



Background

Executive Summary

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FOCUSING DEFENSE RESOURCES TO MEET NATIONAL SECURITY REQUIREMENTS

JACK SPENCER

When questioned about America's ability to conduct successful operations in the Persian Gulf and on the Korean Peninsula, Secretary of Defense Donald Rumsfeld responded confidently, "We are perfectly capable of doing that which is necessary." This answer set off a firestorm of debate over what America's military capabilities really are and what they should be.

While the United States could respond in some form to any threat to its national security, it is not optimally prepared. Changing this will not be an overnight proposition and will require that the U.S. set priorities and spend wisely.

Top Priorities for America's Armed Forces.

Due to the emerging gap between capabilities and strategy caused by the ongoing war against terrorism and the increasing necessity to present credible fighting forces for the Middle East and Korea, it is necessary to prioritize the nation's national security concerns. This means that America's armed forces must, at a minimum, be prepared to:

- **Fight** the immediate war on terrorism,
- **Fight** with little or no warning in unanticipated places,
- **Maintain** adequate capability to deter aggression against America's allies, and

- **Contribute** to homeland defense.

Achieving Transformation with Limited Resources. Significant investments must be made both in modernizing existing weapon platforms to hedge against today's threats and in research, development, and acquisition programs to prepare for tomorrow's wars. Since the United States has limited wealth with which to fulfill all current and future requirements, the Bush Administration must establish clear principles for modernizing the U.S. military so that the world's best fighting force remains prepared for the uncertain challenges of tomorrow.

Concentrating Resources on Increasing Combat Capabilities. The armed forces could increase near-term combat capability by minimizing non-combat activities and shifting those resources to more urgent requirements. For example, the United States maintains approximately 8,000 personnel

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dedicated to Balkan peacekeeping. By reducing America's commitment in the Balkans, the Administration could apply both the monetary savings and the personnel to increasing the near-term combat capabilities of the armed forces.

The Pentagon could also increase its warfighting capability by reducing uniformed personnel's commitment to non-combat roles. The reality is that every service member in a non-warfighting role is one less soldier in the fighting force. Obviously, some uniformed personnel are needed to fulfill certain non-warfighting missions, but those activities should be kept to a minimum.

The Department of Defense could achieve greater efficiency and capability by investing in low-supply assets that are in high demand and by decreasing non-defense spending within the defense budget. In each year's defense budgeting process, Congress earmarks or adds billions of dollars for non-defense spending. Finally, accelerating the process of base closings would allow more funds to be directed to useful purposes. While closing excess bases would cost \$10 billion up front, the long-term savings would be significant.

Increasing Air, Land, and Sea Capabilities.

Ultimately, decisions about weapon systems must be made. The immediate focus of modernization efforts should be on acquiring new technology that allows weapons to operate with less support. This holds true for each of the services.

Although the size of the Air Force in terms of manpower (353,600), fighter squadrons (46), and bombers (112) is sufficient, the Pentagon could do better at advancing a modernization strategy consistent with today's threats and tomorrow's dangers.

In general, the Army's current force should be sufficient to meet the nation's national security requirements if it carries out a smart modernization strategy. The problem for the Army has been resolv-

ing the conflict between maintaining its relevance to a changing security environment and keeping focused on its most important mission: to take and hold land. Furthermore, it must now squeeze more capability out of its already stretched force so that it can fulfill its homeland security requirements.

Regarding sea power, the United States depends on 12 aircraft carriers to maintain America's global forward presence and maximize deterrence, crisis response, and warfighting abilities. In addition to providing deep strike capability, air cover for invading forces, air defenses, and other maritime capabilities, these carriers serve as joint command platforms in the worldwide command-and-control network. Given the many crisis areas around the world, there are not enough carrier battle groups available to respond to every potential contingency. Increasing the number of aircraft carriers, however, is not the answer to relieving the stress on naval force structure. Instead, the Navy should develop new platforms that supplement the aircraft carrier battle group to ease the strain on those assets.

Getting the most out of the armed forces' weaponry, however, will require a high-tech information infrastructure. All of these systems may require far less manpower, logistical support, and money to deliver the same amount of capability as current systems, but to achieve real transformation, the Pentagon needs to commit to information technology.

Conclusion. By making smart investments and freeing wasted resources, the U.S. armed forces can increase their capability in the near term and be better prepared to fight and win America's wars.

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FOCUSING DEFENSE RESOURCES TO MEET NATIONAL SECURITY REQUIREMENTS

JACK SPENCER

When questioned about America's ability to conduct successful operations in the Persian Gulf and on the Korean Peninsula, Secretary of Defense Donald Rumsfeld responded confidently, "We are perfectly capable of doing that which is necessary."¹ This answer set off a firestorm of debate over what America's military capabilities really are and what they should be.

While the United States could respond in some form to any threat to its national security and vital interests, it is not optimally prepared to take on the many missions that may be asked of it in the next few years. Changing this will not be an overnight proposition and will require:

- **Sustaining long-term budget increases.** The 2004 defense budget request is \$379.9 billion. This includes \$117 billion for operations and maintenance, \$98.6 billion for personnel, \$72.7 billion for procurement, and \$61.8 billion for research and development. The budget top line, excluding war costs, should be adequate. However, savings can still be achieved within the budget and should be reapplied to readiness-related accounts. The future health of

the Pentagon depends on a cohesive modernization strategy over the next decade.

- **Establishing priorities for America's armed forces.** Due to the emerging gap between capabilities and strategy caused by the ongoing war against terrorism and the increasing necessity to present credible fighting forces for the Middle East and Korea, it is necessary to prioritize the nation's national security concerns. This means that America's armed forces must, at a minimum, be prepared for four missions: fighting the immediate war on terrorism, being prepared to fight with little or no warning in unanticipated places, maintaining adequate capability to deter aggression against America's allies, and contributing

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1. U.S. Department of Defense, news briefing, Secretary of Defense Donald Rumsfeld and Chairman of the Joint Chiefs of Staff General Richard Meyers, December 23, 2002.

- **Adopting a principled approach to defense modernization and transformation.** Significant investments must be made both in modernizing existing weapon platforms to hedge against today's threats and in research, development, and acquisition programs to prepare for tomorrow's wars. Since the United States has limited wealth with which to fulfill all current and future requirements, the Administration must establish clear principles for modernizing the U.S. military so that the world's best fighting force remains prepared for the uncertain challenges of tomorrow.
- **Focusing resources on combat capabilities.** The armed forces could increase near-term combat capability by minimizing non-combat activities and shifting those resources to more urgent requirements. This can be achieved by reducing commitments in the Balkans, transferring personnel from infrastructure support to combat-related missions, shifting investment to high-demand capabilities, and accelerating base closures.
- **Increasing land, air, and sea capabilities.** Ultimately, decisions about weapon systems must be made. The immediate focus of modernization efforts should be on acquiring new technology that allows weapons to operate with less support. The development of hybrid engines and fuel cells, for example, would mean that fewer fuel vehicles would be needed to support field operations. Additionally, sensors and networked information systems are allowing fewer people to cover larger swaths of territory. Affordability should be judged by the efficiency with which a system can be fielded over its lifetime.

SUSTAINING LONG-TERM BUDGET INCREASES

Sustained long-term budget increases are necessary to ensure that America's forces are prepared for an unpredictable future. The United States could reasonably afford to dedicate up to 4 percent of gross domestic product (GDP) to defense. With the

exception of 1948, the United States spent more than this amount on national security in every year from 1941 to 1995. Well within historical norms, this level of spending would be adequate, given a focused and well-balanced modernization strategy, to maintain a force capable of protecting U.S. territory and U.S. interests today as well as field an adequate force in the future.

The 2004 defense budget request is \$379.9 billion, which accounts for only 3.4 percent of GDP. This includes \$117 billion for operations and maintenance, \$98.6 billion for personnel, \$72.7 billion for procurement, and \$61.8 billion for research and development. Even President George W. Bush's future budgets, which add approximately \$20 billion per year over the next five years, do not come close to the 4 percent level.

ESTABLISHING PRIORITIES FOR AMERICA'S ARMED FORCES

The United States continues to invest resources in programs that do not advance the nation's vital interests at a time when the nation urgently needs its military in top condition. This waste, such as peacekeeping deployments to the Balkans, is even more detrimental as the nation executes the war on terrorism, which requires new technologies, more forces, and additional funding.

The Bush Administration has issued a series of national security documents that together define the nation's priorities and strategy, as well as the manpower and monetary resources necessary to carry out Administration policy. The National Security Strategy is a declaration of national objectives that details the economic, political, diplomatic, social, and military strategy to achieve those objectives.² The Quadrennial Defense Review (QDR) is the Pentagon's strategy that guides the "development of U.S. forces and capabilities, their deployment and use."³ The Future Years Defense Program, which the Department of Defense (DOD) submits each year along with its annual budget submission, puts forth the funding strategy to achieve the Pentagon's objectives.⁴

2. Stuart M. Butler and Kim R. Holmes, eds., *Mandate for Leadership IV* (Washington, D.C.: The Heritage Foundation, 1997), p. 525.

3. U.S. Department of Defense, *Quadrennial Defense Review Report*, September 30, 2001, p. III.

The QDR identifies four objectives that the Pentagon must achieve to fulfill its short- and long-term responsibilities: (1) assuring allies and friends of the United States' steadiness of purpose and its capability to fulfill its security commitments; (2) dissuading adversaries from undertaking programs or operations that could threaten U.S. interests or those of U.S. allies and friends; (3) deterring aggression and coercion by deploying forward the capacity to swiftly defeat attacks and impose severe penalties for aggression on an adversary's military capability and supporting infrastructure; and (4) decisively defeating any adversary if deterrence fails.

Regrettably, the United States military is not optimized to achieve each of these worthy objectives. The mismatch between resources, strategy, and funding that largely caused the military strains of the 1990s is reemerging.⁵ Although the Bush Administration's Pentagon budget, which will be over \$90 billion higher in 2004 than it was in 2000, had begun to resolve the resource/strategy/funding mismatches of the past decade, national security requirements since September 11 have put renewed strain on the armed forces.

Due to the emerging gap between capabilities and strategy caused by the ongoing war against terrorism and the increasing need to present credible fighting forces for the Middle East and Korea, the nation's national security concerns must be prioritized. Specifically, America's armed forces must, at a minimum, be prepared for four missions:

1. **Fight the immediate war on terrorism.** Due to the severity of the threat and the stakes at risk, the war on terrorism must be America's top priority. As President Bush has described numerous times, most recently in his State of the

Union Address,⁶ this war is multifaceted. The nation must harness its resources to engage the terrorists and their state sponsors financially, politically, diplomatically, and militarily. This global mission currently includes the operation in Afghanistan, resolving the Iraqi crisis, and smaller deployments to nations like Yemen, Jordan, and the Philippines.

2. **Be prepared to fight with little or no warning in unanticipated places.** The emergence of global communications, advances in technology, and the globalization of terrorism provide many opportunities for surprise attacks against the United States and its interests. Maintaining the ability to fight and win wars in diverse situations and environments can discourage many of America's enemies from hostile acts.
3. **Maintain adequate capability to deter aggression against America's allies.** America faces enduring threats beyond terrorism, as demonstrated by North Korea's nuclear weapons program. There are nations in every region of the world that threaten America's vital interests in the near term. Assuring stability in those regions and protecting U.S. interests requires the ability to defeat any nation or group that threatens America's allies, which itself provides effective deterrence against large-scale aggression. This should include both conventional forces and other capabilities such as an effective ballistic missile defense and reliable nuclear forces. The Administration should take every step to strengthen its important alliances and be ready to respond forcefully and immediately to aggression against America's allies.

4. For the text of these documents, see "The Quadrennial Defense Review," at www.defenselink.mil/pubs/qdr2001.pdf; "The National Security Strategy," at www.whitehouse.gov/nsc/nss.html; and "The Department of Defense Budget Materials," at www.defenselink.mil/comptroller/defbudget/fy2004/.

5. For an analysis of the readiness problems of the 1990s, see Jack Spencer, "The Facts About Military Readiness," Heritage Foundation *Backgrounder* No. 1394, September 15, 2000.

6. President George W. Bush described the multifaceted nature of the war on terrorism in his State of the Union address on January 28, 2003: "Since September the 11th, our intelligence and law enforcement agencies have worked more closely than ever to track and disrupt the terrorists. The FBI is improving its ability to analyze intelligence, and is transforming itself to meet new threats. Tonight, I am instructing the leaders of the FBI, the CIA, the [Department of] Homeland Security, and the Department of Defense to develop a Terrorist Threat Integration Center, to merge and analyze all threat information in a single location. Our government must have the very best information possible, and we will use it to make sure the right people are in the right places to protect all our citizens."

4. **Contribute to homeland defense.** The armed services must counter threats to the homeland as they evolve abroad and play a secondary role as that threat emerges within U.S. borders. Although the Pentagon is not the primary federal agent of homeland security, it does have a vital role to play and must dedicate a portion of its resources to that mission. The active U.S. military should be primarily responsible for defending Americans from aggression and preventing attacks on the homeland. Once an attack occurs, however, National Guard units should take over the military activities while other government agencies and private entities shoulder the rest of the burden.⁷

The missions necessary for the military to fulfill its responsibilities include deterrence, intelligence gathering, preemptive strikes against entities posing imminent threats, missile defense, and research and development of countermeasures and systems to defend against threats to the homeland. Protecting the military from expending its resources on homeland security programs that are better handled by others will be increasingly important in future years. This is particularly true as the new Department of Homeland Security comes on-line and acquires mandated capabilities (particularly in research and development) that would be redundant to existing DOD programs.

ADOPTING A PRINCIPLED APPROACH TO DEFENSE MODERNIZATION AND TRANSFORMATION

The Administration faces a series of challenges as it modernizes the armed forces: It has inherited an aging force that is unacceptably old, the United States is engaged in a global war on terrorism, and new capabilities are required to address emerging threats. The harsh reality is that the United States cannot afford everything, so it must find a balance between the requirements of today and tomorrow.

Thus, significant investments must be made both in modernizing existing weapon platforms to hedge against today's threats and in research, development, and acquisition programs to prepare for

tomorrow's wars. Since the United States has limited wealth with which to fulfill all current and future requirements, the Administration must establish clear principles for modernizing the U.S. military so that the world's best fighting force remains prepared for the uncertain challenges of tomorrow.

- **Long-term investments must not come at the expense of near-term requirements.** A prudent modernization strategy requires a deft understanding of current and future threats to U.S. interests and America's current ability to counter them. Identifying future threats is important, of course, but ignoring current threats can be deadly. Thus, priorities for modernizing the forces must be balanced. Making long-term investments should not be given a higher priority than addressing near-term requirements.
- **Modernization efforts must focus on warfighting.** Every DOD program should enhance the ability of the U.S. military to fight and win wars. Yet, over the past decade, America's men and women in uniform have been sent increasingly on so-called operations other than war. This use of combat soldiers in non-combat missions creates an incentive to modernize the military with weapons and capabilities that facilitate peacekeeping and humanitarian intervention rather than combat effectiveness. Making the U.S. military forces better suited for humanitarian intervention, however, at the expense of warfighting could invite aggression. Given the current fiscal constraints on the Department of Defense, the focus of modernization must be warfighting—the *raison d'être* of the U.S. armed forces.
- **Modernization must secure a competitive advantage over potential adversaries.** Modernization must address the military's unmet needs and America's unmet threats and assure America's competitive advantage over its potential adversaries. The failure to modernize to meet these goals over the past decade, combined with the rapid proliferation of ballistic missiles and weapons technology even to Third

7. For an in-depth analysis of the National Guard's role in homeland security, see Jack Spencer and Larry M. Wortzel, "The Role of the National Guard in Homeland Security," Heritage Foundation *Backgrounder* No. 1532, April 8, 2002.

World states, has narrowed the technological gap between the United States and the rest of the world.

- **Modernization must balance capabilities with efficiency.** Efforts to modernize the U.S. military must also achieve efficiency and cost-effectiveness. New technologies should produce a more efficient and lethal platform than current capabilities, but trading efficiency for capability would be a mistake.
- **Modernization must respond to a technologically and strategically changing security environment.** A new strategic environment is emerging as nations continue to develop more advanced systems and tactics that could target U.S. weaknesses, including access to space, vulnerability to ballistic and cruise missiles, reliance on information networks, and power projection force requirements. China, for example, has purchased Russian cruise missiles that are specifically designed to destroy U.S. ships deployed for power projection. Beijing also is pressing forward in developing space-based assets, cyber-warfare techniques, and long-range survivable nuclear missiles.

FOCUSING RESOURCES ON COMBAT CAPABILITIES

The armed forces could increase near-term combat capability by minimizing non-combat activities and shifting those resources to more urgent requirements. This can be achieved by reducing commitments in the Balkans, transferring personnel away from infrastructure support to combat-related missions, shifting investment to high-demand capabilities, and accelerating base closures.

- **Begin significant reductions in Balkan peacekeeping commitments.** The United States

maintains approximately 8,000 personnel dedicated to Balkan peacekeeping.⁸ Balkan peacekeeping takes the functional equivalent of 24,000 troops—roughly one division—out of service because, for every deployed troop, there is one preparing for deployment and one recovering from deployment. Worse, many of those deployed to the Balkans are in high-demand specialties.

While the Bush Administration has acknowledged the inherent problems of these deployments, there is no plan in place to withdraw significant numbers of U.S. peacekeeping forces in the near term.⁹ Although many of these missions do give America's fighting forces relative real-world experience, by and large, when troops are participating in non-combat missions, they are not training for combat. More important, every soldier involved in Balkan peacekeeping is one that cannot contribute to the nation's other vital needs.

There is also the issue of funding. Currently, the United States spends roughly \$3 billion annually to fund Balkan operations. This money would be better spent on other, more vital programs. Reducing America's commitment in the Balkans would allow the Administration to apply both the monetary savings and the personnel to increasing the near-term combat capabilities of the armed forces.

- **Reduce the non-warfighting responsibilities of uniformed service members.**¹⁰ In each defense authorization bill, Congress sets a ceiling for the number of active uniformed personnel that can be maintained by each service, which in 2003 totaled just over 1.4 million.¹¹ The reality is that every service member in a

8. U.S. Department of Defense, "Active Duty Military Personnel Strengths by Regional Area and by Country," *Defense Almanac*, at www.defenselink.mil/pubs/almanac/almanac/people/serve.html (January 27, 2003).

9. For a description of the current state of Balkan deployments, see Congressional Research Service, *Bosnia: U.S. Military Operations*, January 7, 2003; U.S. General Accounting Office, *U.N. Peacekeeping: Estimated U.S. Contributions, Fiscal Years 1996–2001*, GAO–02–294, February 2002; and U.S. General Accounting Office, *Defense Budget: Contingency Operations in the Balkans May Need Less Funding in Fiscal Year 2003*, GAO–02–1073, September 27, 2002.

10. U.S. Department of Defense, "Appendix D: Resource Allocated to Mission and Support Activities," *Annual Report to the President and the Congress*, 2002.

11. The breakdown by service is: Army, 480,000; Navy, 376,000; Marine Corps, 175,000; Air Force, 359,000; and full-time Guard and Reserves, 67,000.

non-warfighting role is one less soldier in the fighting force. Obviously, some uniformed personnel are needed to fulfill certain non-warfighting missions, but those activities should be kept to a minimum.

Secretary Rumsfeld has acknowledged that the Pentagon must refocus its efforts on preparation for warfighting, but the problem is identifying those functions that are best outsourced.¹²

Congress should help identify these opportunities by requesting a U.S. General Accounting Office study of the issue.

- **Invest in high-demand assets.** The U.S. military invests in some capabilities that are in high supply but low demand while simultaneously maintaining other capabilities that are in short supply and high demand. DOD could achieve much greater efficiency and capability by bringing this into better balance.

The Pentagon should identify those assets that are old, obsolete, and inappropriate in the modern world and reinvest those funds in assets that have been in short supply in recent years. These include special operations units, reconnaissance assets, military police, units that specialize in chemical and biological agents, Patriot anti-missile batteries, reconnaissance and electronic warfare assets, and in-flight refueling aircraft. The United States also needs more sealift and airlift capability, as is painfully clear each time the United States attempts to move high volumes of assets. As procurement investment increases, funds should be used to increase these needed capabilities.

- **Decrease non-defense spending within the defense budget.** In each year's defense budgeting process, Congress earmarks or adds billions of dollars for non-defense spending. Though some of these efforts may be worthwhile, they are not appropriate for Pentagon spending. There is a need to reprioritize defense needs

when the 2003 Defense budget includes, for example, funding for overseas disaster relief (\$58 million), drug interdiction (\$848 million), the Kaho'olawe Island Fund (\$25 million), and the International Sporting Competition (\$19 million) but the United States cannot afford to reopen the B-2 bomber production line.

- **Accelerate base closings.** While closing excess bases would cost \$10 billion up front, the long-term savings are significant. The Department of Defense is reaping the benefits from four previous rounds of base closures: \$16 billion in money saved so far. One large round or two smaller additional rounds are necessary to eliminate the Pentagon's 20 percent–25 percent excess base infrastructure. Once implemented, additional closings would yield approximately \$7 billion per year in savings.¹³

Congress has authorized another round of base closings for 2005, but that is too long to wait. This round should begin immediately so that the savings can be invested in the nation's defense in the near term.

INCREASING LAND, AIR, AND SEA CAPABILITIES

Ultimately, decisions about weapon systems must be made. The immediate focus of modernization efforts should be on acquiring new technology that allows weapons to operate with less support. The development of hybrid engines and fuel cells, for example, would mean that fewer fuel vehicles would be needed to support field operations. Additionally, sensors and networked information systems are allowing fewer people to cover larger swaths of territory. Affordability should be judged by the efficiency with which a system can be fielded over its lifetime.

Air Power. Although the size of the Air Force in terms of manpower (353,600), fighter squadrons (46), and bombers (112) is sufficient, the Pentagon could do a better job of advancing a modernization strategy consistent with today's threats and tomor-

12. Forty-four percent of the Pentagon's budget goes toward infrastructure-related activities; see U.S. Department of Defense, "Chapter 9: Increasing Effectiveness Through Accountability and Efficiency," *Annual Report to the President and the Congress*, 2002.

13. For more on the base infrastructure issue, see U.S. Department of Defense, *Base Structure Report: Fiscal Year 2001 Baseline*, 2001.

row's dangers. The Air Force must introduce a new bomber ahead of the current schedule, which otherwise would not bring one into the force for over three decades.

No asset is more efficient in delivering high volumes of precision-guided munitions in distant corners of the world than modern bombers. They carry large arsenals of bombs, are global in reach, do not rely on forward basing, and do not require carrier battle groups. A conventionally armed B-2 follow-on could go into production in a relatively short period and for a relatively inexpensive \$750 million per copy. An initial investment should be made immediately to develop a plan to produce these planes.

The Air Force should also accelerate production of a smaller and more accurate version of the Joint Direct Attack Munition (JDAM). This would allow each bomber to carry more of these effective smart bombs, decreasing the logistical support for each target hit.

Finally, the Air Force should accelerate its program to field an effective Unmanned Combat Aerial Vehicle (UCAV) by at least doubling current investments. These aircraft, funded at \$161 million in 2004, are less expensive to produce and to maintain because they do not require a pilot on board to fly them, yet they should be able to deliver a similar amount of ordnance to ground targets as a modern fighter without putting a flight crew in harm's way.

The poor condition and age of America's fighter force, the proliferation of modern tactical aircraft, and the development of modern air defenses that can counter U.S. capabilities will eventually undermine U.S. tactical air superiority. The United States should focus on modernizing this capability in the near term while realizing that one day adversaries may acquire better air defenses to detect America's stealth planes, anti-ship cruise missiles to target its aircraft carriers, and innovative systems to deny access to the forward-basing areas from which the United States could launch its tactical aircraft. Such developments would seriously undermine America's reliance on tactical fighters.

For this reason, the Bush Administration should make a serious effort to develop a strategy to trans-

fer America's reliance on manned tactical air to other capabilities. The first step in achieving this would be to divest in modernizing the tactical air fleet over the long term and begin to transfer significant resources to developing revolutionary capabilities that would not have the same limitations.

Modernizing the tactical fighter force will involve near- and long-term funding requirements. Funding should first focus on meeting near-term requirements, but ignoring the tactical fleet's longer-term needs at the same time could put U.S. military forces at great risk. Rather than spending the planned \$300 billion over the next 30 years on 4,000 tactical aircraft,¹⁴ the Pentagon should diversify its air-to-ground strike options.

To meet near-term threats, the Pentagon should procure enough tactical aircraft over the next 10 years to ensure a modern force similar in size to today's. However, it should minimize purchasing aircraft that only marginally improve current capabilities, such as the F/A-18 E/F Superhornet, which the 2004 budget funds at \$3.2 billion. Instead it should invest in developing a reliable UCAV that could enter the force around 2010. Beyond that date, the U.S. Air Force and Navy should gradually reduce purchases of manned aircraft and redirect funds to procure UCAVs consistent with technological feasibility.

The requirement to conduct air-to-ground strike missions by tactical aircraft should also be augmented by long-range conventional missiles. By 2020, the U.S. force should rely, not on 1970s-era tactical aircraft, but on modern manned tactical aircraft, unmanned combat vehicles, and long-range precision strike missiles.

One of the emerging dangers facing the United States is an enemy that uses asymmetric means to challenge America's access to forward-basing areas and place regional combat assets at risk. Modern, long-range bombers are vital in this environment because of their ability to strike high-priority targets like air defense batteries, command-and-control infrastructure, and missile batteries without regard to asymmetric threats.

However, while America's bomber force is the right size, it is already too old. It consists of 76

14. U.S. General Accounting Office, *Tactical Aircraft: Modernization Plans Will Not Reduce Average Age of Aircraft*, GAO-01-163, February 2001, p. 26.

1950s-era B-52s, 93 aging B-1s, and only 21 modern B-2s (116 bombers are ready for combat). The Air Force does not plan to purchase a new bomber until 2037,¹⁵ when the B-52 will be nearly 90 years old and many new threats will have materialized. The Air Force needs a bomber modernization strategy to preserve America's competitive advantage by addressing these threats.

The United States now focuses bomber modernization dollars on programs that extend the bombers' life spans. This is inadequate if the goal is to maintain America's superiority over its potential adversaries, given the bombers' limitations and the emergence of new threats. A better near-term strategy would be to develop an advanced air-launched cruise missile for use on the aging bomber force. The U.S. should invest \$500 million either to extend the capabilities of the Joint Air-to-Surface Standoff Missile (JASSM) or to develop a new supersonic, extended-range missile.¹⁶ This would increase the utility of America's highly visible, and thus vulnerable, bombers by allowing them to target locations from greater, safer distances.

At the same time, the Air Force should begin to phase out the B-52 and replace it with the B-2 follow-on. By 2015, only the best-conditioned B-52s should remain in the fleet. Phasing in the B-2 as the primary long-range conventional bomber over the next 15 years would give the United States a competitive advantage over potential adversaries well into the next decade.

Additionally, the United States must begin to invest in new technologies that could be introduced into the force around 2020 as the B-1 reaches the end of its service life and potential enemies become more technologically sophisticated. Research and development should focus on two new capabilities: an unmanned intercontinental bomber and a multi-

purpose space plane for bombing missions and space control.

Land Power. In general, the Army's current force should be sufficient to meet the nation's national security requirements if it carries out a smart modernization strategy.¹⁷ The Army's problem has been resolving the conflict between maintaining its relevance to a changing security environment and keeping focused on its most important mission: to take and hold land. Furthermore, it must now squeeze more capability out of its already stretched force so that it can fulfill its homeland security requirements.

The key to resolving this conflict is decreasing nonessential missions, focusing modernization on warfighting, investing in technologies that reduce the need for combat support and combat support services, and maintaining a capable active-reserve mix of heavy combat forces until the Army achieves its transformation objectives.

The Army's future relevance will depend on its ability to achieve greater strategic agility. The expeditionary nature of the Navy and relative diversity of the Air Force have given those services a head start. Now, the Army must continue to develop force structure, equipment, and doctrine to achieve this central element of transformation.

The new budget takes some first steps toward this end. It cancelled 24 programs, including the Crusader self-propelled artillery program and most heavy armor upgrades, and is reinvesting these funds in two major families of platforms. One is the Stryker light armored vehicle, and the other is the Future Combat System (FCS).¹⁸

The Stryker, which will bridge the gap between today's heavy forces and tomorrow's lighter ones, is more mobile than today's armored vehicle but less lethal and less durable. Units that have trained with

15. For details, see U.S. Department of the Air Force, *U.S. Air Force White Paper on Long Range Bombers*, March 1, 1999, p. 21.

16. JASSM has a range of over 200 miles. For a description of JASSM, see Lockheed Martin Corp., "JASSM: Joint Air-to-Surface Standoff Missile," 2002, at www.missilesandfirecontrol.com/our_news/factsheets/factsheet-JASSM.pdf.

17. The Army has 471,700 active troops and around 700,000 in the reserve component, including six heavy and four light divisions in the active force, eight National Guard divisions, one light cavalry regiment, and 15 enhanced separate National Guard brigades.

18. The FCS is a joint Army/Defense Advanced Research Projects Agency program. This system (not necessarily a single platform) will include surveillance, reconnaissance, and targeting systems and combine manned and unmanned platforms. Starting in 2012, it is intended to replace the Army's current fleet of M1 tanks, M2 and M3 Bradley Fighting Vehicles, and other armored vehicles.

the Stryker have been largely impressed with its infantry delivery capabilities. The vehicle will have other configurations, including a mobile 105mm cannon, a mortar carrier, and a fire-support vehicle. Some of these configurations have yet to be proven.¹⁹ Three Stryker brigades have been procured, a fourth has been funded, and two more are planned.

The Army has dedicated just under \$1 billion of its \$10.8 billion 2004 procurement budget to Stryker. It might be better off if it canceled the two planned Stryker brigades included in the Future Years Defense Program and reapplied those funds to accelerating the Future Combat System.

The FCS is being developed to replace the Army's heavy armor with lighter and more mobile vehicles that are increasingly lethal and equally durable. Although achieving this capability is not technologically feasible today, the Army has restructured the program to gain an initial operating capability by 2010, as opposed to between 2015 and 2025 as originally planned. The Army is investing a total of \$1.7 billion in this program for 2004, with a concentration on developing the artillery portion of the system in the near term. It should make developing the entire system a top priority, fielding elements of the system as they become ready.

The FCS should be accelerated because not only will it bring greater capabilities to the battlefield, but it also will exploit technologies that decrease the logistical footprint, manpower, and support requirements for deployment and operation while requiring much less combat support and combat service support. Both of these capabilities are provided to a large degree by Army National Guard and Reserve forces, which are needed for homeland security missions. By accelerating the fielding of the FCS, the Army can free manpower that is needed to fulfill the homeland security mission.

This is the one area where the Army may need to increase near-term strength. The active force currently relies heavily on Guard and Reserve support to carry out its missions. The Guard and Reserve cannot just be extracted from their support duties and redeployed for homeland security. Instead, the active force must be expanded so that it can provide

much of its own combat support, thereby freeing National Guard resources for homeland security.

To further alleviate the strain on both the National Guard and the active force, instead of using Guardsmen and Reserves to help the active forces meet the operations tempo of continuous deployments in non-vital missions like peacekeeping operations, the President should commit American forces only to missions that advance America's vital national interests.

Sea Power. The United States depends on 12 aircraft carriers to maintain America's global forward presence and maximize deterrence, crisis response, and warfighting abilities.²⁰ In addition to providing deep strike capability, air cover for invading forces, air defenses, and other maritime capabilities, these carriers serve as joint command platforms in the worldwide command-and-control network.

Given the many crisis areas around the world, there are not enough carrier battle groups to respond to every potential contingency. Increasing the number of aircraft carriers, however, is not the answer to relieving the stress on naval force structure. Instead, the Navy should develop new platforms that supplement the aircraft carrier battle group to ease the strain on those assets.

Furthermore, potential U.S. adversaries are developing methods to degrade the effectiveness of this force. For example, as they become more prevalent, high-speed anti-ship cruise missiles and advances in sensing capabilities will place the carrier battle group at greater risk. Advances in air defenses are making the non-stealthy aircraft that project power from ship to shore increasingly vulnerable. Moreover, each carrier is expensive: Building a carrier costs \$5 billion–\$7 billion, operating costs run around \$200 million annually, and midlife modernization costs \$2 billion–\$3 billion.

Although the aircraft carrier will remain a fundamental part of America's forward presence and power projection in the near term, the Navy should not rely solely on it for those missions in the future. The strategically changing security environment dictates that the Navy develop a new family of combatants, which the Pentagon does fund in the 2004

19. For an overview of the Stryker program, see www.globalsecurity.org/military/systems/ground/iav.htm.

20. These include eight *Nimitz*-class, two *Kitty Hawk*-class, one *Enterprise*-class, and one *John F. Kennedy*-class carriers.

budget at \$1.2 billion. This family of ships, called DD-X, will be stealthier and should also include a missile-intensive platform, such as an arsenal ship or some type of missile submarine. A submersible or semi-submersible platform could operate largely alone and thus avoid many of the threats that surface ships face while providing another deep strike option for military planners. Right now, DD-X consists of a destroyer, a cruiser, and a smaller ship for littoral combat.

The 2004 budget provides \$1.2 billion to convert four *Ohio*-class ballistic missile submarines (SSBN) to conventional guided missile submarines (SSGN), which could carry out some of the deep strike missions that are now accomplished by carrier air wings. Each submarine will be armed with 154 cruise missiles, advanced sensing and surveillance equipment, and special operations capabilities—a unique combination that makes the platform unparalleled in the Navy and especially useful against an enemy that employs asymmetric threats.

The refueled and converted subs would last an additional 22 years. Furthermore, they would provide the first generation of a new underwater strike platform to augment America's carrier-based forward presence around the world. This not only gives the United States a new capability, but also boosts submarine force structure, which is important given that the nuclear-powered attack submarine (SSN) is America's premier advanced technology and a multi-mission weapons platform. Although many of America's adversaries are gaining access to modern submarine technology, advanced reconnaissance capabilities, satellites, precision munitions, and ballistic and cruise missiles, none currently has the ability to detect these submarines or defend against them.

Since 1990, the number of attack submarines in the arsenal has fallen from 96 to 55, even though Navy planners have said consistently that they will need around 70 submarines to fulfill future requirements.²¹ The Bush Administration has begun to reverse this trend in the 2004 budget by funding the SSBN conversion and the refueling of five *Los*

Angeles-class submarines that would otherwise have been decommissioned, but more needs to be done.

First, there are three more *Los Angeles*-class submarines slated for decommissioning that should be refueled. The cost to refuel each submarine is around \$200 million. Second, \$1 billion should be added for production of the new *Virginia*-class submarines to replace submarines built during the late 1970s and 1980s that will retire at the same rate at which they entered service. Thus, the budget should provide for production of two submarines per year as opposed to just one.

Information Power. Getting the most out of the armed forces' weaponry will require a high-tech information infrastructure. All of these systems may require far less manpower, logistical support, and money to deliver the same capability as current systems, but to achieve real transformation, the Pentagon needs to commit to information technology. Central to such an effort would be networks of land, air, sea, and space sensors that collect targeting data and other information with which to monitor enemy activities in real time and detect the presence of chemical, nuclear, and biological contaminants.

The 2004 budget does put money into important research areas. In fact, a \$4 billion increase brings total research and development spending up to \$61.8 billion. However, more can and should be done. For example, space-based radar should be made a higher priority. The program is funded at \$299 million in 2004 and is meant to have an initial operation capability some time in the next decade. This capability, which will allow warfighters to target moving objects deep in enemy territory, such as Iraqi Scud launchers, should be fully funded and accelerated.

Also, funding should be added to the Global Positioning System (GPS) III program, which will have up to 500 times the anti-jam capabilities of the current GPS. The program is currently at a standstill.

21. For an analysis of the submarine force structure, see Jack Spencer, "Why Cutting the Submarine Fleet Will Seriously Threaten National Security," Heritage Foundation *Backgrounder* No. 1374, June 1, 2000.

CONCLUSION

While it is true that overall defense spending must increase significantly to ensure that the United States is prepared to defend itself today and into the future, the reality is that America's military needs a greater capability now. Ultimately, the United States may simply need more uniformed personnel to meet all of its defense needs, but that step should not be taken until those already in uniform are deployed more efficiently. By making

smart investments and freeing wasted resources, the U.S. armed forces can increase their capability in the near term and be better prepared to fight and win America's wars.

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