

March 1994

WARFIGHTING CAPABILITY

Some Army Tanks Should Be Transferred to the Marine Corps





United States
General Accounting Office
Washington, D.C. 20548

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**National Security and
International Affairs Division**

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March 15, 1994

The Honorable Sam Nunn
Chairman, Committee on Armed Services
United States Senate

The Honorable Daniel K. Inouye
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable Ronald V. Dellums
Chairman, Committee on Armed Services
House of Representatives

The Honorable John P. Murtha
Chairman, Subcommittee on Defense
Committee on Appropriations
House of Representatives

In response to the collapse of the Soviet Union and the dissolution of the Warsaw Pact, the United States has changed its national defense strategy. In light of that change, the military services have been reexamining and restructuring their forces, and we have been reviewing changes as they take place. We recently reviewed the basis for the Marine Corps' tank requirement and the reasonableness of the Marine Corps' efforts to have the Army transfer tanks to the Marine Corps free of charge. In this report, we detail the results of our review, which may be of interest to your Committees in overseeing these programs.

Results in Brief

The Marine Corps established a requirement for 443 M1A1 tanks based on a force structure of two active tank battalions and three maritime prepositioning force squadrons, two reserve tank battalions, and tanks to sustain the fleet. This requirement is basically consistent with the force structure recommended by the Joint Chiefs of Staff (JCS) and by the bottom-up review recently conducted by the Department of Defense (DOD). However, the Marine Corps currently has only 221 M1A1 tanks, posing a shortfall of 222 tanks against the requirement.

Because of the cost, the Marine Corps does not consider buying the 222 tanks it needs a viable option. To help satisfy the Marine Corps'

requirements, the Army agreed to transfer 50 tanks from its force. Meanwhile, the Army plans to transfer about 1,500 of its M1A1 tanks to Army National Guard units by 2003. To date, the Marine Corps' efforts to obtain an additional transfer of tanks have been unsuccessful.

Transferring a relatively small number of additional tanks to the Marine Corps instead of the National Guard would provide enhanced overall readiness of U.S. forces. Specifically, an additional 84 tanks would provide the Marine Corps with enough tanks to fulfill its maritime prepositioning squadrons requirement. Tanks in these squadrons would be available for deployment in a crisis much more rapidly than those in National Guard units. Similarly, the Marine Corps' sustainment requirement for 40 additional tanks may also represent a higher priority transfer than the National Guard. These transfers would still allow the National Guard to receive about 1,400 tanks.

Background

In February 1993, the Chairman, JCS, reported on the roles and missions of the armed forces. That report recommended a Marine Corps tank force structure, which the Secretary of Defense approved in March 1993. In October 1993, the Secretary of Defense released a report on the results of the bottom-up review—a comprehensive review of the nation's defense strategy, force structure, modernization, infrastructure, and foundations. A key judgment in that report was that the United States must field forces, in concert with its allies, capable of fighting and winning two major, nearly simultaneous regional conflicts. The bottom-up review relied on the results of a mobility requirements study, dated January 1992, in which the Chairman, JCS, identified a need to deploy Marine expeditionary brigades¹ and an Army heavy brigade within 2 weeks of the onset of a crisis.

The Marine Corps Has a Recognized Need for Tanks

The Marine Corps established its requirement for 443 M1A1 tanks based on its 2001 force structure plan—a concept for employment of the Marine Corps in joint operations into the 21st century. Table 1 shows the differences between the Marine Corps' tank requirements and the amount expected to be on hand under current plans.

¹The Marine Corps uses 13 ships in 3 maritime prepositioning squadrons to deploy its expeditionary forces.

Table 1: Status of Marine Corps' Tank Requirement

Unit	Requirement	Amount on hand	Shortage	50-tank transfer	Amount needed
Three maritime prepositioning squadrons	174 (58 each)	90 (30 each)	84	0	84
Two active tank battalions	116 (58 each)	88	28	28	0
Two reserve tank battalions	64 (32 each)	16 (8 each)	48	0	48
Tanks for sustainment ^a	89	27	62	22	40
Total	443	221	222	50	172

^aThe tank sustainment categories consist of the equipment allowance pool (tanks used in training), prepositioned war reserves, depot level maintenance (replacements for tanks undergoing major repairs), and operational readiness float (tanks held in reserve).

Currently, the Marine Corps has 221 M1A1 tanks and is scheduled to receive an additional 50 from the Army by March 1994. The Marine Corps plans to use these additional tanks to bring its 2 active tank battalions up to their authorized strength of 58 tanks each and to provide dedicated tanks for combined arms training exercises at the Marine Corps Air-Ground Combat Center at Twentynine Palms, California. If the Marine Corps receives these tanks as scheduled, it will still have a shortfall of 172 tanks.

Requirements recommended by the Chairman, JCS, and approved by the Secretary of Defense are consistent with the Marine Corps' stated requirement. In a report dated February 1993, the Chairman, JCS, recommended that the Marine Corps retain enough tank battalions to support amphibious operations and fill three maritime prepositioning squadrons and that the Army provide any additional armor units as required.² In March 1993, the Secretary of Defense (1) approved the recommendation, (2) directed the Marine Corps to meet the recommended requirement, and (3) directed the Secretaries of the Army and the Navy to establish joint procedures for the use of Army armor units in wartime when required by the Marine Corps.

While the Chairman, JCS, and the Secretary of Defense did not specify the number of tanks needed by the Marine Corps, according to a representative from the Office of the Secretary of Defense, the Marine

²During Operation Desert Storm, Marine Corps forces in Saudi Arabia participated with an Army armored brigade in the breaching operation that ultimately led to the capture of Kuwait International Airport and the liberation of Kuwait City.

Corps' requirement is valid. However, this representative noted that the Army's requirements are valid as well. According to Army officials, the Army had no excess M1A1 tanks as of January 1994. The Army plans to preposition some tanks on ships and transfer about 1,500 tanks to National Guard units to offset the phaseout of its M60 tanks. This transfer is expected to be completed in the year 2003.

The Marine Corps' Need for Army Tanks Appears to Be Reasonable

The Marine Corps believes that at an estimated cost of \$965.7 million (in fiscal year 1996 dollars), the 222 M1A1 tanks it needs are unaffordable. If the Army agreed to transfer the 222 tanks from its inventory, the Marine Corps might have to pay only the costs associated with the transfer. In June 1993, senior Army and Marine Corps officers held informal discussions concerning the Marine Corps' obtaining tanks from the Army. These discussions resulted in an agreement to transfer the 50 tanks discussed earlier from the Army to the Marine Corps. A Marine Corps' official estimated it would cost about \$11.2 million to transfer the 50 tanks to the Marine Corps.³ To date, the Army has not agreed to an additional transfer of tanks.

DOD's report on its bottom-up review confirms the need to fill active duty units first. With the drawdown of forces overseas, DOD places a premium on rapidly deployable, highly lethal forces to halt an invasion in a major regional conflict. Accordingly, the prepositioning of heavy combat equipment and supplies, both ashore and afloat, will be essential in future conflicts. However, at present, the Marine Corps' maritime prepositioning squadrons are 84 tanks short.

DOD's report also states that National Guard combat forces will deploy later than active forces during a crisis. This is consistent with the Army's own strategic priorities. The Army's policy is to distribute equipment based on the principle that the first to fight are the first to be equipped, and active Army units are expected to be among the first to deploy. Our work on the use of Army National Guard combat units during the Persian Gulf War indicates that these units would not be available for early deployment in a crisis. We testified in May 1992 that during the Persian Gulf War, the Army National Guard's roundout brigades remained in a

³This cost includes \$20,000 to pack and preserve the tanks for transport, \$1.2 million to transport the tanks from Europe, and \$10 million that has been allocated to upgrade the tanks to the level of those in its current inventory.

training status until the end of the war because of significant deficiencies.⁴ As a result, the Army has replaced the roundout brigades with active forces in its early deploying divisions.

Recommendation to the Secretary of Defense

To ensure that the Army's transfers of M1A1 tanks best contribute to total military capability, we recommend that the Secretary of Defense direct the Secretary of the Army to transfer 84 M1A1 tanks to the Marine Corps to meet its maritime prepositioning squadrons tank requirement. We also recommend that the Secretary (1) assess whether transferring an additional 40 tanks to satisfy the Marine Corps' sustainment requirement has a higher priority than providing those tanks to the National Guard and (2) direct the Army to transfer an additional 40 tanks to the Marine Corps if the assessment shows that the Marine Corps has a higher priority than the Army National Guard requirement.

Agency Comments

DOD noted that the Marine Corps has not officially requested that additional tanks be transferred from the Army to meet its requirements at this time. DOD stated that it would reassess the relative priority of Army and Marine Corps requirements before any further transfer of tanks occurs. DOD intends to further consider our recommendations before reaching a final decision, but did not set any timetable for the decision.

Scope and Methodology

To evaluate the basis for the Marine Corps' tank requirements and efforts to acquire needed tanks, we reviewed (1) the Marine Corps' development of its requirement for 443 M1A1 tanks, (2) the JCS roles and missions report as it relates to tanks, (3) the decision made by the Secretary of Defense on the JCS report, (4) the results of the bottom-up review, and (5) the mobility requirements study.

We discussed the issues in this report with officials from the Office of the Secretary of Defense, the Army, and the Marine Corps in Washington, D.C., and incorporated their comments as appropriate. We conducted our work from March 1993 through January 1994 in accordance with generally accepted government auditing standards.

⁴Operation Desert Storm: Army Guard Combat Brigade War Lessons Reflect Long-Standing Problems (GAO/T-NSIAD-92-36, May 5, 1992).

We are sending copies of this report to the Secretaries of Defense, the Army, and the Navy; the Commandant of the Marine Corps; and the Director of the Office of Management and Budget. We will also make copies available to others on request.

Please contact me at (202) 512-3504 if you or your staff have any questions concerning this report. Major contributors to this report are listed in appendix II.

A handwritten signature in cursive script that reads "Richard Davis".

Richard Davis
Director, National Security
Analysis

Comments From the Department of Defense



ACQUISITION AND
TECHNOLOGY

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WASHINGTON DC 20301-3000



76 FEB 1994

Mr. Frank C. Conahan
Assistant Comptroller General
National Security and International
Affairs Division
U.S. General Accounting Office
Washington, DC 20548

Dear Mr. Conahan:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report, "WARFIGHTING CAPABILITY: Some Army Tanks Should Be Transferred to the Marine Corps," dated January 10, 1994 (GAO Code 701001), OSD Case 9511. The DoD partially concurs with the report findings, and partially concurs with the recommendations.

The Department agrees that the Army should transfer excess tanks to the Marine Corps in accordance with the terms mutually agreed to by the Army and the Marine Corps. Last year, the Marine Corps requested the transfer of 50 tanks from the Army. That transfer occurred on December 16, 1993, after the Marine Corps obtained adequate Navy funding for fielding and operating the tanks in the Marine Corps.

It must be recognized, however, that each Service establishes its own equipment priorities based on their respective roles and missions, and then develops procurement plans based on those priorities and available funding which are then reviewed by OSD and Joint Staff. Although at this time, the Marine Corps has not officially requested that additional tanks be transferred from the Army to meet its requirements, the DoD intends to further consider the GAO recommendations before reaching a final decision.

The detailed DoD comments addressing the report findings and recommendations are provided in the enclosure. The DoD appreciates the opportunity to comment on the GAO draft report.

Frank Kendall
Director
Tactical Warfare Programs

Enclosure

Appendix I
Comments From the Department of Defense

GAO DRAFT REPORT - DATED JANUARY 10, 1994
(GAO CODE 701001) OSD CASE 9511

"WARFIGHTING CAPABILITY: SOME ARMY TANKS SHOULD
BE TRANSFERRED TO THE MARINE CORPS"

DEPARTMENT OF DEFENSE COMMENTS

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FINDINGS

FINDING A: The Chairman, Joint Chiefs of Staff, Reported on the Roles and Missions of the Armed Forces. The GAO pointed out that, in February 1993, the Chairman, Joint Chiefs of Staff, reported on the roles and missions of the armed forces. The GAO observed that included in the report were Marine Corps tank requirements the Secretary of Defense approved in March 1993. The GAO noted that, in October 1993, the Secretary of Defense released a report on the results of a comprehensive review of the nation's defense strategy, force structure, modernization, infrastructure, and foundations (the bottom-up review). The GAO explained a key judgment in that report was that the United States must field forces, in concert with its allies, capable of fighting and winning two major, nearly simultaneous regional conflicts. The GAO asserted that the bottom-up review reaffirmed the results of a January 1992 mobility requirements study, in which the Chairman, Joint Chiefs of Staff, identified a need to deploy Marine Corps expeditionary brigades and an Army heavy brigade within 2 weeks of the onset of a crisis. (pp. 2-3/GAO Draft Report)

DOD RESPONSE: Partially concur. The roles and missions report approved by the Secretary of Defense in March 1993 did not include Marine Corps tank requirements. Rather, the report only established the Marine Corps armor force structure.

FINDING B: The Marine Corps Has a Recognized Need for Tanks. The GAO observed that the Marine Corps established its requirement for 490 M1A1 tanks based on its 2001 force structure plan--a concept for employment of the Marine Corps in joint operations into the 21st century. The GAO noted that the Marine Corps uses 13 ships in three maritime pre-positioning squadrons to deploy its expeditionary forces. The GAO found that the Marine Corps currently has 221 M1A1 tanks and will receive an additional 50 from the Army in 1994. The GAO further found that the Marine Corps planned to use the additional tanks (1) to bring its two active tank battalions up to their authorized strength of 58 tanks each and (2) to provide dedicated tanks for combined arms training exercises at the Marine Corps Air-Ground Combat

Enclosure

Now on p. 2.

See comment 1.

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Center at Twenty-nine Palms, California. The GAO noted that, if the Marine Corps received the tanks by March 1994, as scheduled, it would still have a shortfall of 219 tanks.

The GAO concluded that the requirements recommended by the Chairman, Joint Chiefs of Staff, and approved by the Secretary of Defense, are consistent with the Marine Corps stated requirement. The GAO pointed out that, in a report dated February 1993, the Chairman, Joint Chiefs of Staff, recommended that the Marine Corps retain enough tank battalions to support amphibious operations and fill three maritime prepositioning squadrons--and that the Army provide the additional tank support as needed. The GAO reported that, in March 1993, the Secretary of Defense (1) approved the recommendation, (2) directed that Marine Corps to meet the recommended requirement, and (3) directed the Secretaries of the Army and the Navy to establish joint procedures for the use of Army armor support when needed by the Marine Corps. The GAO observed that, while the Chairman, Joint Chiefs of Staff, and the Secretary of Defense did not specify the number of tanks needed by the Marine Corps, according to an official from the Office of the Secretary of Defense, the Marine Corps requirement is valid. The GAO asserted that, according to the same official, the Army requirements are valid as well. The GAO reported that, according to Army officials, the Army had no excess tanks. The GAO learned that the Army plans to preposition some tanks on ships and transfer about 1,600 tanks to National Guard units to offset the phase out of its M60 tanks. (pp. 3-5/ GAO Draft Report)

Now on pp. 2-4.

See comment 2.

DOD RESPONSE: Partially concur. While the Chairman, Joint Chiefs of Staff recommended the Marine Corps retain enough tank battalions to support amphibious operations, that recommendation did not define how many tanks are required for amphibious operations. The current Marine Corps requirement to meet that guidance is for 443 M1A1 tanks. The Army transferred the additional 50 M1A1 tanks to the Marine Corps in December 1993, leaving a deficiency of 172 tanks. The Army armor support to the Marine Corps directed by the Secretary of Defense is Army armor units in wartime, not individual tanks. Finally, it should be recognized that of the Army Acquisition Objective of 7,880 Abrams tanks, there are only 4,470 M1A1s, but plenty of older M1's. Only 400 M1A1s remain available from downsizing to field to priority Army National Guard units to replace more than 1,600 M60 tanks. The majority of National Guard units are being fielded with M1 or M1IP tanks, not M1A1 tanks. Diversion of any of the limited M1A1 assets to the Marine Corps would delay the retirement of M60 tanks beyond FY 2000.

FINDING C: The Marine Corps Request for Army Tanks Appears to be Reasonable. The GAO reported that the Marine Corps contends that, at an estimated cost of \$1.17 billion (in FY 1996 dollars), the 269 M1A1 tanks it needs are unaffordable. The GAO determined

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that, if the Army agreed to transfer the 269 tanks from its inventory--the Marine Corps would have to pay only the costs associated with the transfer. The GAO stated that a Marine Corps official estimated total costs of transferring the 50 tanks the Army agreed to transfer is about \$11.2 million. The GAO concluded that, given the cost to purchase M1A1 tanks and the fact that the Marine Corps active tank forces would deploy earlier than Army National Guard tank forces, its maritime prepositioning squadron requirement makes sense.

The GAO acknowledged that the DoD bottom-up review recognized the need to fill active duty units first. The GAO pointed out that, with the draw down of forces overseas, the DoD places a premium on rapidly deployable, highly lethal forces to halt an invasion in a major regional conflict. The GAO, therefore, concluded that the prepositioning of heavy combat equipment and supplies--both ashore and afloat--would be essential in future conflicts and, at the present time, the Marine Corps maritime prepositioning squadrons are in the best position to respond to that need at the outset of a crisis.

The GAO also acknowledged that the DoD bottom-up review stated that National Guard and Reserve combat forces would deploy later than active forces during a crisis. The GAO pointed out that is consistent with the Army strategic priorities to distribute equipment based on the principle that the first to fight are the first to be equipped--active Army units are expected to be among the first to deploy. The GAO noted that, as a result of its May 1992 testimony, during which it was pointed out the Army National Guard roundout brigades remained in a training status until the end of the Gulf War because of significant deficiencies, the Army replaced the roundout brigades with active forces in its early deploying divisions. (pp. 5-7/GAO Draft Report)

Now on pp. 4-5.

DOD RESPONSE: Partially concur. The Marine Corps has not officially requested any additional tanks from the Army. In FY 1993, the Marine Corps requested 50 tanks from the Army. The Army responded favorably to that request and the transfer occurred in December 1993.

A Marine Corps and Joint Staff position on overall tank allocation priorities and funding requirements has not been established. Until that occurs, there is no solid basis for further transfer of M1A1 tanks from the Army to the Marine corps.

See comment 3.

The DoD agrees that Marine Corps active tank forces may deploy earlier than Army National Guard tank forces. Most Army National Guard forces, however, currently have M60 tanks, and will be equipped with M1 or M1IP tanks after all Abrams tanks are fielded. The limited quantity of M1A1 tanks have been and are being fielded to priority units in accordance with the Department of the Army Master Priority List. Both the Congress and the

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Office of the Secretary of Defense have required the Army to field Army National Guard round out and round up brigades at the same priority as active units.

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RECOMMENDATIONS

RECOMMENDATION 1: The GAO recommended that the Secretary of Defense direct the Secretary of the Army to transfer 84 M1A1 tanks to the Marine Corps to meet its maritime prepositioning squadron tank requirement. (p. 7/GAO Draft Report)

DOD RESPONSE: Partially concur. The Marine Corps has not formally requested that additional tanks be transferred from the Army to meet its requirements. Each Service normally establishes its own equipment priorities, based on their respective roles and missions, and then develops procurement plans based on those priorities and available funding. The Army has previously determined that modern Abrams tanks were of sufficient priority to warrant inclusion in funding plans. The Navy and Marine Corps, however, have determined that procurement of additional tanks was not warranted based on overall priorities and funding constraints.

There are currently only 400 M1A1 tanks available within the Army for transfer to the Army National Guard as a result of downsizing--an insufficient quantity to meet current Army requirements. The 400 M1A1s have been designated to replace more than 1,600 aging M60 tanks. Both the Congress and the Office of the Secretary of Defense have previously required the Army to field National Guard round out and round up brigades at the same priority as active units.

At this time, the prioritization between Marine Corps and Army needs is still under review in DoD.

RECOMMENDATION 2: The GAO recommended that the Secretary of Defense (1) assess whether transferring an additional 87 tanks to satisfy the Marine Corps sustainment requirement had a higher priority than providing those tanks to the National Guard and (2) if it is judged that it has a higher priority than the Army National Guard requirement, direct the Army to transfer an additional 87 tanks to the Marine Corps. (p. 7/GAO Draft Report)

DOD RESPONSE: Partially concur. As explained in the DoD response to Recommendation 1, while each Service establishes its own equipment priorities based on assigned roles and missions and develops overall procurement plans based on those priorities and available funding. The Navy and the Marine Corps have previously determined that procurement of additional tanks was not warranted within available funding constraints.

The Office of the Secretary of Defense will reassess both (1) the Army priority for a particular type of tank as compared with the Marine Corps, and (2) the relative priority established by each Service for procuring tanks as compared with all other programs

Now on p. 5.

See comment 2.

Now on p. 5.

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that have been funded. However, before any further transfer of tanks occurs, the Army, Marine Corps and Joint Chief of Staff positions on tank allocation priorities will first be developed and funding requirements identified.

The following are GAO's comments on the Department of Defense's (DOD) letter dated February 16, 1994.

GAO Comments

1. We have revised the report to clarify the content of DOD's roles and missions report as it relates to Marine Corps armor force structure.

2. We have revised the report to reflect (1) the more recent Marine Corps tank requirement figure and (2) the nature of Army armor support to the Marine Corps. DOD's comments state that there will only be 400 M1A1 tanks to replace more than 1,600 Army National Guard M60 tanks. Our analysis indicates that over the period 1993-2003, the Army plans to transfer a total of more than 1,500 M1A1 tanks from the Army to the National Guard. We have clarified our report to make clear the time period over which this transfer will occur.

3. We do not question the validity of the Army National Guard tank requirements. However, in allocating tanks over the next decade, we believe that DOD needs to look beyond individual service priorities. Accordingly, the focus of our report is on the need to allocate tanks that the Army plans to transfer in the manner that best supports the premium the bottom-up review places on rapidly deployable, highly lethal forces to halt an invasion in a major regional conflict. We believe that (1) the Marine Corps' recognized need for tanks, (2) the premium the bottom-up review places on rapidly deployable forces, and (3) the application of the Army's priorities for distributing equipment across service lines leads to the conclusion that additional tanks be transferred to the Marine Corps.

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