Defense Sufficiency and Cooperation:
A US Military Posture for the post-Cold War Era

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1. General Strategic Trends

1.1 Increased economic competition and stratification

Globalization of the economy and "third wave" economic development will continue unabated with two primary effects relevant to national security: (I) increased economic competition among nations and (ii) continuing marginalization of first- and second-wave economies. Particularly hard-hit will be command-style economies, nations overly dependent on primary and extractive industries, and nations deficient in transportation, telecommunications, and scientific-technical infrastructures. Advanced information technologies will continue to spread, but in a distinctly uneven fashion.

1.2 Continuing post-Cold War recession in the world military system

- Lacking big power subsidies and assistance, former Cold War proxy states will be more at the mercy of world economic trends than in the recent past; the strategic power of these states will come to reflect more closely their indigenous potential.

- The capacity of most underdeveloped states to import expensive suites of armaments will continue to decline. Likewise, with few exceptions, the capacity of "third world" states to sustain indigenous production of most types of major modern weapon systems will decline.

- Defense investment will continue to recede even in economically advanced nations. This will occur as a consequence of (I) the lack of a paramount military threat and (ii) the increased pressures of international economic competition. Especially affected will be the capacity of second-tier powers -- such as France and Germany -- to sustain full-service arms industries and "cutting-edge" research and development establishments.

Notably, the worldwide reduction in military investment does not necessarily imply a reduction in the frequency of conflicts or warfare deaths. Other dynamics, discussed below, may actually prompt an increase in violence, including interstate violence. However, *in conflicts not involving advanced states,* the overall "technical intensity" and pace of warfare will decrease.

1.3 Military Technical Revolution

- Now in its third decade, the MTR may begin to have a profound effect on how the armed forces of some advanced technological states are organized -- that is, the MTR may become a "revolution in military affairs." The enabling factor will be the post-Cold War drawdown in the size of military establishments and budgets, which may motivate a quest for much more efficient structures and methods.

- Access to the MTR/RMA, however, will be quite selective. Economically underdeveloped nations will lack the capacity to build, buy, integrate, support, or effectively employ cutting-edge military systems in operationally significant quantities. These shortcomings are rooted in socio-economic conditions that, in most cases, show no prospect for substantial improvement during the next 15-20 years. Most of these states are by necessity fixated on problems of internal instability and old-fashioned cross-border threats, rather than advanced military competition, and their mass militaries serve a secondary (but critical) function as a repository of surplus labor. This complicates any simple substitution of quality for quantity.

1.4 Weapons of Mass Destruction and Asymmetric Warfare

Economically underdeveloped Western rivals may increasingly turn to asymmetric forms of warfare -- terrorism, insurgency, and Weapons of Mass Destructions (WMDs). (WMDs may be used in a tactically offensive manner or simply as a deterrent shield that enables the use of other, low-intensity means.) Even nations that do not contemplate running afoul of the West may put greater emphasis on WMDs due to resource constraints.

These nations may also pursue other forms of force substitution, trading off tactical flexibility in order to increase their regional military leverage. For instance, (I) sea mines may substitute for offensive naval forces and (ii) ballistic or cruise missiles, modestly enhanced to achieve greater accuracy and reliability, may substitute partially for combat aircraft. However, the nature of regional military confrontations and the domestic functions of regional militaries will preclude the wholesale adoption of asymmetric means.

1.5 Global Centrifugal Forces

Several developments and trends will combine to subject several regions of the world to severe centrifugal pressures, which at their worst will manifest as uncontrolled mass migration, the collapse of state structures, and widespread communal violence. In some cases, these developments will precipitate or involve interstate conflict.

Contributing factors, which vary from region to region, include the precipitous collapse of the Soviet Union and Yugoslavia, the deepening economic and political marginalization of many nations, the sharp reduction in the North-to-South flow of assistance and capital, demographic and environmental crises, and the prevalence of weak or unresponsive state structures.

Even within richer states, the rapid economic and cultural change attendant on globalization and technological revolution will generate centrifugal pressures, manifest as various forms of extremism, intolerance, and class antagonism.

1.6 An opportunity for greater international cooperation; a risk of global repolarization

On balance the world is less polarized politically and ideologically today than at any time in living memory. For the next decade and probably longer, the West will have an opportunity to lead the world in expanding the scope and depth of cooperative international endeavor. This opportunity partly reflects the "un-bloc-ing" of existing global institutions and partly reflects the solitary triumph of Western values and political-economic institutions.

However, the inclusive global and regional institutions that exist today -- such as the UN and OSCE -- are underdeveloped, under-resourced, and too often ineffectual or inefficient. Only the G7/OECD states have the resources and stability to undertake global activism or underwrite the building of new global institutions and regimes. But these states are reluctant to assume the obligations of global policeman and guarantor. And, although other nations often turn to the West for leadership, they are also fearful that any exclusive "leadership group" will fail to adhere to a consensual code of conduct.

Thus the prospects for greater cooperation and Western leadership are far from uncomplicated. Indeed, there is a danger that the next 20 years could see the beginnings of renewed global polarization, should some states perceive that the post-Cold War system is exacerbating inequalities and producing a global class order of distinct "winner" and "loser" states. Should it seem that the G7/OECD group is seeking a permanent hegemony, states outside their orbit may coalesce into counter-balancing blocs. These would initially crystalize on a regional basis around existing fault lines in the world system -- for instance, Islamic versus non-Islamic states -- but could eventually involve new alignments and even a loose global coalition.

2. Issues of Special Concern to the United States

2.1 Economic issues

Present economic trends pose two challenges for the United States that have important implications for our long-term security.

- First, to secure its competitive economic advantage the United States must invest more in its transportation, communications, and technology infrastructure, and it must boost the average skill level of its workforce.

- Second, to ensure high-levels of political and social stability, it must avoid increased economic stratification and take steps to better address domestic "quality of life" issues (such as crime, drug use, health coverage, social security, and urban decay).

A failure to meet these challenges will undermine important sources of national strength, reducing the nation's long-term strategic flexibility. There are various, alternative ways to address these imperatives, but all of them put a premium on how we use scarce national resources. Moreover, the drive to reduce government expenditures and taxes, which partly reflects the economic concerns mentioned above, puts an especially high premium on how federal resources are used. Finally, the pending problems in the funding of social security and medicare will reduce federal budget flexibility.

2.2 The potential re-emergence of a peer military rival

Today the United States faces no peer military rival or alliance. The probability that such a rival could emerge before 2015 is very small. Given more than 20 years, however, Russia possibly could reorder itself, recover economically, reorient politically, and rebuild its military. For China, 30-50 years would be needed to meet all the prerequisites of global superpower status. Other candidates for future peer rivalry include current allies -- for instance, Japan or Germany. In either case, however, a virtual revolution in domestic politics and foreign policy would be required as well as a long period of dedicated military expansion. In all cases, the evolution of a new peer military rival would be marked by a series of distinct milestones.

2.3 Major Regional Conflicts and the Threat posed by Rogue Giants

The next three decades could see the outbreak of several major regional wars -- but not all the possible cases would involve direct military threats to critical US interests. In only a few cases would the United States feel compelled to undertake a major intervention. These would involve large-scale attacks on important regional allies by what might be called "rogue military giants." What distinguishes these giants are strategic goals distinctly antagonistic to Western interests, patterns of behavior that deviate widely from international norms, and armed forces comprising the rough *qualitative equivalent* of three or more US heavy divisions, three or more US F-16 air wings, and 300,000 or more people under arms. In the future as in the recent past, the regions where such states pose a special problem for the United States are Northeast and Southwest Asia.

- Since 1993 the invasion threat posed by the "rogue giants" has diminished significantly, and it will continue to recede. This positive development reflects these states' loss of superpower patronage, their relative economic weakness, the impact of Western-led sanctions, and the improvement in the defense capabilities of their intended victims.

- Circumstances will push rogue states toward greater dependence on long-range and remote-action "area weapons" as means of coercion and deterrence. These systems include missiles, mines, and Weapons of Mass Destruction. Rogue states may also attempt to employ means of low-intensity warfare, such as terrorism and insurgency, to destabilize US allies.

Russia as a Regional Power: Although unable to reconstitute itself as a global military superpower in less than 20 years, Russia could reconstitute itself as *European regional* military "superpower" within a shorter time span. Achieving this status would involve fielding a military as capable as the next three European powers combined. In any case, however, the western and west-central European states will be in a much better relative position than during the Cold War -- both in terms of strategic geography and resource base. Generally speaking, America's European allies and friends are and will remain able to carry a significantly greater share of their defense burden than during the Cold War.

China as a Regional Power: In the next 15 years China could significantly increase its level of military expenditure. Its first priorities would be to relieve the miserable living conditions of its uniformed personnel and bring its armed forces' technology solidly into the 1970s. Only a small portion of the Chinese military might integrate 1980s military technology. The other states of the region will retain the collective capacity to counter-balance any Chinese buildup -- certainly in so far as Chinese power projection capabilities are concerned. Taiwan, standing alone, would have greater cause for concern. But a successful invasion of Taiwan would remain beyond China's capacity, and China is presently disinclined to seriously pursue this course. In any case, for the foreseeable future, modest American defensive support for Taiwan -- on the scale of a few carrier battle groups, 4 wings of ground-based aircraft, and some ground-based air defense units -- would decisively swing the effective local balance in Taiwan's favor. But *a war over Taiwan is not likely* and the Taiwan issue is not representative of the type of challenge that China's development poses. Generally speaking, *the disagreements among the region's states are not comparable in kind or intensity to those that divided Europe and the world during the Cold War.*

2.4 Lesser Regional Threats

These include threats of violence and smaller-scale acts of coercion or aggression targeting (I) American allies or friends, (ii) US citizens or important US assets abroad, or (iii) important "global community assets" -- such as freedom of navigation. The antagonists in such actions may be states or subnational actors. Possible US military responses include preventative or deterrent deployments, straight-forward defense or counter-offensive actions (albeit on a much smaller-scale than in MRCs), retaliation, and citizen rescue or evacuation.

Contingencies at this level of conflict have been much more frequent than large-scale contingencies in the past and will continue to be. The scale of American response ranges from actions by a few dozen special operations personnel up to short campaigns involving joint task forces of as many as 40,000 personnel. These contingencies tend to entail forces "lighter" on average than those typically involved in MRCs.

The post-Cold War military recession will have several contradictory effects at this level of conflict:

- Regarding the conventional threats posed by smaller states: the intensity of these will recede but not as much as in the case of the overblown rogue giants.

- The frequency with which smaller states are willing to openly invite America's ire will also probably decrease.

- Action by non-state actors (ie. terrorism) may increase -- partly because states will sponsor it as a form of asymmetric struggle and partly as a result of greater instability at the state level.

2.5 Regional Stability Problems

These contingencies often have the character of "internal affairs," but their offshoots -- genocide, mass migration, starvation, epidemics, mass criminal behavior -- can destabilize entire regions. In some cases, these regional effects will directly and immediately involve critical US interests; in these cases, the United States may take the initiative in organizing and equipping these operations, while also being careful to maintain their multinational character. In other case, the material affect of these

contingencies on important American interests will be only indirect and cumulative -- involving, for instance, the gradual erosion of international codes of conduct. In such cases, action is still vital and America may still take the lead in organizing a response, but resource constraints and competing security demands may require that US involvement occur only as part of a strictly balanced multinational effort.

2.6 Other Transnational Dangers

A variety of transnational dangers will emanate from areas of instability. These include uncontrolled flows of refugees, international criminal activity, and contraband substances. America's combat military services will have a role to play in mitigating these dangers, although routine responsibility for addressing them will belong to other agencies -- such as the Coast Guard, INS, FBI, ATF, and DEA.

2.7 The Spread of Weapons of Mass Destruction

The uncontrolled flow of conventional arms and, especially, the proliferation of WMDs has the potential to prolong and critically aggravate problems of regional conflict and stability. Weapon proliferation greatly increases the threat to our military personnel and our citizens abroad. Moreover, the proliferation of WMDs and their means of delivery may augur new direct threats to our homeland (although these will remain far less severe than during the Cold War).

3. US Interests, Security Objectives, and Security Strategy

This section traces the derivation of international security objectives and priorities from core or vital interests and national security strategy. Core, vital, or fundamental interests are reviewed first. Then, based on an initial application of national security strategy, a set of international security objectives is produced. Finally, priorities are set among these objectives and other important objectives based on a second application of national security strategy.

3.1 America's Core Vital Interests

The core or vital interests of the United States are defined by the following national policy imperatives:

- To protect the sovereignty and territorial integrity of the United States;
- To protect the lives and property of its citizens, and to ensure their fair treatment abroad;
- To ensure the economic well-being of the nation, preserve its democratic way of life, and guarantee the right of its people to live in peace; and
- To protect freedom of international navigation, communication, and commerce, including open and equal access to the "global commons" -- international waters, territories, and air space.

The interests that these imperatives embody are "vital" and "core" in the sense that (I) the life and prosperity of the nation depend on them uniquely; (ii) they are not derivative of other interests, but instead are "fundamental;" (iii) their value is not subject to any simple cost-benefit analysis; and, (iv) there is a broad and enduring national consensus supporting them.

Strategic Guideline: The National Security Strategy (NSS) of the United States serves in part to translate core or vital interests into foreign policy objectives. Relevant to this, the NSS holds that it is preferable to address potential challenges to core interests early in their development, before they can impinge critically on those interests. Also relevant to America's choice of foreign policy objectives is its lack of

aggressive goals and its democratic values, which enable and incline it to take advantage of the benefits of international cooperation in the security sphere. Thus, as a matter of national security strategy:

- The United States will remain comprehensively engaged in global affairs,
- It will seek to pursue its security objectives in cooperation with other states, and
- It will emphasize measures of conflict prevention and deterrence.

3.2 US International Security Policy Objectives

America's international security policy reflects the core imperatives or objectives enunciated above, and also seeks to establish an international environment that is conducive to the achievement of these core objectives. The United States would do best in a world characterized by:

- stable democratic societies,
- open and secure commerce,
- strict and effective limits on the role of armed force in global affairs, and
- shared, communal responsibility for ensuring global stability and security.

Such a world does not exist today and will not be easily or certainly attained. Nonetheless, as an "ideal destination" or end-state, it can serve to guide policy. In line with the nation's enduring core interests and its national security strategy, the United States will seek to:

- Preserve and strengthen it's relationships with those nations that share its values and interests, cooperate closely with them in the formulation and execution of common security and defense efforts, and share with them in a proportional way the burdens and costs of these cooperative efforts;
- Support the expansion of the community of open, democratic, and stable societies;
- Generally oppose acts of international aggression and threats of aggression; Expand the sphere of security cooperation and help develop more effective means for cooperative responses to aggression;
- Support efforts to progressively reduce the role of force in international affairs and, especially, to restrict the use of force to defensive ends, narrowly defined;
- Encourage and support the pacific resolution of international and civil conflicts; support a strengthening of global and regional mechanisms for conflict prevention, mediation, limitation, and resolution;
- Encourage and support bi- and multilateral arms control and reduction efforts -- especially those affecting nuclear weapons; Encourage and support the development and implementation of confidence- and security-building measures in zones of conflict, and, more generally, encourage and support increased military transparency;
- Increase and strengthen the controls on the international transfer of weapons and dual-use technologies, focusing especially on the proliferation of Weapons of Mass Destruction (WMDs) and on transfers of those conventional weapons most essential to long-range offensive operations;

- Encourage a more consistent and wider respect for basic human rights, vigorously oppose gross and flagrant violations of these rights, and strengthen the institutional foundation for promoting and protecting these rights;

- Respond in cooperation with others to address transnational problems (such as the drug trade, environmental degradation, and mass migration) and intra-national problems (such ethnic conflict, state collapse, and humanitarian disasters) that threaten regional stability; and help strengthen the institutional basis for responding effectively to such crises;

- Strengthen collective and institutional support for the efforts of troubled and poorer nations to achieve (I) more stable conditions of life for their people and (ii) more effective and responsive modes of governance.

Strategic Guideline: The NSS reconciles these objectives with each other and with other national goals, and it sets priorities among them. It also chooses among the policy instruments available to the nation and sets their relative weight. Key to the strategizing process is an acute sensitivity to resource constraints and changes in the security environment. The following strategic insights and principles determine the priorities among the nation's various security-related objects:

- *Maintaining America's long-term economic health and social stability are key.* The current era presents the nation with both a unique opportunity and an imperative to increase infrastructure and social investment *as a matter of national security strategy.* This shift in emphasis reflects (I) the reduction in the magnitude and severity of immediate, near-term, and mid-term military threats to the national interest; (ii) the requirements of meeting increased international economic competition, and (iii) the need to maintain social stability and solidarity in the face of rapid economic and technological change. Longer-term strategic uncertainty also provides a reason to cultivate the fundamental sources of national strength. Looking forward 30 years we cannot confidently predict the types of challenges the nation may face; investing in the fundamentals ensures the greatest degree of long-term national flexibility.

- *Increasing our emphasis on nonmilitary & cooperative means for achieving security objectives is key.* Increased emphasis on nonmilitary means is consonant with the increased importance of conflict prevention, mediation, and resolution. As for increased security cooperation: it is an important national security goal in its own right, serving to reduce the potential for conflict among the cooperating nations. Cooperation is also a key economizing measure, allowing the United States to use its leading international position to "leverage" group action while sharing security burdens.

- *America's armed force remain pivotal to the nation's national security policy.* Although the current era presents an opportunity to fashion a world in which force plays a significantly reduced role, that world does not exist today and will not be easily or certainly attained. America's armed forces are key to meeting the continuing military threats to the nation's core interests and key to guarding against the possibility of new threats in the future. The armed forces will also play a critical role in addressing problems of instability and they will be important as well in conflict prevention and arms control efforts.

- *A reduced threat implies a smaller military and a reduced military budget.* The reduction in the magnitude and severity of present threats and the low probability that a new peer or near-peer military rival will emerge during the next 15-18 years permits a reduction in the size of America's military forces and budget. This is also consistent with the national strategic requirement to place greater emphasis on nonmilitary security efforts, which should receive increased funding. And it is consistent with the strategic need to invest more heavily in cultivating the fundamental long-term sources of national strength.

- *Meeting post-Cold War military challenges requires substantial military restructuring.* The character of the military security challenges that face the nation have changed dramatically and

America's military must adapt accordingly. More than a simple reduction in size, this requires fundamental restructuring of the armed forces and an adjustment in their procurement priorities.

3.3 General Implications for US Military Restructuring

Military restructuring must balance several distinct imperatives and do so in a way consistent with broader national objectives and national security strategy. These imperatives are:

- Restructure the armed forces to efficiently and economically deal with those threats and challenges that are most likely to arise during the next 15-18 years or that already face the nation;

- Incorporate hedges against (I) the possible re-emergence of a peer or near-peer competitor 15-18 years in the future, (ii) the possible long-term implications of the military-technical revolution, and (iii) the possibility that shorter-term challenges may turn out to be more demanding than expected;

- Retain the historical emphasis of our military on "quality over quantity" -- quality of personnel, equipment, organization, and doctrine.

- Improve the basis for multinational cooperation. America needs armed forces that are built and bred to cooperate closely with those of like-minded nations.

4. Military Strategy for a New Era

The military strategy of the United States recognizes the unique opportunities and challenges of the post-Cold War era. Among the challenges are new sources of instability, the continuing threat of interstate aggression, and the possible evolution of new forms of threat. However, the present era also poses an opportunity to expand the basis of security cooperation and work more closely than ever before with other nations in restricting aggression and addressing the sources of instability. What the long-term future holds is uncertain, but the steps we take today will help decide that future. *America's military strategy charts a vigilant path of progress toward a more cooperative and stable security environment.* The strategy embodies three imperatives:

- Deter and defend against current and likely threats;
- Create and consolidate the conditions for a more cooperative and stable international environment; and,
- Guard against a possible resurgence of global and large-scale military threats.

Looking more closely at each of these elements:

(I) The United States seeks though the use of its armed forces *to deter and defend against present and foreseeable military threats* to the nation, its people, its interests, and its allies worldwide. The United States also cooperates closely with its friends and allies in seeking to secure from military threat vital "world community assets," such as freedom of navigation.

(ii) The end of the Cold War has presented a unique opportunity to advance toward a strategic environment in which nations cooperate more closely and consistently than ever before, and in which force and the threat of force play a distinctly smaller role in international relations. Looking to the future, *the United States will play a leading role in helping to realize this opportunity.* Following from this, the United States will:

- seek to increase the scope and depth of international military cooperation, and to establish a sounder institutional foundation for such cooperation.

- It will join with others to vigorously address the problems of post-Cold War instability that presently beset several regions of the world. Multinational stability efforts will include measures of conflict containment, limitation (including action against genocide), mediation, and resolution (including traditional peacekeeping).

- Finally, America's efforts to bring about a more pacific and stable strategic environments will include support for the gradual negotiated reduction of national arsenals, the implementation of Confidence- and Security-Building Measures (CSBMs) in zones of conflict, and efforts to limit the proliferation of offensive weapons, especially WMDs and their means of delivery.

(iii) By no means is success guaranteed in our efforts to foster and consolidate a more peaceful international environment. In light of strategic uncertainty, US military policy includes a variety of steps that guard against a resurgence of major military threats and especially against the possible re-emergence of a peer military antagonist. These steps include:

- Maintaining a strong and expansible military establishment, a robust training base, and a lively innovative military culture;

- Adhering to the principles of gradualism and reversibility in implementing the reductions in our armed forces that are dictated by broader national security strategy;

- Maintaining and strengthening our core alliances and security relationships;

- Strengthening our national intelligence gathering capabilities;

- Maintaining the best-equipped and trained Reserve armed forces in the world; and

- Maintaining a military research and development establishment and a defense industrial base that is second to none by a substantial margin.

4.1 Military Cooperation

Multinational cooperation in addressing military security problems is an important goal in its own right. Often it is also the most pragmatic path to success, serving to (I) bring more capability to bear in the pursuit of mission objectives and also serving to (ii) distribute security burdens and responsibilities more equally among allies and friends.

As noted above, the United States will seek to increase the scope and depth of military cooperation, including the conduct of military operations. However, with regard to those security problems that bear on its critical interests, the United States reserves the right to act alone, if it must. Conversely, with regard to some types of operations -- for instance, *peace operations outside core areas of interest* -- the United States will be disinclined to act on a large scale except as part of a *well-balanced multinational effort.*

- America's alliance and bilateral defense commitments with its long-standing allies anchor its cooperative security efforts. These commitments are key to our military and national security strategies partly because they involve nations with whom we share core interests and values, and with whom we have a long and productive history of cooperative effort. For these reasons, *we will seek to expand military cooperation with these nations in combined efforts outside the core areas covered by existing security agreements* -- developing and using such instruments as NATO's Combined and Joint Task Force.

- In the future, the United States also will rely more than in the past on less formal and *ad hoc* coalitions to achieve some important military security objectives. We will seek to improve the basis for such cooperation through various forms of peacetime engagement with the armed forces of other nations, and we will seek to improve the capacity of appropriate global and regional security institutions to sponsor and coordinate multinational efforts, especially peacekeeping and other stability operations.

- An important objective in pursuing multinational military cooperation is *the creation of an effective and efficient "division of labor" among like-minded states.* With regard to some types of military forces and assets, the United States alone has the capacity to develop, maintain, support, and employ them in great quantity. The United States can employ these unique assets to multiply the effectiveness of others' armed forces, and it can use them to form a vital core of capabilities for multinational task forces.

- The "division of labor" principle will be important not only in peace operations but also in regional defense and deterrence. In helping friends and allies deal with large-scale local threats, it has never been the intention of the United States to substitute American power for allied power or to assume a disproportionate share of local defense burdens. Now, as regional conventional military threats have diminished in scale, our allies can assume a greater share of local defense burdens. The United States can increasingly configure its regional defense contribution according to a principle of *complementary defensive support* that emphasizes force multipliers and those vital capabilities that are missing from local defense forces.

- One implication of America's increased emphasis on facilitating increased multinational cooperation and achieving a multinational "division of labor" will be a change in the balance of America's armed forces. For instance, the proportion of long-range air power, special operations forces, artillery, engineering, and other combat support and combat service support assets will increase. Another area of proportional increase will be Command, Control, Communication, Computation, Intelligence, Surveillance, and Reconnaissance (C4ISR) assets.

4.2 Priorities in the Use of US Armed Forces

The interests and concerns of the United States extend worldwide, but they are not everywhere equal and the same. Political realities, both foreign and domestic, as well as constraints on time, assets, and resources require that we set clear priorities in pursuing our security objectives. To do otherwise would risk undermining the very foundations of our global involvement. Multinational cooperation substantially increases our capacity for effective action -- but also involves and imposes limits. Therefore, in planning to meet contingencies both large and small, the United States identifies "core areas of concern." These include Central America and the Caribbean, Europe, Northeast Asia, and North Africa, the Middle East, and the Persian Gulf. As a tool for setting priorities, the concept of "core areas of concern" pertains to our planning efforts across the spectrum of conflict.

4.2.1 Major Regional Contingencies

- Outside Europe there are only two areas in which the needs of our allies, the intensity of our interests, and the magnitude of local threats might coincide to compel very large-scale US combat operations, including the deployment of 100,000 or more ground troops: the Persian Gulf and Northeast Asia. In these core areas, the United States is willing to act decisively and on a large-scale even if it must act with local allies only.

- Europe, the Middle East and North Africa, and Central America and the Caribbean are also areas of core US concern. Nonetheless, there is little or no likelihood of very large-scale US combat operations in these areas during the next 10-15 years (at least), either because the threats in these areas will not warrant it, or our allies will not require it, or both.

- Outside the areas of core US concern, the conditions for a direct, large-scale conventional threat to immediate and critical US interests do not exist. Thus, the United States would only rarely contemplate large interventions (that is, involving 80,000 personnel or more) outside the core areas, and then only as part of a truly balanced and broad multinational effort. Furthermore, should significant levels of instability exist in a core area, portending a possible near-term crisis, the United States would not contemplate large-scale military involvement outside the core at all.

4.2.2 Lesser Regional Contingencies

Military action to counter smaller-scale aggression involves fewer material constraints. However, here too, the United States needs to act with a clear sense of priorities because any use of military power involves opportunity costs and risks. We cannot act anywhere at any level without constraining to some degree our ability to act elsewhere.

- The United States will remain prepared to act on this level promptly and decisively to counter attacks and threats of attack against US allies and friends, US citizens, or important US or "world community" assets.

- The United States prefers and will seek multinational cooperation *even when confronting smaller-scale threats to its vital interests,* but will not consider such cooperation a precondition for action in such cases.

- The US is also eager to act against smaller-scale aggression more generally, *even if it does not directly involve vital US interests.* But in these cases, a context of real multinational cooperation will usually be a precondition for US military action.

4.2.3 Stability Operations

- A context of multinational assent and cooperation is often a precondition for the success of stability operations. Thus the United States will seldom undertake such operations unless such a context exists or can be created.

- In addition, the decision to undertake such operations will depend on (I) the urgency of the need, (ii) the identification of significant stability objectives that are achievable, (iii) the availability of the resources and time needed to achieve these objectives, (iv) the likely cost in casualties, and (v) the competing security and stability demands on US resources. *These criteria are not proposed as a series of hurdles; what matters is the balance among them.* Given an urgent need and a real possibility of achieving significant stability objectives, *the United States is willing to make a substantial investment to realize success,* and it will strongly encourage others to do the same.

- The United States will judge the "urgency" of a situation in terms of (I) human cost, (ii) near-term regional stability effects, and (iii) longer-term and indirect effects on the strategic environment. When choices must be made, a contingency's proximity to core areas of US concern is an important factor in determining urgency.

- In general, the importance of broad multinational cooperation and burdensharing as a pre-requisite to US action is directly proportional to the size and difficulty of a proposed operation and its distance from core areas.

- With regard to the issue of competing demands: the US will strictly limit and reduce its commitments to stability operations should war or crisis threaten in a core area. If the United States is already engaged in a major regional contingency, it will most likely refrain from initiating unrelated stability operations.

4.3 Strategy for Fighting Major Regional Wars

Today there are only two core regions where the interests of the United States and the needs of local allies might possibly converge to require very large-scale unilateral US intervention: the Arabian and Korean peninsulas. Our abiding interest in these area is evident in long-standing military cooperation and assistance policies and in the well-developed military reception and support facilities that these areas possess. Several other unique features would facilitate effective US defense efforts in these regions: in Korea the United States has a powerful ally; in the Persian Gulf, American air power has proved uniquely effective in blunting large-scale conventional aggression.

During the past six years the military balance in both the Persian Gulf and on the Korean peninsula has improved dramatically. In addition, the United States has established a virtual permanent military presence in Southwest Asia, prepositioned more equipment in both the Persian Gulf and Northeast Asia, and has improved its strategic lift capability. Moreover, the combat power of US military units has also increased significantly and will continue to do so with the completion of near-term modernization programs. *Together these developments significantly reduce the net requirement for US units slated for large-scale regional crisis response.*

Regarding most categories of military power, the net requirements of confidently defeating a large-scale cross-border attack in either of these regions are judged to be between 45-55 percent of the forces deployed for Operation Desert Storm (ODS). However, in some categories, a larger proportion may be required: the need for combat helicopters may range between 60-80 percent of the ODS deployment; the requirement for tube-artillery systems, between 75 and 110 percent; and the requirement for MLRS systems, between 100 and 180 percent of the ODS deployment. Although these requirements are expected to decline during the coming decade, America's Total Force will be sized with them in mind. Two areas in which requirements may increase are theater ballistic missile defense and NBC protection.

- In the eventuality of a large-scale cross-border attack in Korea the US will plan to employ as many as 220,000 personnel (active and reserve), 600 combat aircraft (all-service, including bombers), 2 aircraft carriers, 30 other major surface and subsurface combatants, 3-4 ground force division equivalents (*including USMC*), 400 combat helicopters, 700 tube-artillery systems, and 200 MLRS launchers.

- In the eventuality of a large-scale cross-border attack on the Arabian peninsula the US will plan to employ as many as 280,000 personnel (active and reserve), 700 combat aircraft (all-service, including bombers), 2 aircraft carriers, 18 other major surface and subsurface combatants, 4-5 division equivalents (*including USMC*), 300 combat helicopters, 500 tube-artillery systems, and 350 MLRS launchers.

4.3.1 Fight in Phases

Should war break out in one of these theaters of core concern, the United States would fight in distinct and deliberate phases.

- The United States would initially deploy a "defensive shield" with the aim of halting the attack. This shield would rely heavily on forward deployed, prepositioned, and indigenous assets as well as fast deploying US units based outside the region.

- Once a robust defensive shield was in place, additional assets -- mostly air and missile power -- would be brought to bear to attrite enemy forces while a larger and heavier US offensive element deployed.

- The final phase would be a large-scale and decisive counteroffensive.

4.3.2 Dealing with Two Wars at Once

With our focus on only a few regions of core concern, the probability that the United States would have to conduct two major regional wars simultaneously is very low. Indeed, it is unlikely even given a thirty-year time span. For this reason, and because there are critical competing demands on our resources, we will not size or configure our *active-component* armed forces to complete *on their own* two large-scale offensive-defensive campaigns simultaneously. Nonetheless, as long as there is a real and present danger of large-scale aggression in two theaters of core concern, we must and will hedge against the possibility of overlapping attacks in both.

- In the case of a major attack in either theater, a defensive shield of mostly active-component units would immediately deploy there and Reserve combat units would begin to mobilize.

- In the other theater, forward deployed units would be placed on high alert and they would be reinforced with a modest "deterrent" package.

- The large, offensive force increment for the first theater would be held back as a hedge against an attack in the second until more Reserve units mobilized. As these units became available, they would provide the flexibility for the United States to fully commit to a single war (with mostly active combat units in the field) or conduct a double war if necessary (relying on a mix of active and reserve combat units).

- The United States would not choose, however, to conduct two large-scale air-ground *counter-offensive* simultaneously. Instead, we would maintain an active defense posture in one theater, while completing offensive operations in the other. With the completion of war in the one theater, some combat assets could swing to the other.

Although the probability of major regional conflicts involving the United States on the scale of the envisioned Korean and Arabian scenarios is expected to recede further during the next 15 years, the United States will retain sufficient capacity to

- rapidly deploy in succession *either* (I) two defensive shields *or* (ii) one full defensive/offensive package for Theater One plus an "enhanced deterrence package" for Theater Two,

- while holding back for other purposes a force *equivalent to* one-third of our total active-component combat forces, and do so

- without having to mobilize more than 70,000 reservists.

Should the two-war scenario occur, meeting it fully would require substantially reducing the forces held back for other purposes and increasing the reserve mobilization to 250,000 personnel.

4.3.3 Hedging against a resurgent Iraq or North Korea

To hedge against the possibility that either Iraq or North Korea will manage to substantially increase their conventional power during the next decade, the United States will:

- Continue to press our allies on the Korean and Arabian peninsulas to maintain, upgrade, and increase their defensive capabilities;

- Especially press members of the Gulf Cooperation Council to cooperate more closely in defense matters, and

- Undertake a major initiative to ensure greater and more effective participation by our core allies in regional defensive efforts. NATO countries should play a bigger role in meeting a

Persian Gulf contingency; Japan should play a significant airpower and logistic support role in meeting a Korean peninsula contingency.

4.4 Strategy for Managing Multiple LRCs and Stability Operations

Smaller-scale contingencies will demand more of America's attention, principally because of (I) the increased need for stability operations and (ii) a possible increase in the incidence of terrorism. At this end of the operational spectrum, the actions that will place the greatest quantitative demand (due to their relative frequency) on the US military are of three types: (I) retaliatory raids and deterrent deployments, (ii) small-scale wars and combat operations like *Just Cause,* and (iii) stability operations.

- In the first category, most operations will involve brief deployments of 5,000-8,000 personnel and often center on carrier battle groups. However, in core areas, deterrent deployments could involve as many as 30,000 personnel, including ground troops.

- In the second category, operations may require 20,000 to 30,000 personnel.

- The final category, stability operations, will usually involve deployments of between 3,000 and 50,000 personnel.

Regarding the frequency of such operations: It would not be surprising in the next decade if the United States had to conduct two or three of the first category, one or even possibly two of the second category, and six or seven of the last category.

Setting aside the smaller retaliation and deterrence operations (which will usually involving a carrier battle group), the United States will be prepared to field 60,000 people in LRCs and stability operations during a typical year without eroding our overall, long-term preparedness. On average such operations are expected to last nine to ten months: retaliation, combat, and deterrence operations will have a shorter average duration; stability operations, a longer one. Moreover, we will have the capacity to *occasionally* field a cumulative total of up to 100,000 in such operations -- perhaps once every four years -- without "breaking the system." Unlike the case of major regional war, active-component personnel will predominate in these operations.

In the event of intervention in a major regional war: The system will have the capacity to maintain some personnel in other operations. In the case of having to fight only one major regional war, the United States will have the capacity to field simultaneously as many as 30,000 personnel in a smaller-scale operation.

4.4.1 How Many Simultaneous Operations?

Our approach could be summarized as providing a "1.2 war capability" or a "one MRC plus one LRC" capability. Looking further back in history, however, comparisons to Cold War capabilities are complicated. By today's standards, we sought during the Cold War a capability to conduct a global campaign equivalent in magnitude to three or more Gulf Wars!

Setting aside the major regional war scenarios, the planned capability could also be called a "six smaller-operations capability." However, from a strategic perspective, there is a trade-off between the size and number of such operations. The simultaneous conduct of six operations involving an average of 5,000 personnel each will be well within our capacity. But the United States will not normally attempt to conduct more than three "smaller-scale" operations *simultaneously* if each involves more than 20,000 personnel. Push the requirements for each operation much above the 40,000-personnel level, and the Unites States would not normally attempt to conduct more than two such operations simultaneously. These various criteria reflect the need to keep our military in good functioning order today for the contingency that may develop next year. And this includes hedging against even low probability/low frequency events like major regional wars.

All things considered, the descriptions of the planned capability that together most accurately reflect how it will be used are: "an active-component 3 LRC capability" or an "active-component 1.2 war capability."

4.5 The Conduct of Stability Operations and Their Associated Requirements

These operations include traditional peacekeeping, humanitarian assistance, actions to prevent or halt genocide, and conflict limitation, management, and resolution efforts. The demand for such operations has increased dramatically since the end of the Cold War and will remain high. Looking to the future, the United States may feel compelled to undertake more of these than in the past. More important than increasing the frequency of US peace operations, however, is that the United States act sooner and more effectively in those that do meet its criteria for action.

With regard to stability contingencies the strategy of the United States is to deploy as rapidly as possible *a decisive capability tailored to mission requirements.* If the United States and its partners cannot mobilize sufficient resources to be reasonably confident of achieving at least a minimum of important stability or humanitarian objectives, we will not deploy. Of course, it is impossible to predict with certainty how long an operation will take to achieve mission objectives, but competing security and stability needs *strictly preclude any open-ended commitments.*

When the United States deploys, it will do so with the resources it judges are required to perform the mission *within a determinate period of time.* (It will not, however, publicly declare a "time limit"; such a course of action would undermine the prospects for mission success.) Nonetheless, time is a key factor in calculating the cost of an operation, and as the costs of any one operation rise, they impinge on our capacity to achieve our overall, long-term stability program. The United States will make a modest allowance for slippage in original time schedules, but pushed beyond this, it will move to substantially reduce mission objectives or terminate the mission.

4.5.1 Special Requirements

Several characteristic features of stability operations are key to defining their requirements: Such operations are typically multinational and multi-dimensional, and they often involve a unique interplay between consent and violence (or the threat of violence).

- The involvement of different national contingents and both civilian and military elements requires special efforts to ensure adequate communication and planning interfaces. The division of labor, allocation of responsibility and authority, and chain of command must be clear. Combined planning -- multinational and civilian/military -- must be continuous. To meet these requirements, headquarters staffs will be larger than usual, communication units must be robust, and sufficient numbers of "liaison officers" must be available.

- The multi-dimensional character of these operations will also require that a field force employ a larger than usual proportion of combat support and combat service support assets, such as engineers, military policy, civil affairs, medical, and logistics units.

- Finally, the interplay of consent and force in these operations imposes special requirements.

4.5.2 The Use of Force in Stability Operations and its Implications for Force Structure

Typically, stability operations lack a designated foe. (Conflict itself and its effects are taken to be "the enemy.") An important enabling factor for success is some substantial degree of assent to the operation by the local contestants and citizens. However, assent to the operation's mandate is often partial, unstable, or "patchy." Localized attempts to violate or resist the mandate, and localized attacks

on the field force, will occur. When this happens, however, it does not necessary imply a comprehensive collapse of assent.

In order to preserve the broader context of consent, the response to mandate violations will be discriminate: Preferably, it will focus on the violation and the immediate violators, and it will involve the minimum force necessary to ensure mandate implementation and force protection. When a more remote retaliatory action is required, it will target important assets, not leadership -- unless that leadership has come to be *broadly perceived by local citizens* as a criminal element. The most important guideline, however, may be this: when resistance to a mandate is haphazard or episodic, violence can often be deterred on the small-unit level, *provided that the operation's small units are sufficiently capable and their capabilities are obvious.* This often implies a need for units that are heavier than typical light infantry.

- Medium-weight ground units may provide the optimum mix of strategic mobility, tactical mobility, protection, and firepower, but they cannot undertake all essential tasks. Hence, the optimal ground force will often mix light, light mechanized, and mechanized infantry units.

- A vital part of US planning for such operations will be provisions for the possible collapse of local consent or a decision by one of the contestant to "declare war" on the operation. This would imply a fundamental change in the character of the contingency. The mandate's authorizing agency and the operation's participants may decide to meet the challenge or they may decide to terminate the operation. The decision is case dependent. Either way, *a capability to comprehensively protect the force and extract it under fire is necessary.*

- The complex and often mercurial nature of stability contingencies also points to *the need for substantial intelligence, reconnaissance, and communication capabilities.* Adding to this requirement is the importance of minimizing violence. Given adequate and timely information we can often avert or forestall violence. The most serious shortfall in recent stability operations has involved human intelligence gathering capabilities. But advanced information technologies are also essential to success. Thus, the United States will employ a full-spectrum of its information capabilities in these operations.

5. Guidelines for Restructuring America's Armed Force

5.1 Changes in Emphasis Among Combat Function Areas

§ *An increased emphasis on air power, indirect fire, and information assets*

The future force will reflect an increased emphasis on combat air (including helicopters) and artillery in supporting ground combat operations; the balance between fire and maneuver will shift in favor of the former. This reflects an increased potential for delivering precision fires from the air and the ground, and it reflects a desire to reduce the exposure of and threat to our close combat units. It is also consistent with the strategy of maintaining and providing unique force multipliers to coalition and alliance forces. Important initiatives in this area include the addition of new precision munitions and the increase in numbers of all-weather day/night delivery platforms. Also important is the growing number of the Army's MLRS launchers and the Navy's ships equipped with Vertical Launch Systems. With regard to land forces the proportion of combat helicopters and artillery systems to ground maneuver units will increase.

Information assets are increasingly important across the operational spectrum. These will be largely exempt from reduction and, thus, will become a relatively more prominent part of the force. Procurement will emphasize high-leverage surveillance and reconnaissance systems, systems for improved joint communication and information fusion, and a full-range of economical increments to existing capabilities serving high-demand mission areas.

§ *Preserving special airpower assets: bombers and C3ISR/EW aircraft*

Within the total combat air fleet, USAF bombers and support aircraft (including C3ISR and EW planes) will comprise a bigger slice (relative to fighters) than in the current posture. (Nonetheless, the ratio of Fighter Wing Equivalents to ground force divisions and naval combat ships will increase.) The retention of present levels of support aircraft -- especially C3ISR and EW planes -- partly reflects the increased significance of information warfare. It also recognizes these assets as key to the creation of an allied division of labor and as key to America's capacity to provide defensive support -- short of combat units -- to its friends. Finally, many of these assets have important parts to play in arms control efforts, stability operations, strategic intelligence efforts, and even drug interdiction. Although fewer in number than presently planned, bombers are given an increased role in the proposed structure because they (I) play an important deterrent role and (ii) serve as a hedge against the continuing (although diminished) possibility that America will have to undertake two regional wars simultaneously.

§ *A lighter, more mobile ground force*

Light mechanized or motorized ground units will play a bigger role in both large and small combat contingencies as well as peace operations. Such units -- often called "medium-weight" -- are more mobile strategically than heavy units, and have better protection, firepower, and tactical mobility than pure light infantry. Such units provide a flexible and affordable means of long-range force projection and are particularly well-suited to stability operations. Moreover, as the experience of comparatively light USMC units in the Gulf War proves, they can also play a substantial role in major "mid-intensity" conflicts when supported by information assets, missile artillery, and combat aircraft and helicopters. If configured as "air-mechanized" units, they can form a critical part of an early arriving regional crisis response force. Light mechanized forces are especially well-suited to smaller-scale conflict situations, such as the Panama and Grenada interventions. And the recent experience of stability operations suggests that in these contingencies participating units also need greater average protection and mobility than that typical of current Army and Marine Corps light infantry.

§ *Greater emphasis on special operations forces*

Special Operations units are increasingly important across the spectrum of conflict. Moreover, America's SOF assets, considered as a whole, represent a capability that is unique in the world. As such, they are key to developing a sensible division of labor among Western allied nations. Finally, they have proved themselves an essential enabler of *ad hoc* multinational cooperation in the field. In the future, Special Operations units should comprise a larger proportion of US forces; indeed, some types of these units should be increased in number absolutely. It is also, important, however, that the United States become more carefully in how it employs these assets. Generally speaking, they should be used at the high end of the their capability and not in roles for which other, less specialized units are adequate. In the future, the Special Operations command will constitute the field headquarters for some operations, and experiments should continue to explore how attaching conventional force elements to the command can produce unique capabilities. There will also be much closer cooperation between the Special Operations Command and the USMC, which will retain 6 active-component MEUs -- all "special operations capable." In the future, MEUs will attach to the SOCCOM on occasion. In turn, larger packages of SOF units than is common today will occasionally support MEUs in roles appropriate to their capabilities.

§ *A greater emphasis on combat support and service support*

The future force will place greater emphasis on combat support and service support. This reflects the increased demand for some forms of combat support and service support due to stability operations (which may not involve actual combat). It also reflects an increased emphasis on providing "defensive support" to allies in the form of force multipliers. This is consonant with seeking a division of labor that takes account of the unique strengths of America's armed forces, but that does not substitute American power for allied efforts. Also, to facilitate multinational operations and combined civil-military operations, the future force will provide for increases in the size of field headquarters.

5.2 A Revolution in Combat Organization

The organization of America's basic combat units is trailing badly behind the two revolutions -- military-technical and strategic. In order to improve flexibility, efficiency, and the fit between units and their missions, the armed services of the United States will restructure their combat units -- from the largest to the smallest -- into post-Cold War, information-age organizations. Substantial reform does not require a large additional infusion of new technology; the military-technical revolution has already been underway for 30 years and the United States is already its undisputed leader. The disappearance of a peer military competitor and the shift toward smaller regional contingencies and stability operations also create a possibility and necessity for organizational change.

Today the backwash of organizational intransigence is impinging on the nation's security strategy and increasing the vulnerability of units deployed to the field. Less than 15 percent of the nation's deployable active-duty combat force are engaged in field operations, field exercises, or other contingent activities at any one time, but OPTEMPO and PERSTEMPO problems are reportedly so bad that the service chiefs argue strenuously against even marginal reductions in personnel. Moreover, as our likely military adversaries seek to increase their reliance on long-range and remote-action "area weapons" (like SCUDs and mines), we persist in planning to deploy enormous, highly-concentrated combat units.

To bring combat organizations in line with the two revolutions the services will accelerate organizational reform, incorporating several guideline principles:

- "Principal warfighting units" will be constituted at a lower level of organization than today -- for example, in the Army this role will devolve from the division level to the brigade;

- The principal "field operations management unit" (for the Army, the Corps) will gain a greater span of control, in the sense of controlling more units. However, the units they control will be of a smaller types: for the Army, brigades rather than divisions.

- The new and smaller "principal warfighting units" will become more balanced than they are today, but they will *not* replicate on a smaller-scale the full range of organic capabilities that had belonged to the larger units whose place they are usurping. Instead, more support will reside at the management (Corps) level -- to be attached or allocated to the warfighting units as needed.

- Management (Corps) headquarters will become somewhat larger and highly modularized, able to deploy in larger or smaller versions and able to attach parts of themselves to lower level headquarters. The main warfighting headquarters -- brigade HQs for the Army -- will also become larger, reflecting their greater responsibility. And they will be designed to receive supplementary "plug-ins" from their management units. A suitably expanded brigade headquarters will become able to command smaller field operations.

- At levels below the principal warfighting organization, some units will become less redundant and smaller, consonant with the greater capability that recent equipment bestows and the less capable threats they are today likely to meet. For the Army these lower level units are battalions, companies, and platoons.

Changes along these lines will facilitate much greater flexibility in sizing and tailoring force packages to meet threats and challenges. Field packages will not appear to be "balanced," but instead "tailored" to the task at hand. The size of deployments can be reduced without loss of *essential* capabilities, allowing more rapid deployment and reducing sustainment requirements and OPTEMPO and PERSTEMPO problems. In the field, units will be enabled to operate in a more fluid and dispersed fashion; force concentrations will become less dense.

The implications of these organizational guidelines are different for the different services:

- The Marine Corps is already highly modularized in its design, having for years sought to do more with less. The principle change for the Marine Corps is an even greater emphasis on battalion and brigade size deployments.

- Central to the Navy's future combat organization will be Surface Action Groups comprising three, five, or seven ships -- cruisers, destroyers, and frigates. One or two attack submarines may supplement these, but not necessarily. Surface Action Groups can operate alone or be configured to support an aircraft carrier or a Marine amphibious assault group. Smaller, task-oriented deployments will become the norm.

- The Air Force will revive its experimentation with "composite wings," but these will not attempt to integrate organically the full-range of Air Force capabilities. Generally speaking: squadrons should become smaller (12 or 18 aircraft), wings should become larger and more varied (90-120 aircraft).

5.3 Changes in Service Roles, Missions, and Organization

Service missions and organization will reflect more closely a division of labor based on special responsibilities in one of three dimensions: air, land, sea (littoral); concomitant with this, the services will become more inter-dependent and "joint" in character.

- Space and information operations in particular will be developed as joint areas of endeavor.

- The Services' central organizations for communications, intelligence, medical support, legal services, chaplains, public affairs, and logistics will be substantially integrated; the services' procurement departments will also take major steps towards integration.

5.3.1 US Air Force and other elements of US airpower

In the future the proportion of fighter/attack aircraft in the US arsenal belonging to the USAF will increase.

- The USAF has principal responsibility for air superiority and long-range (deep) strike operations (including bombers); it will also provide fixed-wing air defense and close air support for the Army.

- Naval combat airpower will play a more limited role, being especially important in naval operations, smaller ground operations (especially those involving the USMC), the opening phases of major ground operations, and in keeping sea-lanes and littoral areas secure throughout the duration of ground operations, large and small.

- USN and USMC combat airpower will operate more closely; their air power infrastructures will be substantially integrated.

- Naval missile power will play a bigger role relative to naval airpower as Aegis ships armed with Vertical Launch Systems come to predominate.

5.3.2 The Navy-Marine Corps Team

These two services will emphasize littoral warfare and operations. Less important for the USN in the future will be generalized offensive and defensive sea control, anti-submarine warfare, and continuous worldwide protection of SLOCs. Operations of these sorts will become more "contingency-driven." Nothing like the fleet once needed to fulfill the offensive, defensive, and deterrence roles set out in the maritime strategy is needed today or in the foreseeable future. Nor will the USN have any special claim on a so-called "presence mission."

- For smaller contingencies and operations outside Europe, the Persian Gulf, and Korea, the USN-USMC will often play a leading role, especially if friendly air bases are not nearby. As noted above, with regard to major contingencies the USN-USMC team will be especially important during initial deployment and will bear continuing responsibility for maintaining local sea control and guaranteeing sea-side access to theaters of conflict.

- In all cases the USN-USMC team are responsible for amphibious operations.

- The USMC will also have special responsibility for civilian rescue and evacuation operations.

- With the retirement of the land-based ICBM force there will be a substantial relative increase in the Navy's strategic nuclear role -- a first step toward giving the Navy primary responsibility for maintaining America's nuclear deterrent.

5.3.3 The US Army-USAF team

These services will fight across the warfare spectrum, but together bear special responsibility for larger, heavier, and longer-term contingencies on land. This special responsibility has a geographical corollary, but it is not a limit: the Army-Air Force team bear leading responsibility for defense and deterrence in Europe and on the Korean and Arabian peninsulas.

- The Army will provide missile artillery support and some air defense support for the Marine Corps.

5.3.4 Reserve Components

Reserve component armed forces will play a bigger role in the future posture than in the present one. This is consonant with (I) the absence of a short-warning global war threat, (ii) a shift away from preparations to conduct early, large-scale counter-offensives in two regions simultaneously, and (iii) a greater emphasis on air power, combat support, and combat service support functions -- all areas in which reserve component forces have excelled.

- Especially notable is the expanded role afforded the Navy and Marine Corps Reserves.

- Army Reserve and National Guard combat units will be brought back into the heart of preparations for handling two major regional wars simultaneously.

- The Army National Guard division structure will be retired in favor of maintaining and fully supporting 17 enhanced brigades; these brigades will be grouped into five "division-like" groups that will serve an administrative function only.

5.4 Force Modernization Strategy: Adapting to the Military-technical and Strategic Revolutions

Military modernization occurs at three levels: platforms, subcomponents, and the "system of systems" architecture. The current military-technical revolution has focused principally on architecture and subcomponents, rather than platforms. Progress has been especially profound in the areas of C4ISR and precision guidance. Developments in these areas promise to dramatically boost combined-arms synergy and allow much greater accuracy and efficiency in force allocation -- that is, in our ability to choose and constitute the right force for the right job and then deliver it to the right place in a timely fashion.

During the Cold War, the United States sought to procure in great quantity the most advanced equipment available for all segments of its armed forces. This reflected a strategy of matching Soviet quantity with American quality, as well as an awareness that the Soviet Union -- a peer power -- was also modernizing continuously. There is no such competition today and none is likely for some time.

This gives us greater freedom in setting the pace and extent of our military modernization. And we need to exercise this freedom in order to maintain a proper balance among modernization, readiness, and force structure, while also ensuring a proper balance between military preparedness and the other aspects of our national strategy.

We can maintain an appropriate balance and hedge against an uncertain future by differentiating our military R&D and military procurement objectives.

- For each area of military technology the goal of research and development will be to explore the boundaries of what is technically feasible. In other words, "requirements" are set by the limits of physical principles and the imagination.

- Our R&D strategy will provide a hedge against unforseen developments by fully funding research efforts and moving select technologies fairly far along in the development process -- short of actual procurement.

- Acquisition policy will follow a different logic. It will reflect an assessment of "real world" military force development trends -- especially those shaping the forces of current and potential "threat states." Specifically, we will track their capacity to (1) buy or produce, field, integrate, maintain, and effectively utilize (2) suites of advanced weapon systems (3) in operationally-significant numbers.

- Modernization will emphasize "modularized" subcomponents and suites of subcomponents, not platforms. This will provide the freedom to "drop in" new capabilities as they become available *and are needed*.

- Modularization will increase flexibility in several ways. First, it will allow us to tailor individual weapons and platforms to specific missions and threats. Second, it will allow us peg current acquisition to actually existing levels of threat while retaining the capability to quickly upgrade our weapons and platforms by moving new "drop-in" subcomponents from prototype status into mass production.

As a whole, our force modernization efforts will be geared to ensure that the United States maintains a distinct qualitative advantage over potential adversaries in all pivotal combat functions and a substantial advantage at the level of the "system of systems." This, together with the superior quality of our troops, superior leadership, high unit readiness, and unequaled sustainment capability is the formula for maintaining our advantage in the field.

6. Specification of Force Structure, Equipment, and Deployment

6.1 Personnel

	TOTAL	USAF	USN	USMC	USA
Active	945	280	260	95	310
Reserve	690	170	130	50	340
Subtotal	**1635**				
Civilian	450				
Total	**2085**				

The option reduces personnel and force structure over an eight-year period. Overall it prescribes a 35 percent reduction in active-component personnel from 1997 levels, a 23.4 percent reduction in reserve-component personnel, and a 31.7 percent reduction in civilian personnel. *Looking at the Total Force of active and reserve uniformed personnel, the reduction from 1997 levels is 30.6 percent.* However, the

number of full-time reservists will be reduced by only 7 percent during the period, from 150,000 to 140,000.

Personnel Reduction Schedule

	Active	Reserve	Civilian
1997:	1457	900.9	806
1998:	1390	865.0	755
1999:	1260	835.0	670
2000:	1230	820.0	630
2001:	1200	785.0	595
2002:	1090	750.0	565
2003:	1060	725.0	535
2004:	1040	700.0	490
2005:	945	690.0	550
Change % 1997-2005	-35	-23.4	-31.7

The proposed option does not reduce force structure as much as it does personnel because it incorporates a number of organizational changes that increase the proportion of personnel serving in the *deployable field force* (which includes combat, support, and sustainment units). The actual reduction in the deployable field force (including the sustainment pipeline) and counting both active- and reserve-component units is approximately 28 percent. In essence, *the option prescribes that a Total Force with 69.4 percent as many personnel as today's re-allocate enough of its people to ensure a deployable field force that is 72 percent as large as what today's military can manage.*

6.2 Strategic Forces (1500 deployed warheads):

560 air launched cruise missiles; B-52 platform
840 warheads; Trident II D5 platform (5 warheads per missile)
100 nuclear bombs; B-2 platform

Special features:
- 2000 additional warheads kept in reserve stockpile,
- Tactical weapons retired,
- Land-based missiles retired,
- US adopts "No first use of WMDs" stance,
- US pursues multilateral negotiated reductions to minimum, deterrence arsenals: 300-800 deployed warheads,
- Strategic missile defense efforts restricted to research.

6.3 US Air Force

6.3.1 Strategic Systems

Bombers (28 primary unit assigned; 41 total inventory):
B-52: 24 active. Total inventory: 36
B-2: 4 active. Total inventory: 5

Associated strategic weapons:
560 cruise missiles;
100 nuclear bombs.

Air defense fighters:
F-16: 60 reserve. Total inventory: 80

6.3.2 Tactical Bombers and Fighters

Bombers (84 primary unit assigned; 125 total inventory):

B-1:	24 active;	24 reserve.	Total inventory: 72
B-2:	12 active.		Total inventory: 16
B-52:	12 active;	12 reserve.	Total inventory: 36

Fighter/Ground Attack
(1152 primary unit assigned; 16 fighter wing equivalents. Total inventory: 1744)

F-15:	144 active;	72 reserve.	Total inventory: 324
F-15E:	144 active.		Total inventory: 216
F-16:	216 active;	396 reserve.	Total inventory: 950
F-117:	36 active.		Total inventory: 54
A-10:	72 active;	72 reserve.	Total inventory 200

6.3.3 Other Aircraft

Observation, Reconnaissance, Command, and Electronic Warfare:

OA-10:	36 active;	36 reserve.	Total inventory: 100
U2:	29 active.		Total inventory: 32
E8 JSTARs:	16 active.		Total inventory: 20
RC-135 Rivet Joint:	10 active.		Total inventory: 14
EC-130H Compass Call:		10 reserve.	Total inventory: 14
EC-130E ABCCC:	6 active.		Total inventory: 8
WC-130H:		8 reserve.	Total inventory: 10
E3 AWACs:	29 active.		Total inventory: 33
EC-135:	8 active.		Total inventory: 12

Special Forces

AC-130:	12 active;	6 reserve.	Total inventory: 21
EC-130E:		6 reserve.	Total inventory: 8
HC-130:	12 active;	4 reserve.	Total inventory: 18
MC-130:	32 active.		Total inventory: 38
MH-53:	33 active.		Total inventory: 40
MH-60:	6 active.		Total inventory: 10

Principal Cargo and Tankers:

C17:	60 active.		Total inventory: 72
C5:	70 active;	35 reserve.	Total inventory: 121
C130:	150 active;	150 reserve	Total inventory: 360
KC-10:	54 active.		Total inventory: 59
KC-135:	224 active;	248 reserve	Total inventory: 550

6.4 US Navy

6.4.1 Surface and Subsurface Combatants and Amphibious Warfare

Strategic Missile Submarines: 7 active

Attack submarines: 30 active, 6 reserve

Aircraft carriers: 6 active, 1 reserve

Major surface combatants:	78 active,	18 reserve:	
Cruisers:	24 active,	2 reserve	
Destroyers:	36 active,	4 reserve	
Frigates:	18 active,	12 reserve	
Mine Warfare:	13 active,	13 reserve	
Amphibious Lift:	18 active		

6.4.2 USN Combat aviation

Fighter and Attack:			
Squadrons:	20 active	4 reserve.	24 total inventory
Aircraft:	252 active	50 reserve	302 total inventory.

USMC aviation contributes 4 additional squadrons so that all aircraft carriers support 4 wings of fighter aircraft. The USMC's 48 F/A-18 aircraft are counted under the USMC totals. Marine aircraft can be freed from their carrier role, if necessary, and replaced by activating USN Reserve units.

Electronic warfare & SEAD:	6 active sqd	1 reserve sqd	66 total aircraft inventory.

6.5 US Marine Corps

6.5.1 Combat Units

Active combat units:
12 infantry battalions and 2 each of tank, light armored reconnaissance, and assault amphibious battalions. (Approximately 1.5 division equivalents.)

Reserve combat units:
6 infantry battalions. (Approximately 0.5 division equivalents)

6.5.2 Selected combat support and aviation units

Artillery:
11 battalions: (2 self-propelled 155-mm, 6 towed 155-mm, 3 towed 105-mm.)

Combat aviation:
5 attack helicopter battalions/squadrons (AH-1 Super Cobra).
18 attack/fighter aircraft squadrons (8 F/A-18C, 4 F/A-18D, 6 AV-8B)
4 EA-6B squadrons

6.5.3 Major combat equipment (unit assigned and total inventory, including prepositioned and other duplicate sets)

Ground combat equipment (unit assigned/total inventory)

M1A1 tanks:	116/260
Light Armored Vehicles:	300/400
Armored Assault Vehicles:	416/780
Self-propelled 155-mm artillery:	48/65
Towed 155-mm artillery:	144/255
Towed 105-mm artillery:	54/70

Note: total inventory includes provisions for prepositioning.

Combat aviation

Attack helicopters:	90/150
Fighter/Attack aircraft	264/396

Note: Primary unit assigned USMC aircraft constitute 3.7 FWEs.

6.6 US Army

6.6.1 Combat Units

Active combat units:
10 heavy brigades, 12 light. (7 division equivalents.)

Reserve combat units:
9 heavy brigades, 8 light brigades -- all "enhanced". (5 division equivalents.)

Heavy brigades by type, active/reserve:
2 armored cavalry regiments,
3/4 armored,
5/5 mechanized infantry

Light brigades by type, active/reserve:
1 airborne (one battalion equipped with AGS-type weapon),
3 air assault,
1 Light armored cavalry regiment,
1 Air-mechanized infantry
½ Light mechanized infantry (with LAV-type wheeled vehicles),
4/6 Light infantry (all motorized, riding either trucks or Hummers),
1 Ranger.

6.6.2 Selected combat support units

Artillery units:
24 MLRS battalions,
50 Self-propelled artillery battalions (155-mm),
27 Towed artillery battalions (7 155-mm, 20 105-mm).

Note: some or all towed 155-mm could be replaced by light MLRS system.

Aviation units:
24 Apache attack squadrons,
6 Air Cavalry squadrons (various types).

Air defense units:
15 battalions, Stinger vehicles,
10 battalions, Patriot.

6.6.3 Major combat equipment

Ground combat equipment (unit assigned/total inventory):

M1 tanks:	1750/2955
M2/3 fighting vehicles:	2130/3550
Light Armored Vehicles, wheeled:	1320/1650
MLRS launchers:	648/750
Self-propelled 155-mm artillery:	1056/1456 (650 Paladin)
Towed 155-mm artillery:	168/210

Towed 105-mm artillery:	360/432
Stinger air defense vehicles (Avenger, Bradley, LAV):	936/1120
Patriot launchers:	420/500

Combat aviation:

AH-64C/D:	628/790
OH-58D Kiowa Warrior:	192/240

6.7 Special Operations Command

Approximately 25,000 uniformed personnel (included in Service personnel totals):

- Air Force: 12 active, 4 reserve squadrons. Approximately 150 fixed- and rotary-wing aircraft.
- Navy: 6 SEAL teams, 6 special warfare units.
- Army: 12 active, 4 reserve Special Forces battalions; 3 active Ranger battalions; 3 aviation battalions with approximately 150 helicopters.

6.8 Force Deployment

- Reduce foreign stationed personnel and routine naval presence from worldwide total of 215,000 to 160,000.
- In Europe reduce stationed troops from 108,000 to 75,000 (plus 5,000 afloat).
- In Japan and Korea reduce ground presence from 80,000 to 65,000. Asia total: 75,000.
- On Arabian peninsula: USN rotations, Air Defense units, USAF rotations of 2-4 sqds, preposition 2 USA brigade sets & division base set, USAF base set, reception personnel; deterrent deployments as needed and exercises.

6.9 Prepositioning of equipment

Europe: Reduce central POMCUS sets to from 4 to 3 heavy brigades. Remove Norwegian prepositioned assets (USMC & USA). Retain 1 armored brigade set in Italy and 1 USMC MPS squadron in Mediterranean.

Northeast Asia: Preposition 2 army brigade sets in South Korea. Retain 1 USMC MPS squadron at Guam.

Southwest Asia and Indian Ocean: Preposition 2 Army brigade sets plus Army division base set and USAF base set on Arabian peninsula. At Diego Garcia maintain afloat 1 Army brigade set plus theater support, 2 USAF ammunition ships, and 1 USMC MPS squadron.

6.10 Strategic lift

6.10.1 Military Sealift Command comprises:

8 SL-7 Fast Sealift Ships.
8 Large, Medium-Speed Roll-on, Roll-off cargo ships. (Another 8 LMSRs are used for Army afloat prepositioning.)
2 Hospital and 2 Aviation ships
8-15 additional ships chartered as needed

6.10.2 Ready Reserve Fleet comprises:

32 smaller Roll-on, Roll-off cargo ships.

24 break bulk cargo ships.
4 Lighter Aboard SHips (LASH) and 3 sea barges.
8 tankers
8 cranes
2 troop carriers

6.10.3 Airlift fleet comprises:

72 C-17s
121 C-5s
37 KC-10s (employed as lifters)
24-96 KC-135s (employed as lifters)

7. Defense Modernization Plan

The reduced force structure requirement set out in the proposal implies reduced modernization goals for most types of equipment. However, some types are maintained at or near currently planned levels: combat helicopters, artillery, and electronic warfare, command and control, and reconnaissance and surveillance aircraft. The option actually increases the number of light armored combat vehicles in the US arsenal.

Due to the overall reduction in modernization needs, recapitalization of the arsenal can proceed at a slower rate: some programs are delayed a few years and others proceed at a slower pace. In essence, some of the older systems in the inventories need not be replaced in the near-term because they are being "reduced" instead. Reduced requirements also imply some abatement of the "bow wave" problem, and the option takes additional steps to further reduce this problem. These include some near-term procurement that is not otherwise necessary, but that allows a "flattening-out" of the future (next generation) procurement curve.

7.1 Ground Forces

The proposed posture provides for the comprehensive modernization of land forces with the bulk of related acquisition dollars spent between 2010 and 2018. In the shorter term (covered by the first two five-year plans) ground force acquisition focuses on towed artillery systems, wheeled utility vehicles, the provisioning of a "light mechanized force" initiative, and new utility and cargo helicopters for both Army and Marine Corps. Specific guidance includes:

Aviation: *Cancel the Army Comanche helicopter program.* Continue upgrade of Apaches and provision of Kiowa Warrior armed scouts until requirement of 790 AH-64C/D and 240 OH-58D is fulfilled. Delay procurement of follow-on USMC and USA armed helicopters until after 2010 with capabilities geared to overmatch existing or foreseeable threats at that time. *Cancel the USMC V-22 program* and instead purchase medium-lift alternative; The option budget assumes a mix of navalized UH-60s and CH-53s. *Accelerate acquisition of Remotely-Piloted Vehicles* with increased emphasis on nondevelopmental items and mission-suitable technology.

Amphibious fighting vehicles: *Proceed with acquisition of reduced number of new Amphibious Assault Vehicles* (790 vs 1013) for the USMC beginning in 2005 or 2006. The AAAV program is delayed by one or two years and reconfigured to reflect new era tactical requirements. Among these is a reduced requirement for the AAAV to function as a heavy infantry fighting vehicle (or companion to the Abrams tank) in high-intensity armored combat.

Heavy armored vehicles: Continue upgrade of Abrams tanks to M1A2 status for a total of 860 systems, but slow the procurement rate. Also, upgrade 1600 Bradleys to A3 status, but at a slower rate than previously planned. Delay production of new tank and new IFV until after 2010.

Light armored vehicles: Begin development of Army light mechanized and motorized brigades based on HMMMVs, LAVs, and trucks. *The Army will receive and adapt 350 LAVs from the USMC and procure an additional 1300 vehicles through 2010* (gradually converting some mechanized infantry and cavalry units to the new light mechanized configuration). Equip some LAVs with 105-mm low pressure guns to serve as mobile gun systems.

Artillery and missile systems: *Continue procurement of light-weight 155-mm towed howitzer* with total program objective of 465 systems for USA and USMC. Delay production of Crusader until 2004 and procure a reduced number (650) over six to eight years. Explore feasibility of limited acquisition of small MLRS system (HMMMV-mounted) and FOG-M system to augment light force capabilities.

Deep attack missiles (ATACMS and ER-MLRS) and precision munitions: Continue procurement at slower rate and with reduced acquisition objectives to reflect reduction in heavy armored units, reduction of threat, and change in land force mission priorities.

Digitalization and C4ISR systems: Continue research, development, and procurement tailored to reduced force size. Slow the pace of digitalization efforts to ensure quality and efficient integration.

7.2 Air Forces

Through 2005 fixed-wing air power modernization focuses on (I) C-17 procurement, (ii) procurement and integration of E-8 Joint Stars aircraft for a total fleet of 13 planes, (iii) a variety of upgrades to aircraft to improve all-weather, day-night, and precision-weapon delivery capabilities, (iv) procurement of new precision munitions (in quantities commensurate with a reduced threat), and (iv) acquisition of a limited number of new, *current generation* fighter/ground attack aircraft. Production of *next* generation fighter and attack aircraft will occur between 2006 and 2026 with the great majority of the new aircraft being produced between 2010 and 2020. Specific guidance includes:

C-17: *Limit near-term procurement to 72 aircraft.* Forty-eight aircraft are already in the force. Thirty-six more will be added between 1998 and 2004.

Combat fighter program: The option permits retirement of all aircraft by or before their twenty-third year of service and insures that the average age for USAF and USN/USMC high- and low-end fleets does not rise above 15 years. It is able to achieve this while also postponing production (relative to current plans) and stretching delivery over a 16-year period because the proposed force structure calls for significantly fewer combat aircraft than the current plan. Finally, *the proposed program insures that the United States will enter the period after 2015, when re-emergence of a new peer competitor becomes most possible, with a relatively young and up-to-date combat air fleet.*

- The option requirement for USAF fighter, ground attack, close-air support, and armed observation aircraft is 1924 planes.

- The option requirement for USN and USMC fighter, ground attack, and CAS aircraft is 920 planes.

Specific guidance for fighter modernization:

F/A-18: *Cancel development and production of the E/F model and instead procure 124 of the C/D model through 2006 at a rate of 18 per year.* Reduced near-term threat makes acquisition of the E/F model suboptimal. In light of reduced carrier base, acquisition of 124 F/A-18 C/D models is sufficient to act as a "bridge" to delivery of the navalized JSF beginning in 2012.

F-15, F-15E, and F-16: *Procure 48 air superiority F-15s, 36 F-15Es, and 36 F-16s during period 1998-2004.* This ensures an acceptable average age for the USAF's fighter fleet despite a planned delay in the procurement of a follow-on to the F-15. It also relieves the "bow-wave" problem in the production of the JSF and keeps the average age of the USAF multirole fighter fleet within acceptable limits.

F-22: *Postpone and reconfigure (or cancel)* as noted in next item.

New model fighter and attack aircraft: Two basic types will be acquired during period 2004-2022: a "high-end" model and a "low-end" model (JSF) -- each in several varieties for use by the USAF and USN/USMC. A reconfigured version of the F-22 may serve as the high-end model, but the post-Cold War environment does not call for an aircraft as comprehensively capable as the current F-22 version. However, the lower-end estimate for the per unit cost of the F-22, $90 million (1997 USD), is an acceptable *upper limit cost* for the basic USAF air superiority model of the future fighter.

- A total of 510 "high-end" aircraft will be produced between 2006 and 2022.
- The USAF will receive 216 air superiority models and 144 ground attack models.
- The USN will receive 150 navalized air superiority models (beginning in 2007).

Joint Strike Fighter: The first production models will be completed in 2009; the last of the series will be produced in 2025 or 2028. The basic JSF model will not exceed a total per unit cost of $55 million (1997 USD).

- The USAF will receive between 1264 and 1464 planes.
- The USN and USMC will receive 770 planes, replacing the F/A-18, EA-6B Prowler, and the AV-8B Harrier (beginning in 2010).

Specialized ground support aircraft: The USAF will explore the feasibility of a follow-on to the A/OA-10 -- that is, a low cost alternative to employing the JSF in this role -- for production beginning in 2009. This aircraft will function in a variety of ground force support roles not suitable for helicopters. It will also serve in higher-threat peace operations and counter-insurgency operations. T*he total requirement is for 300 "CAS" and observation aircraft; the goal for unit cost is $25 million (1997 USD).* If such an aircraft is judged infeasible at this price, the USAF will procure 200 additional JSF for CAS roles (already counted in the JSF acquisition total) and 100 non-developmental observation/counter-insurgency aircraft.

"Silver bullet" aircraft: The USAF will conduct an on-going design and research effort exploring a potential follow-on to the F-117. Production of this futuristic "deep attack" fighter is contingent on the emergence of a peer military rival to the United States and, thus, would not likely commence before 2015 (if at all). Should production be deemed necessary, the likely acquisition goal will be 60 aircraft. (The proposed budget does not provide for acquisition of this aircraft.)

7.3 Naval Forces

The proposed option recapitalizes most of the Navy's fighting ships and boats after 2010. Consistent with the current age of the fleet and historical standards for useful service life, the lion-share of procurement occurs between 2012 and 2027. Again, Option D's capacity to reconcile these standards with a delay in procurement is due to a substantial reduction in the size of the fleet relative to its Cold War precursor. Procurement of fleet support ships -- which received less attention during the 1980s -- occurs at a steadier rate throughout the period 1998-2030. Key guidelines for fleet modernization are:

Strategic systems: *Cancel D-5 missile production; cancel reconfiguration of Trident submarines for D-5 missile.*

Attack submarines: With fleet requirement set at 36 boats we can *cancel procurement of the NAS* and explore lower cost option *to enter production* at rate of one per year in 2004, rising to two per year in 2005. These new boats will begin to enter the fleet in 2006. This approach allows the retirement of all boats in

or before their twenty-third year of service and keeps the average age of the fleet below 16 years at all times. By 2017 the average age of the 36 boats in the fleet will have declined to 10.5 years.

Aircraft Carriers: *Cancel CVN 76.* The reduced force structure allows postponement of new aircraft carrier acquisition until 2009. This new carrier will actually enter the fleet in 2013 or 2014. After this one, a new aircraft carrier will enter the fleet every three or four years.

Destroyers and other major surface combatants: *End procurement of DDG-51 destroyers after production of 42 vessels.* Completion of the final four ships in this production run will occur at a rate of one every two years through 2006. After this, the USN will not have to add new destroyers or cruisers to the fleet until after 2012.

The option retains 28 frigates in the surface fleet, active and reserve, to serve in missions including shipping escort, SLOC security, shipping interdiction, coastal patrol, and in other roles involving lower-intensity naval threats. The budget provides for new production of frigate class ships beginning in 2008 and continuing through 2018. However, depending on the security environment, DOD may decide at that time to substitute acquisition of moderate-cost destroyer class vessels.

Amphibious ships: *The option provides for four LPD-17 ships only,* which will be produced at a rate of one every two years through 2006. These ships together with eight Dock Landing Ships (LSD 41-49) and seven Wasp-class helicopter/dock landing ships will constitute the core of the amphibious warfare fleet through 2012 (when a new cycle of amphibious ship procurement begins).

Sealift: *The option ends acquisition of Large Medium-Speed Roll-on/Roll-off Ships (LMSRs) with delivery of the sixteenth ship.* Previously DOD had planned to acquire 19 of these ships. *The proposed option also cancels the purchase and conversion of five smaller Roll-On/Roll-Off ships* for the Ready Reserve Fleet.

8. Defense Budget 1998-2012

The tables below present three five-year plans. Force reduction occurs in the period 1998-2005. Modernization occurs throughout the period covered by the plans, but budgeting for modernization "shakes-off" the effect of force reductions in 2004 and begins to show regular, marked increases after 2005. While personnel spending stabilizes in 2005, modernization reaches a plateau in 2011.

Option FYDP 1998-1012 (**1998 USD**)

	98	**99**	**00**	**01**	**02**	**Total**
Personnel	68.5	62.5	60	58	54	303
O&M	92	88	86	84	78	428
Procurement	37	36	34.4	35	35.6	178
R&D	30.8	29.3	29	28.4	27	144.5
C&H	8	8.5	11	8	8	43.5
other	.7	.7	.6	.6	.9	3.5
051 TOTAL	**237**	**225**	**221**	**214**	**203.5**	**1100.5**
050 Total	249.5	236.5	231	222	211.4	1150.4
As % GDP	3	2.8	2.7	2.5	2.3	

	03	04	05	06	07	Total
Personnel	54	51.7	51	51.2	51.5	259.4
O&M	74	72	70	70	69	355
Procurement	38	39	40	43	45	205
R&D	27	27.5	27	28	28.5	138
C&H	9	7.2	7.2	7	6	36.4
other	1	.6	.8	.8	1	4.2
051 TOTAL	**203**	**198**	**196**	**200**	**201**	**998**
050 Total	209	204	202	206	208	1029
As % GDP	2	*	*	*	2	

	08	09	10	11	12	Total
Personnel	51.8	52	52.2	52.4	52.6	261
O&M	69.5	70	70	70.5	71	351
Procurement	49.8	54.5	54.8	55.6	55.5	270.2
R&D	28	28	27.5	27	26.5	137
C&H	6	6.6	6.6	6.5	6.4	32.1
other	.9	.9	.9	1	1	4.7
051 TOTAL	**206**	**212**	**212**	**213**	**213**	**1056**
050 Total	212.5	218	218	218	*217.5	1084
As % GDP	*	*	*	*	1.8	

* Projected monetary inflation would yield a 2012 budget of $300 bil expressed in 2012 “then year” dollars.

The budgets reflect the effects of a number of *non-monetary cost inflators* to account for improvements in living standards (and wages) and for the increased costs and capabilities of the material and technology used to fulfil force structure requirements. There are some countervailing tendencies as well:

- The integration of improved communication and computation technologies and the adoption of "information age" organizational structures and routines is assumed to improve efficiency. This partially offsets the inflators associated with the O&M account.
- The "technology" cost inflator is assumed to produce increases in capabilities that may allow additional reductions in force structure and personnel sometime after 2012.
- The model assumes that tighter budgetary constraints (compared to the 1980s) and a reduced emphasis on cutting-edge technologies will mitigate technology cost inflation.

Because of the effect of inflators there can be no "steady state" budget and a straight-forward comparison of the proposed budgets with those of the previous 12 years is difficult. However, if the option's program of restructuring and reductions could be completed with *today's wage standards and technology costs held constant, the budget would probably average approximately $192 billion (1997 USD),* with the procurement portion of the budget averaging approximately $42 billion.

As a percentage of GDP, the National Defense budget gradually moves down below 3 percent, reaching the 2 percent level in 2003. It first moves below 2 percent in 2012.

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Citation: Carl Conetta and Charles Knight, Defense Sufficiency and Cooperation: a US Military Posture for the New Era, Project on Defense Alternatives Briefing Report 9, March 1, 1998.

Project on Defense Alternatives email: pda@comw.org. Project website: http://www.comw.org/pda