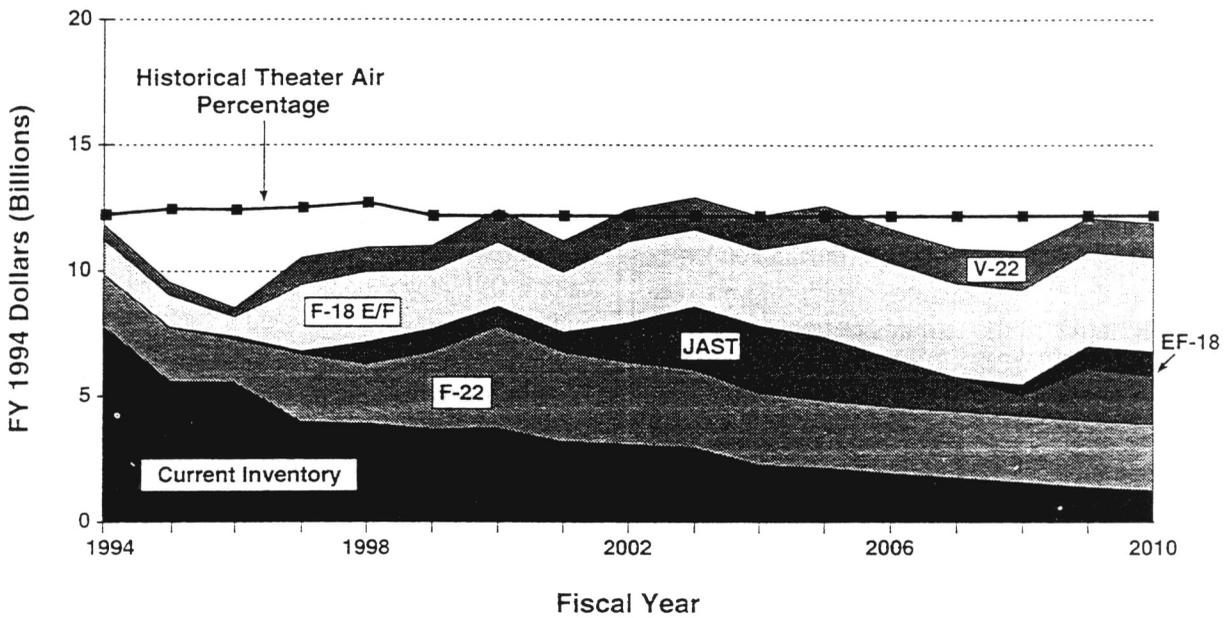
Addressing the "Bow Wave" Problem. As the Bottom-Up Review tracked the impact of its recommendations over the FYDP period, it remained mindful of consequences for defense spending in the year 2000 and beyond. The review was particularly intent on preventing this year's decisions from producing large bills that would have to be paid in future defense budgets.

In most cases, the Bottom-Up Review found that sizing defense programs properly now would prevent "bow wave" problems from occurring later. For example, the previous administration's theater aircraft modernization program called for developing too many new combat aircraft. As shown in Figure 14, these systems would have absorbed a steadily increasing share of investment dollars as they moved into advanced development or procurement early in the next decade. However, as also shown in Figure 14, the new theater aircraft program recommended in the Bottom-Up Review eliminates this "bow wave" while fully funding the V-22 program.

Theater Air Program



Base Force



Bottom-Up Review

Figure 14