

GAO

Report to the Chairman, Subcommittee  
on Military Personnel and  
Compensation, Committee on Armed  
Services, House of Representatives

December 1992

# ARMY FORCE STRUCTURE

## Future Reserve Roles Shaped by New Strategy, Base Force Mandates, and Gulf War



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

National Security and  
International Affairs Division

B-251524

December 15, 1992

The Honorable Beverly B. Byron  
Chairman, Subcommittee on Military  
Personnel and Compensation  
Committee on Armed Services  
House of Representatives

Dear Madam Chairman:

This report responds to your request that we review the Army's planned force reductions and the roles that will be assigned to Army Reserve and National Guard forces. Specifically, it discusses the factors influencing the Army's decisions on future reserve roles, rationale behind its planned reserve force reductions, and opportunities to more effectively use the reserves in the downsized force. This report contains recommendations to the Secretaries of Defense and the Army concerning the future use of reserve forces within the Army's Total Force.

Please contact me at (202) 275-4141 if you or your staff have any questions concerning this report. Major contributors to this report are listed in appendix II.

Sincerely yours,

Henry L. Hinton, Jr.  
Director, Army Issues

# Executive Summary

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## Purpose

In response to major changes in the security environment since 1989, the Army has planned a future force smaller than any since just before the Korean War. Concerned that the Army was not assigning a large enough role to its National Guard and Army Reserve forces (hereafter referred to as reserves), given reductions in the threat, the Chairman of the Subcommittee on Military Personnel and Compensation, House Committee on Armed Services, asked GAO to (1) determine the key factors influencing Army decisions on the size and roles of its reserves, (2) evaluate the Army's rationale for its planned reserve force reductions, and (3) determine whether the reserves could be more effectively used in the downsized force.

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## Background

Responding to budgetary pressures and a softening of policies by the Soviet Union, the Army began in 1989 to plan for major force reductions. Continuing improvement in the security environment has led to plans for deeper reductions in both active and reserve forces. In late 1990, the Department of Defense (DOD) adopted its Base Force plan to implement a newly announced U.S. security strategy focusing on major regional contingencies. The Army plans to have its portion of DOD's Base Force in place by fiscal year 1995. Army plans call for active forces to be reduced by 31 percent and reserve forces by 27 percent from Cold War levels. Congress has approved proposed reductions in the Army's active forces, but has approved less than half of the proposed reserve force reductions. In Congress' view, the reduced threat to U.S. security should permit a greater reliance on reserves. However, DOD maintains that retaining reserves above requested levels will result in undue costs, reserve units without missions, and an imbalanced force.

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## Results in Brief

Key factors influencing decisions on the future size and roles of the Army's reserves have been (1) a new national security strategy emphasizing quick responses to regional contingencies, (2) Base Force mandates specifying active and reserve end strengths and divisional force mix, and (3) Gulf war experiences modifying expectations about how quickly the Army can ready its reserves to deploy. Under current plans, only 9 percent of the Army's reserves—all of them support forces—would serve in conflicts lasting less than 75 days. Most reserves would serve only in protracted conflicts.

Changes in the security environment since the Base Force requirements were set raise questions about whether its requirements might be further

modified. The current debate over the size and composition of the Base Force could lead to changes that could give the Army more flexibility to modify its active and reserve force mix.

GAO noted inconsistencies in the Army's rationale for its force reduction plans. For example, the position that retaining reserves above planned levels will result in reserve units without missions overlooks the facts that (1) the Army deployed virtually all of some types of support forces in the Gulf war and (2) substantial support requirements in its force structure remain unfilled. Reserves, which have traditionally filled support roles, might be used to fill these vacancies and to form additional support units. DOD's cost estimates of retaining reserves above requested levels do not acknowledge the longer term savings that could be achieved if some missions were shifted from active forces to the lower cost reserves.

Other opportunities exist to more effectively use reserves in the Army's future force. However, some require restructuring decisions that involve difficult trade-offs for the Army. For example, the Army could restructure some National Guard divisions into smaller combat units that could be readied more quickly to deploy. They could then be assigned earlier deployment missions. The Army could also convert some reserve combat units to support units to improve its support structure. Both of these actions would require sacrifice of reserve divisions intended for protracted conflicts.

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## Principal Findings

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### Role of Reserves Is Being Redefined

The new security strategy, announced in August 1990, emphasizes the need for forces that can respond quickly to major regional contingencies. Because time is needed to prepare combat reserves to deploy, the Army has assigned most combat reserves later deploying missions in its future force. To implement the reconstitution element of the strategy, the Army designated two National Guard cadre divisions, which would be staffed at lower levels in peacetime and reconstituted to full strength when needed. Cadre divisions were intended to provide a low-cost means of expanding the Army's force since they would not be fully staffed in peacetime. While early Army plans called for staffing these divisions at 20 percent, the Army now plans to staff them at 11,500—more than 70 percent of their wartime

size. The large size of these divisions appears to substantially reduce the savings anticipated by using the cadre concept.

The Base Force plan set the parameters for the Army's future force by mandating specific active and reserve force end strengths and a divisional mix of 12 active, 6 reserve, and 2 cadre reserve divisions. Because the Army must abide by the prescribed configuration, it has limited flexibility in altering its active and reserve force mix.

Gulf war experiences have also led the Army to rely less on reserves for early deployment missions. The Army has acknowledged that it could not deploy its reserve combat brigades because it greatly underestimated the amount of pre-deployment training that these large combat units would require. The Army also encountered shortages of support forces early in the war because of the time needed to call up the reserves. These experiences have led the Army to substitute active forces for the earliest deploying reserve combat brigades and support forces in its plans.

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**Assumptions Have Changed, but Base Force Plan Has Not**

The original Base Force was designed to ensure that the United States would be capable of waging war in either two concurrent and extended major regional conflicts or a global war with the Soviet Union. The current assumption is that a global war is improbable and that regional contingencies would sequentially evolve rather than occur simultaneously. With the dissolution of the Soviet Union, DOD now envisions an unspecified adversary that could emerge to threaten a major conflict and has extended its estimate of warning time for a major war in Europe from 18 months to 5 years. Although these assumptions have changed, DOD has not modified its Base Force plan.

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**Force Reduction Plans Do Not Consider All Relevant Factors**

The Army's position has been that its planned reductions are intended to ensure that (1) its future force is balanced, (2) reserve units are not left without missions, and (3) it does not incur undue costs. However, in evaluating this position, GAO found that not all relevant factors have been adequately considered.

First, reducing reserve support units along with the active divisions they support has resulted in a planned 1995 force that has the same proportion of active and reserve forces that existed in 1988. While the Army's aim has been to produce a balanced force, its method of identifying force reductions could result in a smaller version of its former force, with the

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same support weaknesses that surfaced during the Gulf war. Second, the Army's concern about retaining reserves without missions does not recognize that many required support positions remain unfilled. Also, Gulf war experiences indicate that there may be weaknesses in the existing support structure. Finally, the Army's cost estimate of \$10 billion to \$12 billion over 6 years to retain the additional reserves was overstated. The Army assumed that no proposed reductions would be approved, but Congress approved 42 percent of the proposed reductions in fiscal years 1992 and 1993.

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### Opportunities Exist to Use Reserves More Effectively

The Army may be able to expand the use of reserve support forces in its contingency force because (1) the last two of four support force packages would deploy from 31 to 75 days after the onset of a conflict and (2) the Army has stated that it can ready its support forces to deploy by 30 days. Current plans call for active personnel to fill about 39 percent of the positions in these two force packages. A recent congressional action to further reduce troop levels in Europe could remove what DOD has cited as a major obstacle to increased use of the reserves—the need to retain sufficient U.S.-based active troops to meet rotational needs. Analysis of the types of positions being withdrawn would be needed to assess this potential.

Other opportunities to expand the reserves' roles may hinge on restructuring decisions. For example, the Army plans to use six National Guard combat divisions only in protracted conflicts because they would require a year of post-mobilization training before being deployed. Breaking up one or more of these divisions might enable the Army to use its component parts to round out active divisions. These smaller battalion- and company-sized roundout units could be readied to deploy more quickly than the current brigade-sized roundout units and therefore, might be assigned earlier combat roles. Converting some reserve combat units to support units could provide a means of bolstering the Army's support forces.

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### Recommendations

GAO recommends that the Secretary of the Army (1) increase the role for reserve support forces in the Army's contingency force, (2) determine whether the missions of forces inactivated from Europe could be shifted to the reserves, and (3) evaluate the merits of restructuring one or more of the latest deploying National Guard combat divisions into smaller combat units and additional support units. GAO also recommends that the

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Secretary of Defense determine whether the planned size of cadre divisions is consistent with the new national military strategy and develop criteria to guide force mix decisions.

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## Agency Comments

DOD generally agreed with GAO's findings and noted that it is conducting analyses to address many of the issues raised. It disagreed that the methods used to identify forces for inactivation might perpetuate possible imbalances in its current force, but said that the Army is analyzing its active and reserve mix and would correct any imbalances. DOD said that the Army has flexibility to alter the internal composition of divisional forces and nondivisional support forces but agreed that it must do so within the specified bounds of the active and reserve end strengths set by Base Force mandates.





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**Abbreviations**

DOD      Department of Defense  
GAO      General Accounting Office

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# Introduction

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Changes in the global security environment together with budgetary pressures to reduce defense spending over the past several years have prompted the United States to reevaluate its defense strategy and propose reductions in military force structure. Acknowledging these factors, in 1990, the Department of Defense (DOD) directed that the Army reduce its forces by over 25 percent by fiscal year 1995. Although Congress has consistently accepted DOD's proposed reductions for active forces, it has not agreed to the extent of DOD's planned reductions in the reserves.<sup>1</sup> Some members of the key defense committees in Congress have concluded that, while the reduced threat permits reductions in the Army's size and composition, it may also provide an opportunity to increase the size and roles of the reserves. As a result, the Congress and DOD are currently engaged in a significant debate regarding the future size, composition, mix, and roles of active and reserve forces. This report, which is intended to contribute to that debate, is one of a series of reports concerning DOD's Base Force.

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## Total Force Policy Expanded the Role of the Reserves

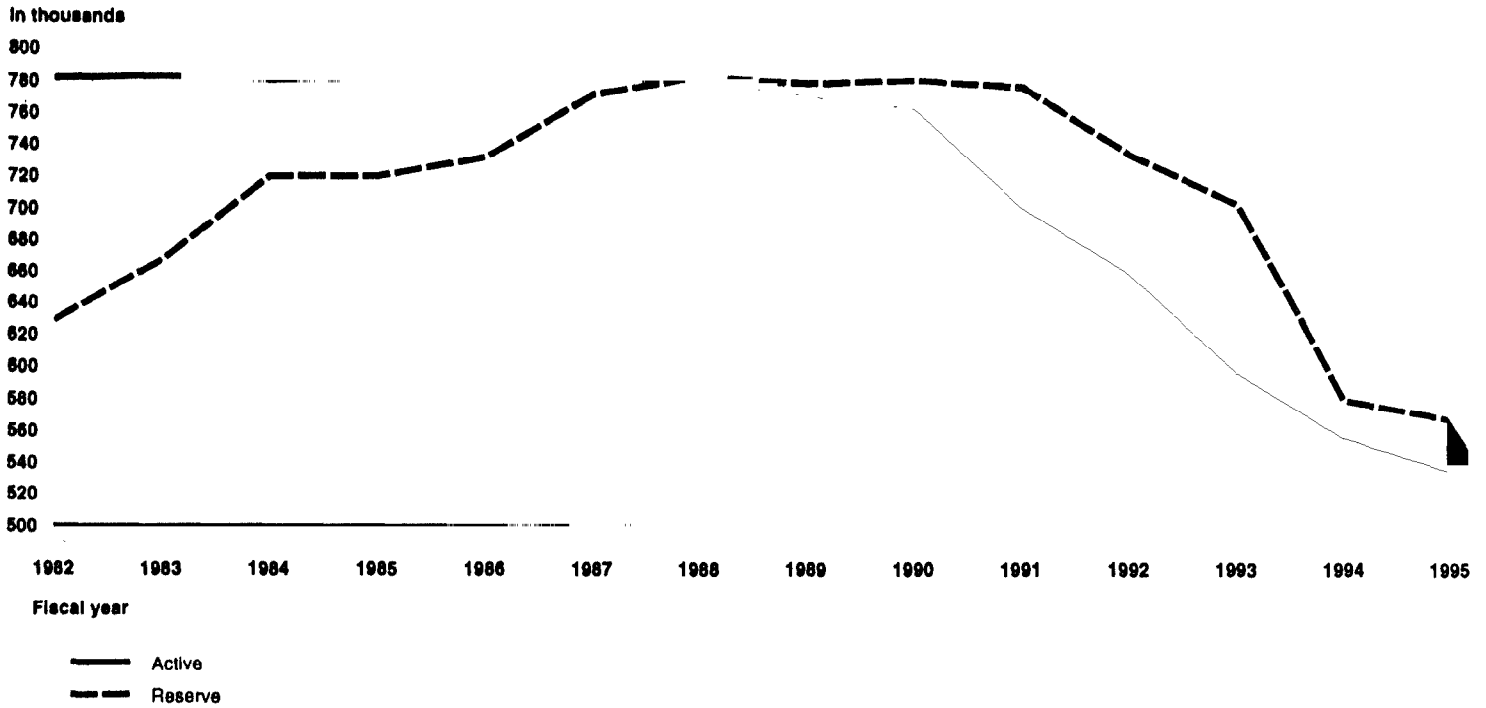
In the early 1970s, DOD adopted a Total Force policy that called for the integration of active and reserve forces to support the national strategy and meet the threat. Early DOD statements on its Total Force policy stated that reserve forces should augment active forces in emergencies that require rapid and substantial expansions of active forces. The policy was also designed to ensure that the nation's political leadership had public support for engaging in a major conflict, since reservists throughout the country would need to be mobilized.

Budgetary realities of the early 1980s induced the Army to expand its reliance on the reserves. At that time, the Army wanted to increase its combat divisions by four to better address the Soviet threat while maintaining its existing active component end strength. The Army was able to accomplish its goals by reorganizing and restructuring its forces and increasing its reliance on the reserves. As shown in figure 1.1, by 1988 the reserves comprised over one-half of the Army's total force. Even after the planned reductions, the reserves will continue to represent over half of the Army's forces through fiscal year 1995.

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<sup>1</sup>The term "reserves" in this report refers to both the Army Reserve and the Army National Guard.

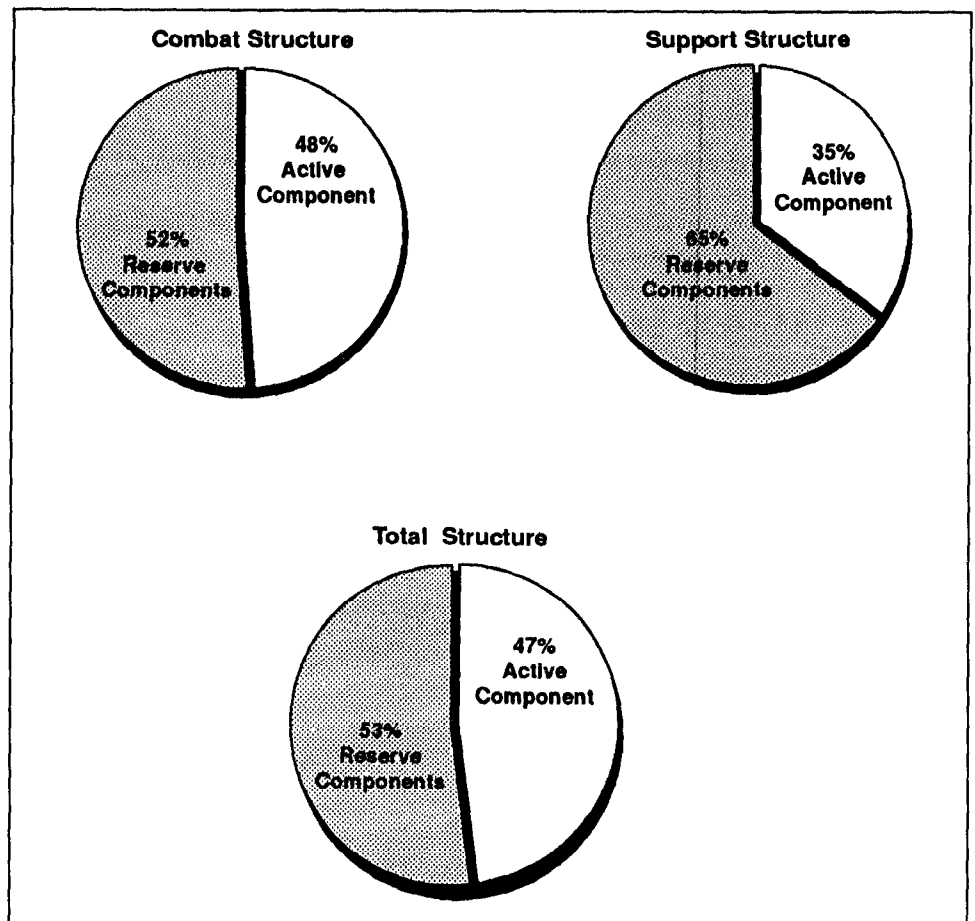
Figure 1.1: Changes in the Authorized End Strength of the Army's Active and Reserve Components



Note: Data represents authorized levels for fiscal years 1982 through 1993 and estimated levels for fiscal years 1994 and 1995.

While restructuring its forces during the 1980s, the Army assigned additional demanding wartime missions and critical peacetime operational responsibilities to the reserves. As shown in figure 1.2, the reserves provide a significant portion of the Army's combat and support forces.

**Figure 1.2: Fiscal Year 1992  
Composition of the Army's Combat,  
Support, and Total Forces by  
Component**



Currently, the reserves provide all or significant portions of many of the Army's support functions. For example, they make up 100 percent of the forces used to provide fresh water supply and heavy-lift helicopter capability, at least 85 percent of the Army's medical brigades and chemical defense battalions, and 70 percent of the heavy combat engineer battalions. Operations Desert Shield and Storm (hereafter referred to as the Gulf war) demonstrated the extent to which the Army relies on its reserve components in that DOD called up over 145,000 members from the Army Reserves and the National Guard and deployed about 80,000 of them to the Gulf. These latter reservists represented about a quarter of the Army troops that deployed to the Gulf.

## Army Force Reduction Plans Driven by Budget Concerns and the End of the Cold War

The Army's force reduction plans, which began in the late 1980s, reflected both pressures to reduce defense spending and the growing acknowledgement of lessening tensions between the United States and the Soviet Union. In 1988, when the Army was poised to respond to a major conflict in Europe, its forces consisted of 5 corps and 28 divisions. These 18 active and 10 National Guard divisions required about 1.5 million Army personnel.

Events that unfolded in Eastern Europe and the Soviet Union during late 1989 and early 1990, coupled with continuing budgetary pressures, led to successive plans to reduce forces by the end of 1995. (See table 1.1.) The Army's earliest force reduction plans, developed during 1989 and 1990, gave way to subsequent plans and culminated in the present Base Force plan. The Base Force plan, unveiled by DOD and the Joint Chiefs of Staff in 1990, is intended to implement a new National Security Strategy that shifts the focus from preparing for a global war in Europe against the Soviet Union to preparing for major regional conflicts against uncertain adversaries. The latest announced plan, February 1992, called for a 1995 total Army force of about 1.1 million. About 49 percent of this force will be active personnel and 51 percent will be reserve personnel, a proportion nearly the same as what it was in 1988. DOD officials advised us in November 1992 that the fiscal year 1995 Army force is under detailed review.

**Table 1.1: Planned Army Force Structure for Fiscal Year 1995 as Reflected in Successive Plans and Key Intervening Events in the Security Environment**

Date of Plan	Corps	Divisions				End strength	
		Total	Active	Reserve	Cadre <sup>a</sup>	Active	Reserve
Force as of 1988	5	28	18	10	0	781,000	782,000
Oct. 1989	4	23	15	8	0	627,000	623,000
<b>Fall of the Berlin Wall, November 1989</b>							
Jan. 1990	4	21	<sup>b</sup>	<sup>b</sup>	0.5	80,000	645,000
Apr. 1990	4	22	14	8	0	580,000	645,000
<b>Announcement of new security strategy, August 1990</b>							
Sept. 1990	4	22	14	6	2	580,000	515,000
Jan. 1991	4	20	12	6	2	536,000	550,000
<b>Failed Soviet coup, August 1991</b>							
<b>Commonwealth of Independent States formed, December 1991</b>							
Feb. 1992	4	20	12	6	2	536,000	567,000

<sup>a</sup>Cadre divisions were created in late 1990 to implement the reconstitution element of the new national security strategy. They were originally envisioned to have a skeletal staff in peacetime and be reconstituted with additional soldiers if a major conflict required additional divisions.

<sup>b</sup>Plan contained various options for the mix of active and reserve divisions.

## Current Debate Focuses on the Future Size and Roles of the Reserves

The size of the reserves and the roles they will be assigned in the future Army have been matters of continuing debate ever since DOD and the Army began to plan for a smaller force structure in 1989. For example, on the basis of concerns that reserves were not being given a large enough role in the planned future force, Congress mandated in the 1990 National Defense Authorization Act that DOD undertake a comprehensive study of its Total Force policy and active and reserve force mix and structure. Congress, however, described the resulting December 1990 Total Force Policy Report as "nonresponsive" because it did not show an increased role for the reserves. Soon after, Members of Congress criticized the administration's proposed fiscal year 1992 defense budget for not adequately reflecting the new security environment. They maintained that changes in the global security environment and the acknowledged lower cost of maintaining reserve forces compared to active forces should be reflected in the Army's plans through a greater reliance on the reserves.



Subsequently, Congress has enacted several legislative provisions aimed at slowing DOD's plans to reduce the reserves. For example, although DOD's budget request for fiscal year 1992 proposed reductions in the Army's reserve forces of over 82,000 positions, Congress authorized a reduction of only about 43,000 positions. DOD promptly exercised an option contained in the legislation permitting it to reduce the reserve end strength by another 2 percent below the authorized level and thereby reduced the reserves by the maximum amount permitted under the legislation. For fiscal year 1993, Congress authorized reductions in the reserve forces of about 31,000 positions, compared to the 92,000-position reduction that DOD requested.

Continuing dissatisfaction over this issue led Congress to require in the National Defense Authorization Act for fiscal years 1992 and 1993 that the Secretary of Defense undertake a study assessing force structure and mix alternatives for the active and reserve forces for the mid- to late-1990s. This provision mandated that a federally funded research firm, independent of the military services, be engaged to conduct an analytical study of the issue. This report was submitted to DOD and the Congress in December 1992. The mandate then requires the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to assess the results of the analysis and submit a report "containing an assessment of a wide range of alternatives relating to the structure and mix of active and reserve forces appropriate for carrying out assigned missions in the mid- to late-1990s." This latter report is due in February 1993.

## Objectives, Scope, and Methodology

At the request of the Chairman of the Subcommittee on Military Personnel and Compensation, House Committee on Armed Services, we traced the evolution of the Army's force structure plans to (1) determine the key factors influencing Army decisions on the future size and roles of its reserves, (2) evaluate the Army's rationale for its planned reductions in reserve forces, and (3) determine whether reserve forces could be more effectively used in the downsized force.

To determine the factors associated with the future size and roles of Army reserve forces, we analyzed White House, Department of Defense, Department of the Army, and other agency studies, reports, testimonies, and briefings that addressed national security strategy, military strategy, concepts to implement the strategies, and policies associated with the use of Army reserve forces. We discussed the role of the reserves in the Army with officials at the Office of the Secretary of Defense; the Department of

the Army; the National Guard Bureau; the Office of the Chief, U.S. Army Reserve; the Reserve Officers Association of the United States; the National Guard Association of the United States; and the Concepts Analysis Agency, all located in the Washington, D.C., area. We also discussed reserve roles with officials at Headquarters, Forces Command, and the U.S. Army Reserve Command, both at Fort McPherson, Georgia.

To assess the Army's basis for its plans to reduce reserve forces, we analyzed documents associated with the Army's initial and subsequent reduction plans, its war plans and requirements determination process, DOD's proposed Base Force, Army participation in the Base Force, Gulf war after action reports, and program, cost, and budget reports. We discussed Gulf war experiences, the Base Force concept, and planned force reductions with Office of the Secretary of Defense, Department of the Army, Army National Guard, and U.S. Army Reserve officials. In addition, we discussed Army war plans and requirements with officials in the War Plans Division of the Army's Office of the Deputy Chief of Staff for Operations and Plans and the Concepts Analysis Agency.

To identify whether opportunities might exist to more effectively use the reserves in the downsized force, we analyzed the Total Force Policy Report, Gulf war after-action reports, Total Army Analysis briefing packages, DOD testimonies, and reports to Congress. We discussed potential roles for the reserves with Office of the Secretary of Defense, Department of the Army, National Guard, and U.S. Army Reserve officials. We also discussed opportunities to expand reliance on the reserves and impacts of the Army's drawdown plans with officials from the Reserve Officers Association of the United States and the National Guard Association of the United States.

We performed our review from September 1991 through September 1992 in accordance with generally accepted government auditing standards.

# Future Reserve Roles Defined by New Strategy, Base Force Concept, and Gulf War Experiences

Until recently, U.S. national security objectives were primarily influenced by the Cold War environment that followed World War II. However, events that have taken place since 1989, including the acknowledged failure of Soviet and Eastern European communism and the dissolution of the Warsaw Pact and the Soviet Union, have caused the United States to reevaluate potential challenges to its global national security interests. President Bush's announcement of a new National Security Strategy in 1990, DOD's development of its Base Force to execute this strategy, and the experiences of the Gulf war have been the key factors that have influenced Army decisions on the size and future roles envisioned for its reserve forces. These factors have led the Army to assign most reserves to later deploying roles. For example:

- The new strategy has shifted the focus of U.S. defense efforts from preparing for a major war in Europe to preparing for major regional conflicts. This change means that combat reserves and most support troops no longer figure prominently in the likeliest conflict scenarios.
- DOD's Base Force concept has mandated the Army's active and reserve end strengths and divisional force mix. To meet its commitments to the Base Force, the Army must provide forces in the prescribed configuration.
- The Gulf war highlighted two difficulties in relying on the reserves for early deployment missions—the time needed for mobilization under a presidential call-up and the extent of post-mobilization training combat reserves required. These experiences have led the Army to substitute active forces for the earliest deploying National Guard combat brigades and support forces.

## New Security Strategy Assigns Most Combat Reserves a Major Role Only in Protracted Conflicts

On August 2, 1990, the day Iraq invaded Kuwait, President Bush announced a new security strategy in a speech in Aspen, Colorado. He emphasized the need to respond to the growing likelihood of regional threats, rather than a global war with the Soviet Union and disclosed that, by 1995, the United States would meet its security needs with a 25-percent smaller force—the smallest force since 1950. In announcing the policy, he stated that:

“In our restructured forces, reserves will be important, but in new ways. The need to be prepared for a massive, short-term mobilization has diminished. We can now adjust the size, structure, and readiness of our reserve forces to help us deal with the more likely challenge we will face.”

The new strategy, later formalized in August 1991 as the "National Security Strategy of the United States," featured four basic defense tenets—forward presence, crisis response, reconstitution, and strategic deterrence and defense. The first three elements envisioned a role for reserve forces. In the forward presence element, active forces would continue to be permanently stationed overseas, but reserve and active forces would both participate in periodic rotational deployments and exercises. The strategy calls for the reserves to play a lesser role in carrying out the crisis response part of the strategy because they are less able to respond rapidly to crises that evolve with little or no warning time. Accordingly, predominantly active forces based in the United States would be used to respond to crises and to support more than one conflict. Reserves would augment and support forward-deployed active forces in prolonged and/or concurrent conflicts and provide a sustaining base for other forward-deployed forces. Although the reserves were not originally designated to fill a role in the reconstitution element of the strategy,<sup>1</sup> the Army has since designated two National Guard divisions to fill this role. The Army's reserves have no stated role in the strategic deterrence and defense component of the strategy.

Although the strategy no longer focuses primarily on a global threat, the Secretary of Defense testified before the House Armed Services Committee in February 1991 that DOD would need to retain forces to counter a possible reemergence of the Soviet threat in view of its still massive military capabilities and the uncertainty surrounding its intentions. Internal Army documents prepared at that time identified the reserve combat divisions as those forces that were being maintained to counter this possible threat. More recently, the 1992 Joint Military Net Assessment projected that, while a global threat would take years to evolve, DOD intended to retain sufficient forces to defeat such a threat should one emerge.

Under the new strategy, the United States will initially respond to regional conflicts with active combat and support units except for a limited number of reserve support and mobility assets. Reserve support units will be used primarily for extended conflicts. Similarly, reserve combat units will supplement active units only if an especially large or protracted deployment is necessary.

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<sup>1</sup>Reconstitution will involve building fully constituted divisions from cadre units staffed at lower levels in peacetime.

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## **Base Force Specifies Active and Reserve Division Mix and End Strengths**

DOD defines the "Base Force" as the minimum force capable of executing the President's defense strategy. DOD maintains that successful execution of this strategy requires that the Base Force be capable of engaging in a full range of conflicts, including concurrent regional conflicts that sequentially evolve. The Base Force serves as a means to provide the capabilities needed to execute the National Military Strategy<sup>2</sup> and to size the U.S. military. Therefore, DOD has specified the forces that each service must provide. However, the Base Force requirements restrict the Army's ability to modify its force mix because it must provide a specific mix of active and reserve divisions and is constrained by specific limits in active and reserve end strength.

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## **Reserves Augment Active Forces in Crisis Response Element of the Base Force**

The National Military Strategy specifies the Army's participation in four conceptual military force packages—Atlantic, Pacific, Contingency, and Strategic. The Atlantic force package requires that the Army (1) maintain forward-deployed and rotational forces, (2) be capable of crisis response within the region and from the United States, and (3) reconstitute forces for a resurgent major threat. The Army assigned two active divisions to meet the requirements for forward presence and three U.S.-based active divisions to provide crisis response. The three U.S.-based divisions are rounded out with National Guard brigades. The Army has also assigned six National Guard divisions and two National Guard cadre divisions to augment the Atlantic force.

The Pacific force's needs are met mostly by active units. The Army fills requirements for forward presence by stationing less than a division in Korea while providing crisis response through active divisional reinforcement forces in Hawaii, Alaska, and the continental United States. The reserves provide support forces for this theater and, depending on the circumstances, reserve combat forces could also participate in contingencies in the Pacific.

The contingency force package mandates a capability to rapidly deploy forces that are fully trained, highly ready, and initially self-sufficient. The forces assigned to this package must be able to respond immediately to worldwide crises to complement U.S. forward-deployed units and to provide initial crisis response to areas where the United States does not have a forward presence. Accordingly, the Army has assigned five fully structured active divisions able to respond on short notice to this force

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<sup>2</sup>DOD's National Military Strategy is the document that prescribes in more detail the defense element of the National Security Strategy.

package. About 40 percent of the pool of support forces designated to support the Army's contingency force are in the reserves.

No major divisional elements of the Army are required for the Strategic force package.

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**Other Base Force**  
**Mandates Limit the Army's**  
**Flexibility in Adjusting Its**  
**Force Mix**

In specifying Army requirements for the Base Force, DOD mandated specific active and reserve end strengths and a specific divisional force mix. DOD's latest guidance to the Army on implementing the Base Force authorizes 535,000 active personnel and 567,000 reserve personnel.<sup>3</sup>

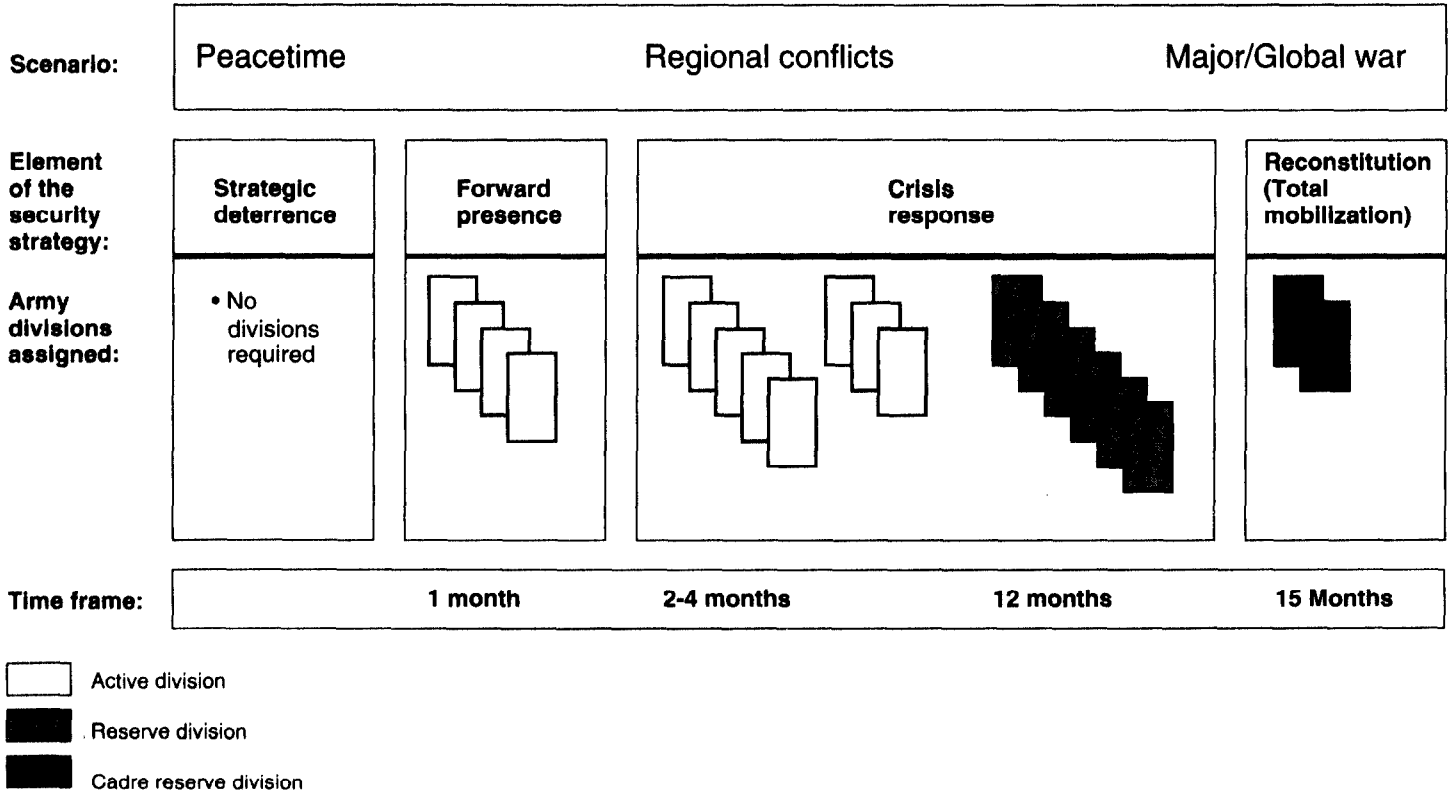
Figure 2.1 shows how the Army plans to use its 20-division force to implement the elements of the National Military Strategy and DOD's requirements for the Base Force. These requirements call for the Army to provide 12 active divisions to meet forward presence requirements and to provide crisis response forces to respond to two concurrent, but sequential, major regional conflicts. Forward presence requirements are met by two divisions in Europe, a division in Hawaii, and a division in Korea. The requirement for crisis response forces is met by the five divisions in the Army's contingency force and three active divisions that would reinforce these forces. All eight of these divisions are located in the United States.

Six National Guard divisions are intended as later-deploying crisis response forces in the event of protracted major conflicts and/or a global war. The latest deploying forces—two cadre divisions in the National Guard—are intended to contribute to the reconstitution element of the national security strategy. Nondivisional supporting units are to be drawn from a pool of active and reserve support units and assigned to configured force packages to support each deployed corps.

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<sup>3</sup>The Army plans to have its portion of the Base Force in place by the end of fiscal year 1995.

Figure 2.1: Planned Use of the Army's 20-Division Force



### Gulf War Experiences Have Led the Army to Rely Less on Reserves as Early Deployers

Several problems that surfaced while mobilizing and deploying the reserves during the Gulf war led to the Army's decision to assign the reserves fewer early deployment roles. As a result of these experiences, the Army does not plan to include National Guard combat brigades in the initial deployment of the contingency force. The Army has also added more active support forces to the earliest deploying elements of that force.

### Deployment Expectations Revised for National Guard Combat Brigades

Within the Army's force structure, some active divisions are made up of two active brigades and one National Guard combat brigade. These reserve units are known as "roundout" brigades. Two such active divisions were deployed during the Gulf war, but they were deployed with active brigades in place of their reserve roundout brigades. In late 1990, the Army called up the National Guard roundout brigades for these two divisions

and one other, but found that the three brigades needed substantially more post-mobilization training than anticipated. At the time of mobilization, readiness information indicated that the brigades would need between 28 and 40 days of training to prepare them for all mission-essential tasks. However, after further assessing their readiness, the Army revised the post-mobilization training plans and estimated that the brigades would in fact require 91 to 135 days of training before they could be deployed. When the Gulf war ended, two brigades had received training at the National Training Center, and one had been certified as combat ready. However, none of them were deployed.

Army inspections of these units cited numerous deficiencies in training and readiness and concluded that overstated readiness levels had led to unrealistic expectations about the extent of post-mobilization training that would be required. In a separate review of the training and preparedness of these brigades, we identified a number of peacetime training and administrative practices that had prevented them from being fully ready to deploy quickly.<sup>4</sup> We subsequently compared the readiness of these brigades to the active brigades that were sent in their place and found that the active brigades were substantially readier than the roundout brigades by almost every major readiness indicator.<sup>5</sup>

From this experience, the Army's Chief of Staff concluded that the Army had expected too much from these brigades, given the fact that reserve units train only 39 days a year. In February 1992, he testified before Congress that the Army had concluded that National Guard combat brigades could not achieve deployment proficiency in less than 60 to 90 days of post-mobilization training.<sup>6</sup> The Army currently estimates that these brigades will need at least 90 days of post-mobilization training before being deployed. The Army also estimates that reserve divisions will require about 1 year of post-mobilization training to prepare for deployment.

Because of these requirements for post-mobilization training, the Army stated that in order to meet the deployability criteria for short-notice contingencies, it is necessary for the divisions in the Army's contingency

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<sup>4</sup>National Guard: Peacetime Training Did Not Adequately Prepare Combat Brigades for Gulf War (GAO/NSIAD-91-263, Sept. 24, 1991).

<sup>5</sup>Army Training: Replacement Brigades Were More Proficient Than Guard Roundout Brigades (GAO/NSIAD-93-4, Nov. 4, 1992).

<sup>6</sup>February 26, 1992, testimony before the House Committee on Armed Services by General Gordon R. Sullivan, Army Chief of Staff, on the Army's fiscal year 1993 budget.



force to be structured with only active brigades. Accordingly, the Army has begun to restructure some of its divisions. For example, it is substituting active brigades for the National Guard combat brigades in the two formerly rounded out divisions that were deployed to the Gulf war and are now assigned to the Army's contingency force. The two former National Guard roundout brigades have been redesignated as "roundup" brigades, thereby adding a fourth maneuver brigade to each of the standard three-brigade divisions. These brigades are to deploy after 90 days of post-mobilization training to bolster the strength of their parent active divisions or to serve as replacement brigades.

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### **Army Has Substituted Active Support Units for Some Reserves in Its Contingency Force**

Experiences from the Gulf war also showed that the Army had difficulty providing some types of support forces, especially during the operation's earlier phases.<sup>7</sup> The Army was unable to do so because it was heavily reliant on the reserves for some types of support forces, and it took a few weeks to implement the President's reserve call-up. The Army met most support requirements but deployed virtually all of some types of units. Few pipeline and terminal operations and transportation units, for example, were left to serve as reinforcements had a prolonged engagement or a possible second conflict occurred. In some instances, Army commanders needed more support units than were available. The Army took ad hoc measures to correct the deficiencies, but they were only partially successful and could have had serious consequences under less favorable circumstances.

Reacting to this experience, the Army has decided to substitute active support forces for some reserves in the earliest deploying elements of its contingency force. While reserves would provide 40 percent of the support forces intended for the entire 5-division contingency force, only 7 percent of the support forces that would deploy within the first 30 days are reserve forces. Plans call for the remaining reserve forces to deploy between 30 and 75 days. In all, reserve support units designated to support the contingency force represent about 9 percent of all reserve forces in the Army.

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## **Conclusions**

The dissolution of the Warsaw Pact and the Soviet Union has led to a redefinition of the potential challenges to U.S. security interests. The ensuing National Security Strategy and National Military Strategy have led

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<sup>7</sup>See Operation Desert Storm: Army Had Difficulty Providing Adequate Active and Reserve Support Forces (GAO/NSIAD-92-67, Mar. 10, 1992) and Operation Desert Storm: Full Army Medical Capability Not Achieved (GAO/NSIAD-92-175, Aug. 18, 1992).

to DOD's Base Force, which, in turn, has set the parameters for the Army's planned future force. Experiences during the Gulf war have also influenced Army force planning.

Taken together, these factors have influenced the future role of the Army's reserve forces. As a result, reserve combat brigades and divisions will not have an immediate role in contingency operations. For the most part, they will be assigned as late-deploying reinforcements in prolonged conflicts or a global war. Due to the Army's heavy reliance on the reserves for some support functions, some reserve forces will continue to support the Army's contingency force. However, these forces will be used primarily as sustaining forces for conflicts that last more than 30 days. Altogether, about 9 percent of the Army's reserves would serve in conflicts that last less than 75 days under current plans.

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## **Agency Comments and Our Evaluation**

DOD disagreed that the Army has insufficient flexibility to adjust its active and reserve force mix. It agreed that the Base Force specifies the active and reserve divisional force mix that the Army must provide, but pointed out that the Army may alter the internal composition of these forces as well as its nondivisional combat support and combat service support forces. While we agree that the Army can adjust the internal composition of its divisions and support forces, it can do so only within the confines of the active and reserve end strengths that DOD specifies. For example, an action to convert an element of active force structure to reserve force structure would need to be offset by inactivating elements of the existing reserve force structure or reducing the staffing of other reserve force structure elements to remain within the reserve end-strength ceiling.

# Army Force Reduction Plans Based on Outdated Assumptions and Incomplete Analysis

In evaluating the Army's force reduction plans, we found that DOD's National Military Strategy and the Base Force designed to carry it out have been key factors influencing the plans. However, while the assumptions upon which the capabilities of the Base Force were built have now changed, DOD has not modified its requirements. For example, to implement the National Military Strategy, DOD specified force levels for its Base Force that would allow it to respond to a reduced but still formidable Soviet threat and the possibility of a global war erupting with 18 months of warning time. These assumptions have now changed with the subsequent dissolution of the Soviet Union.

We found some inconsistencies in the rationale underlying the Army's current force reduction plans and noted that not all relevant factors have been considered. Specifically, we found the following:

- DOD has stated that its proposed active and reserve force reductions are needed to produce a balanced force and to avoid retaining reserve forces without missions. However, the Army's methodology for identifying forces for inactivation could result in a smaller version of the Cold War force with the same force structure weaknesses that surfaced in the Gulf war.
- The Army's position that retaining reserves above requested levels will result in a "hollow" force overlooks the hollowness that already exists in the Army's support structure and the possibility that reserves might be used to fill some of these shortfalls.
- The Army's reasoning about the unwarranted cost of retaining excess reserve forces does not recognize the substantial cost savings that might be achieved if some missions could be shifted from higher cost active forces to lower cost reserves.

## Assumptions Have Changed, but DOD Has Not Modified Its Base Force Plan

The Army's current force reduction plans are based on the force requirements established in 1990 by DOD's Base Force concept. However, although major changes in the assumptions upon which this force was predicated have occurred, DOD has not issued any new guidance to the services regarding the planned size, composition, or end strengths of the forces required for its Base Force plan.

DOD briefing materials and internal Army documents indicate that the Base Force is predicated on the need to respond to two concurrent regional conflicts or a global war. Having developed the concept in late 1989, DOD had generally determined the Base Force requirements for each service by May 1990. Internal Army documents on the Base Force noted that

implementing the concept would require 12 active component Army divisions to meet forward presence requirements and to respond to two concurrent but sequentially evolving regional conflicts. A total Army force of 20 Army divisions, including 8 National Guard divisions, were required to respond to a global conflict. Two of the eight National Guard divisions would be cadre divisions to be used as a strategic reserve and for reconstitution.

Subsequent DOD and Army documents also advanced the need to respond to the threats of concurrent conflicts or a global war. For example, the October 1991 Army Plan, which guides the Army's execution of its programming and budgeting system, stated that, in implementing DOD's military strategy, the Army should orient its existing capabilities to fighting two concurrent and extended major regional conflicts or a global war.

Several major events have intervened since the Base Force concept was developed to seemingly alter the underlying assumption about the threat of a global war. These have included (1) the final official dissolution of the Warsaw Pact, (2) the failed coup attempt in the Soviet Union by communist hardliners in August 1991, and (3) the subsequent formal dissolution of the Soviet Union in late 1991. However, despite these intervening events, DOD has not issued any new guidance to the services regarding the Base Force levels. In January 1992, the Secretary of Defense continued to reconfirm both the National Military Strategy and the Base Force concept, explaining that DOD had designed the new military strategy and the Base Force not simply to react to probable reductions in the Soviet threat but "to help shape the future security environment." At that time, the Chairman of the Joint Chiefs of Staff testified before the Senate Armed Services Committee that "the only remaining threat to U.S. security was instability and being unprepared to handle a crisis or war that no one predicted or expected."

Other assumptions underlying the Base Force concept, such as the anticipated adversary of the United States, also appear to have changed. Between February 1991 and February 1992, DOD and Army documents downgraded the threat first from a "Soviet-led aggression that would engulf Europe and possibly much of the world" to a "resurgent Soviet threat" and then to the threat of an undefined adversary. In his February 1992 annual report to the President, the Secretary of Defense acknowledged that the traditional Cold War threat planning assumption of a global war beginning in Europe was no longer valid and that a global conventional challenge to U.S. and Western security from an emergent

Eurasian heartland was most improbable. Moreover, the Chairman of the Joint Chiefs of Staff told Congress at that time that “the decline of the Soviet threat had fundamentally changed the concept of threat analysis as a basis for force structure planning....the real threat is the unknown, the uncertain.”

In de-emphasizing the probability of a global war, DOD also appears to have modified its conclusions about the nature of concurrent regional conflicts. DOD previously assumed that the United States might have to fight in two conflicts simultaneously. However, DOD has more recently stated that such conflicts would most likely evolve sequentially and that one would be offensive and the other defensive. This modification of its view about fighting in two regional contingencies has the effect of further limiting the role of the reserves because fewer later deploying forces—the role intended primarily for the reserves—would be required.

Finally, the projected warning time for a major contingency has also changed. According to the 1992 Joint Military Net Assessment, the identity of a potential adversary is now less clear, and a global threat will take years to emerge. And, according to an official in the War Plans Division of the Army Directorate of Strategy, Plans and Policy, the United States can now assume a warning time of at least 5 years in the unlikely event that former Soviet forces reemerged to threaten a major conflict in Europe. That estimate represents a substantial difference from the earlier 18-month warning time established after the initial actions to dissolve the Soviet Union and the Warsaw Pact.

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**Changed Assumptions  
Have Led to the Current  
Debate Over the Size of  
Future U.S. Defense  
Forces**

Despite these changed planning assumptions, as of December 1992, DOD had not revised its requirement that the Army provide 12 active, 6 reserve, and 2 reserve cadre divisions to meet the requirements of the Base Force. Although the 1992 Joint Military Net Assessment does not mention the use of the six National Guard divisions in any of the specific scenarios it examines, it does say that they will be available for a single crisis or multiple crises after their post-mobilization training, which the Army has established at 1 year in length. In this document, DOD reiterates its need for a reconstitution capability—that is, the two National Guard cadre divisions—to preserve its capability to “regenerate” a force with global warfighting capacity. To carry out the National Military Strategy, the Army’s plans call for these divisions to be used solely for protracted major regional conflicts or global war.

While DOD has officially maintained that it must retain its Base Force as the minimum capability needed to meet future challenges, continuing debate among Members of Congress over future defense force levels and legislative actions modifying the administration's defense plans could indicate that some revisions may have to be made. Alternative force structures of varying active and reserve force mixes have been advanced by the Chairmen of the House and Senate Armed Services Committees, the National Guard Association, and defense analysts. Also, Congress has (1) approved only 42 percent of the reserve force reductions in the Army that DOD proposed for fiscal years 1992 and 1993, (2) mandated that DOD's previous planned military personnel level in Europe be reduced from 150,000 to 100,000, and (3) directed that forward-deployed forces worldwide be reduced by 40 percent by 1996. These actions will have an important bearing on whether DOD will be able to adhere to its Base Force plan or whether it will need to modify it.

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## **Force Reduction Plans Could Perpetuate Past Force Imbalances**

DOD and the Army have stated that the Army must reduce both active and reserve forces to ensure a future force mix that is balanced. In explaining this need, DOD stated that it is only reasonable that as it reduces combat forces, it must also reduce the forces that support them. As noted earlier, the majority of the Army's support forces are in the reserves.

The Chairman of the Joint Chiefs of Staff testified in September 1991 before the Defense Subcommittee of the House Appropriations Committee that retaining reserve forces above planned levels would result in forces without missions. While this position would appear to be reasonable, we found that the methodology that the Army has used to identify force reductions could simply result in a smaller version of its Cold War force, with the same support force weaknesses that surfaced during the Gulf war.

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## **Prior Force May Have Had Insufficient Support Forces**

As noted in chapter 2, the Gulf war revealed numerous support force shortfalls that raise questions about the adequacy of the Army's support forces in relation to its combat forces.<sup>1</sup> For example, over the course of the war, the Army exhausted its inventory of certain types of units such as water supply companies, graves registration units, pipeline and terminal

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<sup>1</sup>Operation Desert Storm: Army Had Difficulty Providing Adequate Active and Reserve Support Forces (GAO/NSIAD-92-67, Mar. 10, 1992).

operation companies, heavy truck and most medium truck companies, units handling prisoners, and virtually all postal units. In some cases, the Army deployed virtually all of some types of support forces, leaving few, if any, to reinforce operations had the conflict lasted longer or a second conflict arisen. For example, the Army deployed 72 percent of its truck companies to support only 25 percent of the Army's combat structure.

Adverse impacts of the shortages were mitigated by some favorable conditions. For example, other countries were able to provide more than 4,000 trucks and over 2,000 civilian truck drivers to meet transportation shortfalls. The fact that combat operations did not begin for 5 months and, once they did, lasted only a few days also lessened the impact of support force shortfalls. The Army has noted that it may not be able to count on such a level of host nation support or this degree of preparation time in future conflicts.

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### **Reduction Plans Could Yield Smaller Version of Cold War Force**

When unveiling the new defense policy in his speech in Aspen, Colorado, in August 1990, President Bush emphasized that:

"The United States would be ill-served by forces that represent nothing more than a scaled-back or shrunken-down version of the ones we possess at present. If we simply pro-rate our reductions—cut equally across the board—we could easily end up with more than we need for contingencies that are no longer likely and less than we must have to meet emerging challenges. What we need are not merely reductions—but restructuring."

However, despite this and other public statements that the downsized force would not simply be a smaller version of the prior Cold War force, the basic methodology that the Army has used in developing its future force has resulted in about the same force mix as existed in 1988. The Army's planned force mix ratio, when fully implemented in fiscal year 1995, will be 49 percent active and 51 percent reserves. The Army's force mix in 1988 was 50 percent active and 50 percent reserves.

According to an official in the Office of the Assistant Secretary of the Army, Manpower and Reserve Affairs, in identifying the types of forces to be eliminated from the force, the Army basically reversed the process it uses to calculate force requirements. That is, as the Army identified combat divisions for inactivation, it calculated the corresponding types of support units associated with those divisions that should also be inactivated. The result would appear to be a smaller version of the same force.

On the basis of the acknowledged reduced threat and the generally lower cost of reserves, some analysts have suggested that the Army might be able to assign a larger role to the reserves in certain functions, such as air defense. However, in tracing the Army's force reduction plans, we identified several instances in which the Army has instead substituted active forces for reserve forces. For example, it has added some additional water supply units to the active component based on shortfalls encountered during the Gulf war. We found no instances in which the Army had shifted missions from the active component to the reserves.

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### **Force Reduction Plan Does Not Remedy Shortages in the Army's Support Forces**

The Chairman of the Joint Chiefs of Staff, in explaining DOD's force reduction plan before Congress in 1991, warned that retaining reserve forces above planned levels could result in a "hollow force" because active personnel spaces would have to be sacrificed to retain the unnecessary reserve forces. However, this statement does not acknowledge the hollowness that already exists in the Army's support forces and overlooks the fact that reserve forces might be used to overcome some shortfalls.

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### **Hollowness Already Exists in Army Support Forces**

Since combat forces are the chief means of deterrence, the Army has generally filled a larger percentage of its personnel requirements in its combat forces than in its support forces. This policy has resulted in some "hollowness" in the Army's support forces. Since the Army restructured its forces in the mid-1980s, its goal has been to authorize combat units to be staffed at 100 percent of their wartime requirements and support units to be staffed at an average of 90 percent of their wartime requirements. By 1990, the shortfall between the number of soldiers required for support units in wartime and the number authorized to staff these units stood at 50,000 positions; 16,000 of these vacant positions were in the reserves.

In addition, due to end strength constraints, the Army has some units that are required but exist only on paper because the Army has not assigned any personnel to them. The number of unfilled personnel spaces associated with these "paper" units—while reduced in the 1980s—still remains significant. Whereas the unfilled personnel requirements in these units totaled about 368,000 in 1984, the gap closed to about 90,000 spaces in 1991. Most of these unfilled personnel requirements are in air defense, medical, logistics, and engineering units.

Some Army headquarters and National Guard officials believe that the support requirements themselves may be understated. In a 1990 report on the Army of Excellence restructuring efforts during the mid-1980s, we



noted that the Army had substantially reduced its support forces.<sup>2</sup> In doing so, the Army acknowledged that it was accepting a greater risk in support functions in order to remain within a self-imposed personnel ceiling. The resulting force was, therefore, acknowledged to have an austere support force, and some Army officials stated at that time that the Army of Excellence force structure had simply shifted the hollowness in the Army from combat forces to support forces.

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### **Army May Be Understating Some Support Force Requirements**

During its requirements determination process, the Army continues to understate support requirements. We found that the Army has (1) inconsistently applied its allocation rules<sup>3</sup> in determining support force requirements and (2) not generated support requirements for all of its combat units, including those needed to support the Army's two cadre divisions.

For example, we were told that Army doctrine allocates one artillery brigade for each division and one artillery brigade for each corps. The Army's force structure should, therefore, contain 24 artillery brigades, since the Army has 4 corps and 20 divisions. According to one force structure official from Army headquarters, however, the Army decided not to allocate artillery brigades to four of its divisions, including the two cadre divisions and the two divisions forward-deployed in the Pacific. The Army was able to eliminate about 2,500 doctrinally required positions by not allocating artillery brigades to the two Pacific force divisions alone. According to an Army official responsible for force structure planning, the Army also did not generate support unit requirements for the two cadre divisions.

While some requirements may be understated, it appears that others could be overstated, particularly with respect to the Army's planned cadre divisions. Earlier plans called for the cadre divisions to be staffed at about 20 percent of their wartime requirements in peacetime. These divisions would then be reconstituted with additional personnel, if an extended conflict arose. The cadre concept was intended to provide a low-cost means of expanding the Army's force since the Army would not need to pay their full personnel costs until needed. However, we found that the Army now plans to staff these divisions at 11,500—more than 70 percent of

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<sup>2</sup>Army Force Structure: Lessons to Apply in Structuring Tomorrow's Army (GAO/NSIAD-91-3, Nov. 29, 1990).

<sup>3</sup>Allocation rules are statements of a unit's capability, mission, and/or doctrinal employment. They are developed by Army Training and Doctrine Command functional area experts and branch centers.

their wartime size. The Army's plans for these divisions would appear to be inconsistent with the original cadre concept, since the large size of these divisions would substantially reduce the savings anticipated.

Even with the understatement of support requirements, the Army estimates that about 90,000 support force positions will remain unfilled. According to Army documents, the fiscal year 1995 end strengths proposed for the Base Force were insufficient to enable the Army to fill all of the support units required for a 4-corps, 20-division force.

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### Army Has Not Focused on Key Affordability Issue

The Army and DOD have stated that if Congress continues to disallow their planned reserve force reductions, it will cost \$10 billion to \$12 billion over the 6-year Defense Plan period to retain unwarranted units. The Army believes that having to pay for such unneeded reserve forces will adversely affect other programs by diverting limited funding from needed forces and requirements. Our analysis showed that the Army overstated its cost estimate because its methodology was based on assumptions that have since proven to be invalid. Moreover, by emphasizing this cost, DOD and the Army are not focusing on the real affordability issue, namely the potential for significant long-term savings if some missions could be prudently shifted to the lower cost reserves.

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### Army Overstated Costs of Retaining Reserves

In September 1991, the Chairman of the Joint Chiefs of Staff stated that the Army would incur additional costs of \$10 billion to \$12 billion during the 6-year defense program period of fiscal years 1992 through 1997 if it kept the reserve forces it planned to inactivate. To calculate this estimate, the Army subtracted its proposed reserve end strength for each of the 6 years from 756,000 (fiscal year 1991 end strength). It then multiplied the number of excess soldiers each year by an average personnel cost of \$12,500 per soldier—the estimate contained in the President's budget.

Although retaining reserves above planned levels entails additional costs, the methodology used to calculate these costs appears to have overstated them. First, the Army assumed that Congress would not allow any of the reserve force reductions requested by DOD over the 6-year defense program. As shown in table 3.1, Congress authorized the Army to eliminate about 43,000 of the 82,000 positions the administration proposed to eliminate during fiscal year 1992 and about 31,000 of the 92,000 positions it proposed to eliminate in fiscal year 1993.

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**Table 3.1: Reserve Force End Strength  
Reductions Requested and Approved**

<b>Fiscal year/action</b>	<b>National Guard</b>	<b>Army Reserve</b>	<b>Total</b>
<b>Fiscal year 1992</b>			
Requested reduction	46,400	36,000	82,400
Approved reduction	26,100	16,900	43,000
<b>Fiscal year 1993</b>			
Requested reduction	48,100	44,300	92,400
Approved reduction	8,500	22,200	30,700

Concerning the adverse impacts of diverting resources from other programs to pay for retaining additional reserves, the Chairman of the Joint Chiefs of Staff testified before the Subcommittee on Defense, House Committee on Appropriations, in September 1991 that the possible billpayers for retaining these reserves would include:

- active Army force structure funding, which might impede the Army's ability to carry out the strategic tenets of deterrence, forward presence, and crises response;
- operations and maintenance funding, which could adversely affect the Army's ability to provide adequate training, or maintain unit readiness and soldiers' quality of life; and
- procurement, research and development, and infrastructure funding, which could delay the Army's modernization plans.<sup>4</sup>

It is true that without full funding for reserves above planned levels, the Army would need to shift resources from other elements of its budget. In fact, Congress effected such a shift when it appropriated \$231 million more than the President's budget request for reserve pay and allowances and \$102 million for reserve operations and maintenance to partially offset the costs of retaining reserves above requested levels in fiscal year 1992. While the precise defense cuts made as a trade-off for increased reserve funding cannot be identified, the relative merits of the various funding alternatives would have to be evaluated to fairly arrive at the conclusion that adverse effects stem from funding additional reserve costs.

**Long-Term Cost Savings in  
Shifting Missions to the  
Reserves Has Been Given  
Inadequate Attention**

DOD's statements about the costs of retaining reserves above requested levels do not acknowledge the comparatively lower cost of reserve forces in relation to active forces. While cost should not always be the determining factor in assigning missions to the Army's reserve

<sup>4</sup>Testimony before the Subcommittee on Defense, House Committee on Appropriations, September 25, 1991.

components, substantial savings could be achieved if some missions were shifted to the reserves.

There are many difficulties in directly comparing the costs of active and reserve units. However, past analyses by the Army and the Congressional Budget Office have shown that, depending on the type of unit compared, the operational cost of reserve units can achieve considerable savings in some cases. For example, in 1990, the Congressional Budget Office estimated that the operating and support costs of a National Guard armored division in the United States were about 20 percent of the cost of an active armored division in Europe. Further, one Army analysis estimated that the operating costs of a reserve combat heavy engineer battalion were about 64 percent less than the costs of a similar active component unit. That analysis also showed that a reserve attack helicopter battalion costs about 43 percent less than a comparable active unit. In general, the cost differential between active and reserve units that are equipment-intensive tends to be less than units that are personnel-intensive with simpler equipment.

Military pay and unit operating costs are, on the surface, easiest to compare, whereas indirect costs are more difficult to associate with the various components. Based on budgetary data for fiscal year 1993, the average cost of pay, allowances, and benefits for a reservist is \$8,300, compared to \$39,000 for an active-duty soldier. According to Army cost comparison documents, if the indirect costs, such as those for operation and maintenance, housing, and military construction, are included in the comparison, the costs for the reservist would increase to \$18,000 and to \$62,000 for the active-duty soldier.

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## Conclusions

In our opinion, DOD and the Army have not adequately considered all relevant factors in developing their positions on the impacts of retaining reserve forces above requested levels. We believe that some of the adverse impacts that the Army and DOD officials envision—such as hollowness in the force and undue costs—are just as likely to occur if the Army continues to be tied to the mandates of the Base Force plan. For example, being required to retain a 20-division force without sufficient end strength forces the Army to leave required positions unstaffed and contributes to hollowness in the force. The units most likely to be left underresourced or not resourced at all are support units, the majority of which are in the reserves.

Rather than creating a truly restructured force to meet post-Cold War challenges, the Army could be creating a smaller version of the Cold War force due to the methodology it has used to identify forces for inactivation. Balanced reductions between the active and reserve components could actually worsen the imbalance that may exist between combat and support forces since the majority of the Army's support forces are in the reserves.

Finally, we believe that substantial cost savings in the force structure cannot be achieved until more consideration is given to whether active missions could be shifted to the reserves. As noted in chapter 2, the active and reserve end strength ceilings mandated by the Base Force would appear to foreclose opportunities to consider changes in this mix. Given flexibility in determining its force mix, the Army could better focus its force mix decisions on the relative cost of reserve and active forces, on which component is best suited for particular roles, and on what risks can prudently be assumed in relying more on the reserves.

Despite major changes in the international security environment since the Base Force was developed, DOD has not issued any new guidance to the services regarding the planned size, composition, or active and reserve end strengths of the Base Force. The current 20-division Army force structure was predicated on the need to respond to two concurrent major regional contingencies or a global war at a time when the reemergence of the Soviet Union as a viable adversary was still a possibility. The major changes in the international security environment that have intervened to change this vision of future threats suggest that the continuing debate over the size and composition of the Base Force is warranted.

If the current debate over future defense requirements leads to a DOD reassessment of the Base Force, the reserves would not necessarily be given a larger role. Under the Base Force concept, the eight National Guard divisions are needed only to respond to protracted concurrent regional conflicts or a global war. Changes in that assumption might point to a lesser need for these divisions, particularly since the Army now estimates that (1) an entire year would be needed to ready these divisions to deploy and (2) the warning time for a major conflict in Europe is 5 years. With those estimates, it could be argued that these forces could be built from the ground up through conscription, if needed, or regenerated from additional cadre divisions.

In our opinion, Army plans for staffing the cadre divisions at 11,500 may be inconsistent with the original concept of staffing for these divisions at

lower levels in peacetime. As currently planned, the size of these divisions would negate the personnel cost savings originally envisioned by the cadre concept. Since these divisions are not expected to be fully reconstituted for an entire year, it would appear that the Army might be able to safely accept the additional risk of staffing these divisions at levels lower than currently planned. DOD's reassessment of the Army's plans at this juncture could help ensure that these plans are consistent with the envisioned concept of cadre divisions.

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## **Recommendation**

We recommend that the Secretary of Defense, in reviewing future defense requirements, determine whether the Army's planned size of cadre divisions is consistent with the concept envisioned to implement the reconstitution element of the new national military strategy.

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## **Agency Comments and Our Evaluation**

DOD agreed with our recommendation that it review the Army's planned size of its cadre divisions. It said that the evolving concept and size of cadre divisions will be considered during the Department's normal planning, programming, and budgeting cycle.

DOD agreed that the world situation has changed since the Base Force concept was originally developed and noted that some actions are underway that will either revalidate the Base Force or recommend appropriate changes. It said that these actions include evaluating the performance of the Base Force against post-Soviet Union threats and scenarios and formally analyzing support unit requirements. DOD cautioned that the Base Force should not necessarily be further reduced despite the changes in the security environment in view of the uncertainty associated with potential future conflicts.

DOD acknowledged that if significant cost savings can be achieved by a transfer of force structure to a reserve component, prudence requires that the transfer be fully considered. It emphasized that such cost savings must be weighed against any decreases in capability and flexibility that could result. We agree that relative costs should not be the sole factor in force mix decisions and that careful analysis of the trade-offs in capability, flexibility, and response time needs to enter into these decisions. We would note, however, that from our perspective, the Army is constrained in transferring force structure to the reserves as it suggests since doing so would require it to reduce other reserve elements to remain within established end strength limits.

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**Army Force Reduction Plans Based on**  
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DOD agreed that Army support requirements may be understated but said that its ongoing requirements determination process should provide a better understanding of these requirements once the current process is completed in 1993. We would note that concerns have been raised within the Army over possible weaknesses in the Army's support forces ever since it revised its force structure in 1983. Since then, the Army has completed two additional cycles of its requirements determination process. In our opinion, the Army may need to devote specific attention to this issue during the current process, focusing on the support force weaknesses that occurred during the Gulf war.

DOD disagreed that the Army's past forces may have been imbalanced and that its methodology for identifying forces for inactivation could result in a similar situation. Nevertheless, DOD said that the Army is currently analyzing the balance between active and reserve support units and will resolve any discrepancies it finds. Our observation regarding past imbalances was directed to the balance between combat and support forces than to the balance between active and reserve forces. We believe that DOD's acknowledgement that the Army's support force requirements may be understated supports this observation. As the Army continues its analysis of its combat-to-support ratio and its force mix, we believe that it should scrutinize the manner in which it has identified units for inactivation since a reversal of the requirements determination process would not appear to correct this possible imbalance.

# Opportunities Exist to More Effectively Use Reserves in the Army's Total Force

The changed security environment and continuing budgetary pressures offer an opportunity to reexamine how reserves can be more effectively used within the Army's Total Force as a cost-effective means of meeting U.S. defense needs. However, the Army's ability to take advantage of some opportunities that appear to exist depends on the extent to which it is given the flexibility to change its force mix. The current guidance mandating that the Army provide 12 active, 6 reserve, and 2 cadre divisions and specified numbers of active and reserve forces is a major factor limiting the Army's flexibility in considering additional opportunities for the reserves.

In exploring ways that the reserves might be more effectively used in the Army's Total Force, we found that it may be possible for the Army to use more reserve support forces in its contingency force. We also found that a recent congressional action to further reduce troop levels in Europe could remove what DOD has cited as a major obstacle to increased use of the reserves. There are other opportunities to expand the reserves' roles, but some require difficult restructuring decisions. For example, preserving meaningful combat roles for the National Guard may require sacrificing some divisional force structure in favor of expanding the roundout concept at lower levels of organization. Building a better supported combat force may require the conversion of some reserve combat units to support forces.

In the early stages of developing the Base Force, DOD gave the Army some flexibility in considering alternative force structure concepts for its reserve forces. However, we did not find these concepts to have been extensively used in the Army's future plans. We also found that, despite DOD's various attempts to define criteria to assist the services in their decisions on the assignment of missions to reserve forces, DOD has not achieved a consensus on what criteria should be used or, more importantly, whether such criteria are needed. Force mix principles raised within the context of the Total Force policy study could serve as a starting point for developing such criteria.

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## More Extensive Use of Reserves in the Army's Contingency Force May Be Possible

On the basis of the Army's estimates of required arrival dates, we believe that it could more fully use reserve component support forces for contingency operations. The U.S.-based contingency force consists of five and one-third divisions and four packages of support forces. The Army plans for the initial three divisions and first two support force packages to



be deployed within 30 days of a conflict's initiation, with the remaining divisions and support forces deployable within 75 days.

Because reserve units will require post-mobilization training and may not be readily available if there is not an immediate reserve call-up, the Army has drawn primarily upon its active support forces to fill the positions in the first two support force packages. Reserve forces figure prominently in the latter two support force packages, which are expected to deploy within the 31- to 75-day period. Although the Army has said that most reserve support forces can be readied for deployment within 30 days, about 39 percent of the personnel in these latter two packages are active forces.

In examining the composition of the forces in the latter two support force packages, we found that active units had been designated to perform some missions that have traditionally been performed by reserve forces. These included military police, medical, engineering, maintenance, and transportation units.

If reserve support forces can be readied within 30 days, as the Army has said, and if the latter two support packages are needed 31 to 75 days from the onset of a conflict, it appears that more reserve units could be used in these support force packages.

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## **Reduced Forward Deployment Might Permit Some Mission Shifts to the Reserves**

According to DOD officials, changes in the number of forward-deployed forces overseas could permit the expansion of the reserves' role. DOD has stated that the extent of mission migration from the active component to the reserves would depend on the nature of the reductions and the roles of forward-stationed residual forces and those redeployed to the United States.

According to the interim report of the Total Force policy study group, the need to maintain a rotational base for overseas forces has been one of the most frequently cited obstacles to greater reliance on the reserves. This is because sufficient numbers of active duty soldiers matching the staffing requirements overseas must be maintained in the United States to serve as a rotational base. According to DOD, as a general rule, three soldiers are required in the United States for every forward-deployed soldier. This rotational base permits sufficient time for stateside assignments between overseas tours. According to the interim report of the Total Force policy

study group, this policy minimizes hardship on personnel and is key to recruitment, morale, and retention in the Army's all-volunteer force.

DOD officials informed us that, given the current one-to-three ratio, a reduction of 1,000 soldiers overseas should reduce the need for 3,000 active-duty soldiers in the United States. They explained, however, that the extent to which these positions could be shifted to the reserves is scenario-dependent. They offered these possibilities:

- If forces in Europe were reduced, but two full divisions were retained and supported exclusively by local nationals, all active support forces could be returned to the United States, and some positions could be converted to reserve status. The issue then would be the responsiveness of reserve support forces in either returning to Europe or deploying elsewhere.
- If forces in Europe were reduced and the two divisions were returned to the United States, they might leave their support forces in Europe. The support forces could serve as a reception base were the divisions required to return rapidly. In this scenario, probably more, not fewer, active support forces would be required in the United States to help maintain the peacetime operating tempo of the returned divisions.
- If one full division and its support forces were withdrawn from Europe and redeployed to the United States, some of that division's support forces would be retained in the active force to augment the current U.S.-based sustaining force.
- Any reductions in Europe would likely include some forces unique to Europe, such as base support or host nation support management positions, that would no longer be required once they were withdrawn. These active forces would be inactivated and would not be candidates for conversion to the reserves.

The National Defense Authorization Act for fiscal year 1993 stipulates that total U.S. military presence in Europe be reduced to 100,000 by fiscal year 1996. The act further specifies that, to the extent possible, forces should be proportionately reduced among the services. Such reductions might permit additional opportunities for the reserves depending on how the actual force reductions match up with the scenarios drawn above.

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## Opportunities for Broader Use of Reserves Exist but May Require Restructuring Forces

Some opportunities to broaden the use of the reserves may require difficult trade-offs for the Army in terms of restructuring that might be required. To preserve meaningful combat roles for the reserves, more consideration must be given to rounding out units at lower levels of organization. To build a better supported combat force, a larger proportion of the reserve force structure may need to be devoted to support forces. Given limitations on end strength, these alternatives could require the Army to (1) break up some National Guard divisions and use elements of these divisions to expand the roundout concept in some active divisions and (2) convert some reserve combat units to support units. The National Guard has historically resisted adjusting its structure in these ways.

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## Expanding the Roundout Concept at Lower Than Brigade Level Might Permit Earlier Use of Reserve Combat Forces

The Army currently has a few reserve roundout units in its structure at the battalion level, and the concept appears to be gaining more acceptance as an alternative force structure. The December 1990 Total Force policy study, for example, noted that a change in the active and reserve force mix, such as roundout at battalion or lower levels, was feasible and suggested that expanding the roundout concept would enhance the Total Force policy and foster greater integration of the active and reserve components. The study pointed out that the Army could increase its reliance on the reserves by creating units that contained a mix of active and reserve personnel. DOD officials told us that in the early stages of developing the Base Force, the Army considered how it might incorporate some of these concepts into its force structure.

Roundout at lower levels of organization might permit the reserves to play a more meaningful combat role by virtue of their being able to deploy earlier. As noted, the Army estimates that it will require at least 90 days of post-mobilization training to ready reserve roundout brigades to deploy and a full year to ready a National Guard division. On the basis of Gulf war experiences, the Army has concluded that it is impractical to assign early deployment missions to reserve combat brigades because of the time needed for the post-mobilization training required for a unit of that size. However, roundout at the battalion and company levels presumably would reduce the amount of required post-mobilization training and permit the Army to assign such units to roles in which there would be more likelihood of their being used. As currently envisioned, the later deploying National Guard combat divisions would serve only in protracted regional conflicts or a global war.

The Marine Corps successfully integrated reserve combat units at the company level into its active regiments and divisions during the Gulf war, according to a Congressional Research Service report.<sup>1</sup> The primary advantage of battalion- or company-level roundout is that the requirements needed to reach and maintain unit readiness are less complex than those required at the brigade level. At this higher level, the synchronization and integration of complex battlefield systems are required.<sup>2</sup> The Congressional Research Service reports that as the unit size decreases so does the complexity of its tasks. As a result, battalions and companies can generally attain prescribed pre- and post-mobilization readiness levels easier and quicker than brigades. In 1991, we compared how selected countries used their reserves and found that none of them were using the roundout concept at the brigade level as the U.S. Army does.<sup>3</sup>

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### **Some Reserve Combat Units Could Be Converted to Support Units**

There appear to be many opportunities to better support the Army by converting some reserve combat forces to support forces. Shortfalls in some support functions noted during the Gulf war and the extent of unfilled support units that are doctrinally required both point to possible support force shortfalls. Conversion of reserve combat units to support units would not have any effect on the active and reserve force mix but would increase the prospects that these forces would be used in other than protracted conflicts.

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### **Alternative Force Structure Concepts Considered but Do Not Figure Prominently in the Army's Plans**

Although the Base Force dictates the Army's active and reserve divisional mix, DOD officials advised us that DOD had given the Army some flexibility to adjust its active and reserve mix and to consider alternative force structure concepts early in the development of the Base Force. DOD officials told us that some of the concepts considered included (1) "double roundout"—when two of three brigades in a division are reserves; (2) variations of the roundout concept at the brigade level; (3) variable readiness in terms of the training that is expected of various types of reserve forces; and (4) variations in the structure of cadre divisions.

DOD officials declined to discuss the pros and cons of these alternative force structure options or the extent to which these options might have

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<sup>1</sup>Persian Gulf War: U.S. Reserve Call-up and Reliance on the Reserves, Updated August 16, 1991.

<sup>2</sup>Battlefield systems include air defense, direct and indirect fire support, close air support, and command and control.

<sup>3</sup>Army Reserve Forces: Applying Features of Other Countries' Reserves Could Provide Benefits (GAO/NSIAD-91-239, Aug. 30, 1991).

been exercised. However, in examining the Army's plans for its future force, we saw little evidence that these concepts had been extensively employed. Army headquarters officials involved in force structuring said that they knew of no guidance from higher levels specifying that these alternatives be considered as the Army's plans were developed.

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## **Criteria for Force Mix Decisions Still Lacking**

Over the last 14 years, we and some Members of Congress have urged DOD to develop criteria for making force mix and mission assignment decisions. However, such criteria have not been forthcoming. For example, in 1979, we reported that available DOD guidance on this issue was vague and incomplete.<sup>4</sup> Nine years later, we found that DOD still had not provided specific guidance to the services to guide force mix decisions.<sup>5</sup> At that time, we identified a number of important factors that might be considered when making force mix decisions. DOD concurred with our recommendation at that time but so far has not developed these criteria. According to DOD officials, guidance and criteria have not been forthcoming because they now believe that doing so would take away the flexibility military services need in making force mix decisions.

Congress has also voiced its concerns about the lack of specific force mix criteria. For example, in fiscal years 1987 and 1988 budget hearings, congressional members and DOD witnesses expressed concern over the lack of a policy to ensure consistency in decisions on force mix and mission assignment. At that time, Congress questioned DOD's ability to ensure that cost-effectiveness and readiness factors were adequately addressed when such decisions are made.

Still concerned that DOD force mix decisions appeared to be fragmented and decentralized, Congress, in 1989, tasked DOD to conduct a study of its Total Force policy. As part of this study, Congress expected the study group to evaluate and make recommendations on the process DOD used to determine its force mix and force structure. According to an early draft of the Total Force policy interim report, the study group at least considered the need for such criteria. While the study group acknowledged that force mix decisions needed to be based on a case-by-case analysis of capability and cost, they also recognized the need for overall planning principles to guide such determinations. To that end, the group identified planning principles that focused attention on a broad range of issues, including

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<sup>4</sup>DOD "Total Force Management"—Fact or Rhetoric? (GAO/FPCD-78-82, Jan. 29, 1979).

<sup>5</sup>Reserve Components: Opportunities to Improve National Guard and Reserve Policies and Programs (GAO/NSIAD-89-27, Nov. 17, 1988).

capability, resourcing, access, balance, and affordability. These principles, while providing the flexibility the military services need in making force mix decisions, were intended to focus consistent attention on a number of key issues.

For example, in drawing attention to the question of affordability, one principle stated the following:

"If significant cost savings can be achieved by a transfer of force structure to a reserve component (for the purpose of a particular mission), a working presumption should be established that the transfer should be made. The presumption can then be rebutted by the demonstration of a sound military reason why the transfer should not be made."

Defense officials advised us that, while this set of guiding principles could be beneficial for force mix decisions, the services generally felt that standard criteria to assist decision-making had limited utility because the individual services, as well as elements of each service, were unique.

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## Conclusions

To the extent that a reassessment of the Base Force permits the Army flexibility in adjusting its active and reserve force mix, the Army could consider certain opportunities to expand or modify current reserve roles in its Total Force. For example, an expanded role of reserve support forces in the latter two support force packages of the Army's contingency force appears to be warranted in view of (1) the comparatively lower cost of reserve support forces in relation to active forces, (2) the Army's proven ability to rely on reserve forces for such functions as shown during the Gulf war, and (3) the Army's assessment that it can prepare reserve support forces for deployment in 30 days.

Recent legislation that further reduces the troop level in Europe could remove what DOD has cited as a major obstacle to an increased use of the reserves. However, each element of the force being withdrawn will have to be carefully analyzed to determine the extent to which specific missions can be shifted to the reserves.

We believe that alternative force structures—roundout at the battalion and company levels, double roundout, variable readiness, and others—might also be incorporated into the Army's future force. The acknowledged reduced threat and continuing budgetary pressures heighten the importance of using these concepts to maximize the use of the lower cost reserves whenever it is prudent to do so. While these concepts were

apparently given some early consideration as the Base Force was being developed, we did not find them to have been extensively incorporated into the Army's future plans.

To provide meaningful roles for the reserves, the Army may have to make some difficult restructuring decisions. If the debate over future force levels leads to a requirement for fewer Army divisions to meet the national security strategy, those forces needed last might be the ones considered for restructuring. The National Guard combat divisions currently fill these roles. Preserving a meaningful combat role for these forces may require greater consideration of battalion- and company-level roundout as a means of reducing the time required to prepare them for combat. One way to accomplish this within end-strength limitations would be to break up one or more of the National Guard divisions into smaller roundout units. This is an action that has been strongly opposed by the National Guard.

Similarly, while there appear to be some shortfalls in required support forces, the Army may face a difficult challenge in attempting to increase reserve support forces through the conversion of reserve combat units. The risks of reducing reserve combat structure that might be needed in the case of protracted conflicts would have to be carefully weighed against the value of a better supported combat force.

Despite numerous attempts, DOD still has not achieved a consensus on what criteria should be used in assigning roles to the reserves or, more importantly, whether such criteria are needed. We agree that there are differences among the services that might make it difficult to define criteria equally applicable to each. However, in our opinion, flexible criteria based on broad principles could help defense managers to consistently decide how active and reserve forces can best meet security needs with an acceptable level of risk and cost. The force mix principles raised within the context of the Total Force policy study group could serve as a starting point for DOD to develop such criteria.

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## Recommendations

To the extent that future defense plans permit a change in the Army's active and reserve force mix, we recommend that the Secretary of the Army

- substitute additional reserve support forces for active forces in the latter two support force packages of the Army's contingency force, in which the reserves can reasonably be expected to meet the established timelines;

- examine each of the elements of the force structure being withdrawn from Europe to determine whether any of these missions could be shifted to the reserves; and
- evaluate the merits of restructuring one or more of the latest deploying National Guard combat divisions to provide additional personnel spaces to be used to (1) round out active divisions at the battalion and company levels and (2) add more reserve support units to the Army's force.

We also recommend that the Secretary of Defense develop criteria to guide the military services in their decisions on force mix and mission assignment.

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## **Agency Comments and Our Evaluation**

DOD said that the Army is considering increasing the participation of reserve forces in its contingency force where reserves can reasonably be expected to meet established timelines. It noted that the Army's ongoing analysis process will address the potential for a greater reserve role in this force.

DOD also agreed that a reduction of forces in Europe may create an opportunity for some changes in the mix between active and reserve component unit authorizations. Again, it noted that the Army's ongoing analysis process would determine the extent to which this may be possible. DOD cautioned that warfighting requirements rather than peacetime rotation policies will continue to dictate force structure needs.

DOD said that the ongoing analysis process would also address our recommendation for restructuring one or more of the latest deploying National Guard combat units. DOD said that force structure options have been and will continue to be considered as it develops future plans. It said that adoption of varying roundout concepts would require careful analysis and evaluation of issues related to small unit cohesion, command and control familiarity, standard operating procedures, stationing, and availability for peacetime training. DOD added that the congressionally mandated study assessing active and reserve force structure and mix alternatives, due in December 1992, would offer some alternatives to existing roundout concepts.

With respect to criteria to guide force mix and mission assignment decisions, DOD said that the Defense Planning Guidance and the National Military Strategy give the services a clear basis on which to base force mix decisions, which are considered and evaluated throughout the DOD



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**Chapter 4**  
**Opportunities Exist to More Effectively Use**  
**Reserves in the Army's Total Force**

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**Planning, Programming, and Budgeting System.** DOD acknowledged that improvements in the force mix planning process are possible and will continue to consider the need to evaluate the type of policy guidance that is best suited to achieve its departmental goals. We continue to believe that development of more specific guidance beyond the broad guidance provided in Defense Planning Guidance and National Military Strategy documents could provide more consistency in force mix decisions. More specific guidance could help defense managers to address how active and reserve forces can best meet security needs with an acceptable level of risk and cost.

# Comments From the Department of Defense



FORCE MANAGEMENT  
AND PERSONNEL

ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301-4000

14 DEC 1992

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

Dear Mr. Conahan:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report, "ARMY FORCE STRUCTURE: Expanded Reserve Role Constrained by Security Strategy and Base Force Mandates," dated October 29, 1992 (GAO Code 393461), OSD Case 9253. The DoD partially concurs with the report.


The DoD nonconcur, however, on two primary issues. First, the DoD does not agree that the Base Force limits the Army flexibility to adjust the force mix. The DoD guidance provides the Services, including the Army, sufficient flexibility to adjust the Active/Reserve force balance as necessary. Second, the DoD does not agree that forces were unbalanced in the past. Various factors, including military requirements and preparation time, influence force structure and mix decisions. The Army is currently analyzing its force mix requirements, with completion scheduled for later in FY 1993. The DoD force reduction plans will take into account the results of the Army analysis.

The GAO report is a valuable contribution to the ongoing collection of data, information and past and current policy relevant to the Base Force and the debate as to the role of reserves. To that end, the Department of the Army, as well as, the DoD are presently and will, in the near future, be conducting analyses to address many of the very issues raised in the report. Specifically, the Department of the Army is involved in ongoing analysis supportive of its Program Objective Memorandum. Additionally, the DoD has just received the congressionally mandated study assessing active and reserve force structure and mix alternatives for the mid-to-late 1990s. The DoD will analyze and assess that independent research effort and will provide an assessment of a wide range of alternatives relating to the structure and mix of active and reserve forces.

**Appendix I**  
**Comments From the Department of Defense**

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

Sincerely,

  
Christopher Jehn

Enclosure  
As stated

GAO DRAFT REPORT--DATED OCTOBER 29, 1992  
(GAO CODE 393461) OSD CASE 9253

"ARMY FORCE STRUCTURE: EXPANDED RESERVE ROLE CONSTRAINED  
BY SECURITY STRATEGY AND BASE FORCE MANDATES"

DEPARTMENT OF DEFENSE COMMENTS

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FINDINGS

- o FINDING A: Total Force Policy Expanded the Role of the Reserves. The GAO reported that, in the early 1970s, the DoD adopted a Total Force Policy, which called for the integration of active and reserve forces to support the national strategy and meet the threat. The GAO noted that the reserve forces were to augment active forces in emergencies requiring rapid and substantial expansion of active forces. The GAO further explained that budgetary realities in the early 1980s also induced the Army to expand its reliance on the reserve components. The GAO noted that, by 1989, the reserves comprised over one-half of the Army total force. The GAO concluded that the reserves will continue to represent over half of the Army forces through FY 1995. The GAO observed that, while restructuring forces during the 1980s, the Army assigned wartime missions and critical peacetime operational responsibilities to the reserves. The GAO noted, for example, that reserves make up (1) 100 percent of the forces used to provide fresh water supply and heavy-lift helicopter capability, (2) at least 85 percent of Army medical brigades and chemical battalions, and (3) 70 percent of the heavy combat engineer battalions. The GAO also observed that Operation Desert Storm demonstrated the extent to which the Army relies on reserve components, when the DoD called up over 145,000 members from the Army Reserves and the National Guard, and deployed about 80,000 members to the Gulf. (pp. 2-3, pp. 13-16/GAO Draft Report)

DoD Response: Concur.

- o FINDING B: Army Force Reduction Plans Driven By Budget Concerns and End of the Cold War. The GAO reported that, in 1989, Army plans reflected both budgetary pressures and a softening of policies by the Soviet Union. The GAO pointed out that, at the starting point in 1988, when the Army was poised to respond to a major conflict in Europe, the force structure consisted of a five-corps, 28-division force--

Enclosure

Now on pp. 10-12.

Now on pp. 2 and 13-14.

which contained 18 active and ten National Guard divisions--with about 1.5 million Army personnel. The GAO reported that budget concerns and the end of the Cold War led to successive force reduction plans and increasingly lower force levels planned for the end of 1995, when the Army plans to reduce active personnel by about one-third and reserve component personnel by about 27 percent of the 1990 levels. The GAO noted that the present Base Force Plan is intended to implement a new National Security Strategy that shifts the focus from preparing for a global war in Europe against the Soviet Union to major regional contingencies against uncertain adversaries. The GAO reported that the current plan calls for a 1995 Total Army force level of about 1.1 million, comprised of about 49 percent active personnel and 51 percent reserve personnel. (pp. 2-3, pp. 16-17/GAO Draft Report)

DoD Response: Concur. Changes to the National Military Strategy, from a Eurocentric focus on the Soviet threat to a global orientation addressing multiple threats, have caused a reshaping of the Army. The size and shape of the forces is determined by strategy, doctrine, and resources--strategy determines the combat forces, doctrine determines support for the combat forces, and strategic priorities determine the allocation of available resources. The Army will support all elements of the National Military Strategy, including (1) forward deployed forces for forward presence; (2) rapidly deployable, fully capable contingency forces for crisis response; (3) reinforcing forces for sustaining crisis response capability; and (4) reconstitution forces to hedge against the possibility of major war. Continued reliance on the Total Force Policy allows the Army to maximize capabilities of both the active and Reserve Components. Force structure adjustments to the Reserve Components are applied consistent with the roles and missions performed. Planned Reserve Component reductions have been determined by both strategic and doctrinal requirements. Reserve Component combat force reductions resulted from changes in strategic requirements and were established by the Base Force. Army Reserve Component support reductions resulted from diminished doctrinal requirements as a direct result of both active and Reserve combat force reductions. Other major factors affecting Reserve Component unit reductions are: North Atlantic Treaty Organization requirements, mobilization need, doctrine, and threat. Reserve Component forces provide the same support for the Army contingency force and the bulk of the Army reinforcing capability and structure for reconstitution.

In addition to the end of the Cold War, a second major factor--the Conventional Forces in Europe talks--had a major impact on the development of early plans to restructure the

Army. Progress in those talks with the Soviet Union was a major consideration for planners, as a force was crafted to fit the emerging vision of security requirements for the 1995 time frame. Because fewer forces were needed, due to the changed world situation, as many resources were not required. Available resources are allocated to Army priorities, based on matching capabilities to strategic requirements. The FY 1995 Total Army force is currently under detailed review.

- o **FINDING C: Current Debate Focuses on the Future Role of the Reserves.** The GAO reported that the role and size of the reserves within the Base Force has been a matter of continuing debate since the DoD and the Army began planning for a smaller force structure. The GAO noted that, while the Congress has accepted active Army force reductions as proposed, it has been less prone to accept proposed reductions in the reserves. The GAO pointed out that, for FY 1992 and FY 1993, the Congress has authorized the Army to eliminate only 42 percent of the reserve forces that the Administration proposed to eliminate. The GAO further reported continuing dissatisfaction led the Congress to require in the FY 1992-FY 1993 National Defense Authorization Act that the Secretary of Defense undertake a study (using a Federally-funded research firm independent of the Military Services) to assess active and reserve force structure and mix alternatives for the mid-to-late 1990s. According to the GAO, the report is due to the DoD and the Congress by December 15, 1992. The GAO noted that the DoD assessment of the study results is due in February 1993. (p. 3, pp. 18-19/GAO Draft Report)

Now on pp. 2 and 14-15.

**DoD Response:** Concur.

- o **FINDING D: New Security Strategy Assigns Most Combat Reserves a Major Role Only in Protracted Conflicts.** The GAO reported that a new security strategy announced in August 1990, shifted the focus from a global war with the Soviet Union to major regional contingencies with less certain adversaries. The GAO observed that the newly defined threat of major regional contingencies will require rapid-response contingency operations. The GAO noted that the new strategy featured four basic Defense tenets--forward presence, crisis response, reconstitution, and strategic deterrence and defense--with a role for reserve forces envisioned in the first three elements. The GAO further noted that the strategy introduced the concept of cadre divisions, that would have skeletal staffing in peacetime, but would be reconstituted with additional forces to provide additional divisions in wartime, if needed. The GAO explained that the DoD designated two National Guard divisions to meet the requirement, but now plans to staff the divisions with 11,500 forces--about 70 percent of the wartime size. (p. 5, pp. 23-24, p. 43/GAO Draft Report)

Now on pp. 3 and 17-18.

**DoD Response:** Concur. Reserve Component forces perform important missions in supporting all four tenets of the National Military Strategy. Most combat reserves are assigned a major role in protracted conflicts lasting greater than thirty days. Reserve Components may also play a substantial role in major regional contingencies. Reserve combat forces will also be essential in responding to multiple, concurrent regional contingencies.

- o **FINDING E: Base Force Limits Army Flexibility By Specifying Active and Reserve Division Mix and End Strengths.** The GAO observed that DoD adopted the Base Force concept as the blueprint for employment of the smaller U.S. Military Force to implement the new security strategy, setting the parameters for the Army future force by mandating specific active and reserve force end strengths and a divisional mix of 12 active, six reserve, and two cadre (also reserve) divisions. The GAO concluded that the Army now has limited flexibility to alter the force mix. The GAO observed that the Base Force specifies Army participation in four conceptual military force packages--Strategic, Atlantic, Pacific, and Contingency. The GAO noted that major divisional elements of the Army are not assigned to the Strategic force package; however, the requirements for the other force packages were met by the Army as follows:
  - **The Strategic Force Package**--Major divisional elements of the Army are not required for the Strategic force package.
  - **The Atlantic Force Package**--Active component divisions were assigned to meet Base Force forward presence and crisis response needs, while limiting reserve combat unit participation to brigades that roundout three of the assigned active divisions. (The GAO explained that the Army designated the six National Guard and two cadre divisions to meet the crisis response augmentation and reconstitution needs.)
  - **The Pacific Force Package**--The needs of the Pacific force package are mostly met by active component units. According to the GAO, forward presence requirements are met by forward stationing less than a division in Korea, while providing crisis response through active divisional reinforcement forces in Hawaii, Alaska, and the U.S.--the reserves primarily provide support forces. The GAO noted however, that depending on the circumstances, reserve combat forces could also participate in contingencies in the Pacific theater.

- The Contingency Force Package--Because the Contingency force package mandates a capability to deploy forces rapidly that are fully-trained, highly-ready, and initially self-sufficient, the Army assigned a corps-sized force package, consisting mostly of active component units configured to meet a specific situation or crisis on short notice or no notice. The GAO noted that depending upon the situation, the corps force package includes one to five fully structured active component divisions.

The GAO also noted that the DoD mandated active and Reserve personnel end strengths and divisional force mix for the Army forces required--12 active divisions and eight Reserve Component units--with personnel authorization levels of 535,000 and 567,000, respectively. (p. 5, pp. 25-27/GAO Draft Report)

DoD Response: Nonconcur. While most of the descriptive information is accurate, the DoD disagrees that the Army has limited flexibility to alter the force mix. Overall end strength guidance is provided by the Department. All the Services, however, including the Army, have sufficient flexibility to adjust the Active Component/Reserve Component balance. The DoD Base Force does specify the above-the-line Active/Reserve mix of required Army combat forces, but the Army may alter internal unit composition for those forces, as well as fully structure, and alter as necessary, below-the-line combat support and combat service support forces.

- o FINDING F: DESERT STORM Experiences Have Led the Army to Rely Less on Reserves as Early Deployers. The GAO reported that several problems, which surfaced in mobilizing and deploying reserve units to OPERATIONS DESERT SHIELD/DESERT STORM, have led the Army to decide to rely less on reserve forces in early deployment roles in the future. The GAO noted the Army found that the original estimates of the amount of post-mobilization training reserve combat brigades would require was greatly understated and, as a result, was unable to deploy the forces. The GAO further noted that the Army also encountered early support shortfalls, because ready access to needed reserve support forces could not be gained, due to the time needed to implement the reserve call-up. The GAO reported that, within the Army force structure some active divisions are organized with two active and one National Guard combat brigades. The GAO pointed out that, in late 1990, the Army called up the National Guard roundout brigades for the two divisions and one other division, but found that the brigades needed substantially more post-mobilization training than anticipated--readiness information at the time indicated that the brigades would need between 28 and 40 days of

Now on pp. 4 and 19-20.



training to prepare in all the mission-essential tasks. The GAO observed that Army inspections of the affected units cited numerous training and readiness deficiencies and concluded overstated readiness levels had led to unrealistic expectations about the extent of post-mobilization training that would be required. The GAO referenced its prior independent GAO review of the training and preparedness of the brigades (OSD Case 8769), in which it had identified a number of peacetime training and administrative practices that prevented the brigades from being fully ready to deploy quickly. The GAO further referenced a subsequent GAO review (OSD Case 9155), in which it compared the readiness of the brigades to the active brigades that were sent in their place. The GAO noted that it found the active brigades to be substantially more ready than the roundout brigades by almost every major indicator of readiness measured.

The GAO reported the Army Chief of Staff concluded that the Army had expected too much of the brigades--given the fact that reserve units are only required to train 39 days a year. The GAO further noted that the current Army policy requires at least 90 days of post-mobilization training for the roundout brigades and about 1 year of post-mobilization training for reserve component divisions. The GAO explained that experiences from Operation Desert Storm showed that the Army was unable to provide some types of support forces--primarily from the reserve components--especially during the earlier phases of the Gulf War, because the Army was so heavily reliant on the reserves for some types of support forces, and it took a few weeks to implement the President's reserve call-up. The GAO concluded that, as a result of the experience, the Army substituted active component forces for reserves in the earliest elements of the contingency force. The GAO also concluded that the forces--about 9 percent of all reserve component forces in the Army--are intended to deploy within the first 75 days of a conflict. The GAO pointed out that, of the 128,388 total support positions in the contingency force support packages, only 8,647 reservists are in the first two packages--which are intended to deploy within the first 30 days. (p. 6, pp. 27-31/GAO Draft Report)

**DoD Response:** Partially concur. Desert Shield and Desert Storm experiences have led the Army to reevaluate both pre- and post-mobilization training time for deployment. The implication that reserve combat units were previously earlier deployers is inaccurate. Reserve forces were primarily follow-on forces in the previous National Military Strategy which focused on Europe. The time expectation (when available) has changed however, the reliance upon when they deploy has not. The Army continues to rely on Reserve Component early deployment and sustainment support.

Now on pp. 4 and 21-23.

- o **FINDING G: Assumptions Underlying the Base Force Concept Have Changed, But Required Force Levels Have Not.** The GAO reported that the current Army force reduction plans are based on the principal force requirements established in 1990 by the DoD Base Force concept. According to the GAO, although intervening events have altered assumptions underlying the requirements of the Base Force, the DoD has not revised the requirement that 12 active, six reserve, and two reserve cadre Army divisions are needed to implement the Base Force concept. The GAO further reported that a debate now centers on whether Defense forces--including the Army 20-division force--could be reduced below the levels set by the Base Force. The GAO pointed out that legislative actions (which have not accepted all proposed force reductions in the reserves and that have set lower targets for future levels of forward deployed forces) raise questions about whether the DoD will be able to adhere to the original Base Force plan or if modifications will be needed. Notwithstanding, the GAO noted that the Congress has (1) approved only 42 percent of the reserve force reductions in the Army, which the DoD had proposed for FY 1992 and FY 1993, (2) mandated that the previous DoD plan to retain 150,000 military personnel in Europe be reduced to 100,000, and (3) further mandated that forward deployed forces worldwide be reduced by 40 percent by 1996. (p. 6, pp. 34-38/GAO Draft Report)

Now on pp. 4 and 25-28.

**DoD Response:** Partially concur. The DoD agrees that the world situation has changed since the Base Force concept was originally developed. Notwithstanding the fact that the base force was developed in light of an improving national security environment, it should be recognized that a number of actions are currently underway within the Army that will either revalidate the Base Force or recommend appropriate changes. Those actions include (1) evaluating the performance of the Base Force against post-Soviet Union threats and scenarios, and (2) formally analyzing the "below-the-line" support unit requirements. As the GAO pointed out, DoD leaders have stated that there are many unknowns and much uncertainty associated with potential future conflicts.

- o **FINDING H: Force Reduction Plans Could Perpetuate Past Force Imbalances.** The GAO reported that, to implement Base Force requirements and active and reserve end strength levels, the DoD has stated that it needs to reduce reserve forces in relation to active force requirements. The GAO further reported it is the Army position that it needs to reduce active and reserve forces in tandem, to ensure that (1) the future force is balanced, (2) reserve forces are not left without missions, and (3) undue costs are not incurred. In evaluating the Army position, however, the GAO found that not all relevant factors have been considered. The GAO

concluded that the rationale for reductions in active and reserve forces assumes that the former Cold War force was balanced and that the composition would remain valid in the new security environment. As a result of the experiences of Operation Desert Storm, the GAO found that the methodology by which the Army identified force reductions could result in a smaller version of the Cold War force, with the same support weaknesses that surfaced during Operation Desert Storm. Notwithstanding, the GAO concluded that the experiences raise questions about the existing balance between combat and support forces. The GAO further concluded that a balanced reduction in active and reserve forces could result in the same force structure weaknesses that existed in the previous force, since reserves dominate Army support forces.

According to the GAO, the Army explained that the proposed cuts in reserve components end strength by 1995 simply reverses the growth of the reserve components during the 1980s, when the Army postured itself against the Soviet threat to achieve a smaller force geared to other threats. The GAO pointed out, however, such reasoning would conclude that the Army should disproportionately reduce reserve forces to compensate for the prior buildup of the forces. The GAO observed that Army plans do not call for disproportional cuts--but, rather, the proportional cuts the DoD proposed. The GAO nonetheless concluded that, because active and reserve end strengths have been prescribed by the DoD, the Army would need to offset any such mission shifts between the components by other mission shifts in the reverse direction. (pp. 7-8, pp. 38-41/GAO Draft Report)

**DoD Response:** Nonconcur. There is a need for balanced reductions in active and Reserve forces. The Active Component/Reserve Component structure and mix of forces are driven by (1) military requirements, (2) the time required to prepare Reserve forces to perform required missions, and (3) other factors, such as forward presence and peacetime Optempo requirements.

The Department disagrees that past forces were imbalanced and that the Army methodology used could result in a similar situation. Active and Reserve force structure decisions are completely linked and fully integrated. Any increase or decrease in the size of the force impacts on all components, because of the way in which the Total Force is structured. The Army is currently analyzing the balance between active and Reserve support units. The Chief of Staff of the Army directed those involved in the process to resolve any discrepancies found during the analysis. Results of the analysis are expected in the third Quarter of FY 1993.

Now on pp. 4-5 and  
28-30.

- o **FINDING I: Force Reduction Plan Does Not Remedy Shortage in Support Forces.** The GAO found that substantial support positions, which are required by Army doctrine, remain unfilled. The GAO reported that the Army continues to understate support requirements by (1) inconsistently applying allocation rules in determining support force requirements, and (2) not generating support requirements for all combat units, including units needed to support the two Army cadre divisions. In addition to contributing to the understating of support requirements, the GAO questioned the manner in which the Army has structured the divisions. The GAO observed that, under the original concept, cadre divisions were to be staffed at about 20 percent of the wartime requirement and would be reconstituted with additional personnel when needed for an extended conflict; however, the current plan calls for staffing the cadre divisions with about 11,500--or about 70 percent of the wartime requirement. The GAO concluded that the level of active duty staffing is inconsistent with the cadre concept. The GAO pointed out that, even with the understatement of support requirements, the Army estimates that about 90,000 support force positions will remain unfilled. The GAO asserted that the FY 1995 end strengths under the Base Force, as proposed by the Army, are insufficient to fill all of the combat support and combat service support units required for a four-corps, 20-division force. (pp. 8-9, pp. 41-43/GAO Draft Report)

Now on pp. 5 and 30-32.

**DoD Response:** Partially concur. The DoD agrees that the support requirement may be understated. However, GAO's citing of inconsistency in application of allocation rules for determining support requirements is misleading. This should be viewed as a tempering of the quantitative allocation rules by using qualitative measures such as the pooling of assets based upon scenarios, and accepting risk. Army analysis is a rigorous two-year process that is developing Army force structure requirements and will ultimately provide a total Army force composition based on the requirements and the constraints of the Army end strength. The DoD will have a better understanding of support requirements when this effort is completed in FY 1993.

The DoD can best determine the appropriate resourcing level for base force cadre divisions through total force procedures routinely used to plan force structure and prioritize resourcing. The evolving concept and size of cadre divisions will be considered during the Department's normal planning, programming and budgeting cycle.

- o **FINDING J: The Army Has Not Focused on The Key Affordability Issue.** The GAO reported the Army estimate--i.e., that it would cost from \$10 billion to \$12 billion

over 6 years to retain additional Army reserves--may be over-stated, because it assumed that the Congress (1) would not approve any reserve force reductions, and (2) would not provide any additional funding to support personnel above requested levels. The GAO observed that, in fact, the Congress approved 42 percent of the proposed reductions in FY 1992 and FY 1993, and provided \$333 million in added reserve personnel funding for FY 1992. The GAO concluded that, by emphasizing the cost, the DoD and the Army have not focused on the relatively lower cost of reserve forces, as compared to active force counterparts, and the significant long-term savings that might be achieved if some missions could be shifted to the reserves. The GAO pointed out that, according to past Army and Congressional Budget Office analyses, depending on the type of unit compared, the operational cost of reserve units can achieve savings up to 80 percent of comparable active units. The GAO explained that Military pay and unit operating costs are, on the surface, easiest to compare, whereas indirect costs are more difficult to associate with the various components. Based on FY 1993 budgetary data, the GAO concluded that average cost of pay, allowances, and benefits for a reservist is \$8,300 per member, as compared to \$39,000 for an active soldier. The GAO further concluded that, if the indirect costs (such as those for operations and maintenance, housing, and military construction) are included in the comparison, the costs would increase to \$18,000 for the reservist and to \$62,000 for the active soldier, respectively. (p. 8, pp. 43-47/GAO Draft Report)

DoD Response: Partially concur. Department cost estimates relate to the fiscal consequences of retaining Reserve Component strength excess to military needs. As all the Services continue to review the feasibility of shifting additional Active Component missions to the Reserves, those cost estimates may be revised. In its December 1990 Total Force Policy Report to the Congress, the Department acknowledged, that if significant cost savings can be achieved by a transfer of force structure to a Reserve Component for the performance of a particular mission, prudence requires that the transfer be fully considered. Any such cost savings must, of course, be weighed against any decreases in capability and flexibility that could result.

- o FINDING K: More Extensive Use of Reserves in the Army Contingency Force May Be Possible. In exploring ways the reserves might be more effectively used in the Army Total Force, the GAO concluded that the Army might be able to expand the use of reserve support forces in the contingency force--since the last two of four support force packages for the contingency force would not deploy until after 30 days. The GAO pointed out that, although the Army had indicated

Now on pp. 5 and 32-34.

Now on pp. 5 and 38-39.

most reserve support forces can be readied for deployment within 30 days, about 39 percent of the personnel in the latter two packages--which are expected to deploy within the 31 to 75-day period--are active forces. In examining the composition of the forces in the latter two support force packages, the GAO found that active units had been designated to perform some missions that have traditionally been held by reserve forces--military police, medical, engineering, maintenance, and transportation. The GAO concluded that, if reserve component support forces can be readied within 30 days, as the Army has indicated, and if the projections for the use of the latter two support packages is from 31 to 75 days from the onset of a conflict, it would appear more reserve units could be used in the latter two support force packages. (p. 8, pp. 51-52/GAO Draft Report)

DoD Response: Concur. The ongoing Army analysis process will address the potential for increased reserve participation in the contingency force. Results of the Army analysis are expected in the third Quarter of FY 1993.

- o FINDING I: Reduced Forward Deployment Might Permit Some Mission Shifts to the Reserves. The GAO found that changes in the level of forward deployed forces overseas would conceivably permit expanding the roles of the reserve components. The GAO reported that, as a general rule, three soldiers are required in the United States for every forward deployed soldier, in order to permit sufficient time for stateside assignments between overseas tours. The GAO explained that, given the current 1:3 ratio, a reduction of 1,000 soldiers overseas should reduce the need for 3,000 active-duty soldiers in the United States. The GAO noted that, according to DoD officials, the extent that the positions could be shifted to the reserves is scenario-dependent. The GAO referenced four possibilities offered by the DoD, as follows:

- If the forces in Europe were reduced, but two full divisions were retained in Europe supported exclusively by local nationals, all active support forces could be returned to the United States and some positions could perhaps be converted to reserve status. The GAO noted that the issue would then be the responsiveness of reserve support forces to return to Europe, if required, or to deploy elsewhere.
- If the forces in Europe were reduced and the two divisions were returned to the United States, the division support forces might be left in Europe. The GAO noted that the remaining forces could serve as a reception base, were the divisions required to return rapidly. The GAO concluded that, in such a scenario,

probably more active support forces would be required in the United States to help maintain the peacetime operating tempo of the returned divisions.

- If the forces in Europe were reduced by one full division and support forces and the forces were redeployed to the United States, the remaining division and its support forces could be retained in Europe. The GAO concluded that, in such a scenario, some (but probably not all) of the re-deployed division support force would be retained in the active force to augment the current U.S. based sustaining force.
- Any reductions in Europe would likely include some forces unique to Europe that would no longer be required once withdrawn--such as base support or host nation support management positions. The GAO concluded that such active positions would not be convertible to reserve positions since, currently, the active end strength in the United States must sustain the missions through normal personnel management processes.

The GAO pointed out the Fiscal Year 1993 Defense Authorization Act stipulates that the total U.S. Military presence in Europe be reduced, proportionately, among the Services--from the 158,000 force level planned for FY 1995 under the Base Force plan, to 100,000 by FY 1996. The GAO reported the Army estimates, that with an overall force level under 100,000, the personnel level in Europe would be about 61,500. (pp. 8-9, pp. 52-54/GAO Draft Report)

**DoD Response:** Concur. A reduction of forces in Europe may create an opportunity for some change in the mix between active and reserve component unit authorizations. To what degree that will occur remains to be determined through the Army analysis process. It should be remembered that the primary reason for force structure, be it active or Reserve, is war fighting requirements--not peacetime rotation policies.

- o **FINDING M: Opportunities For Broader Use of Reserves Exist But May Require Restructuring Forces.** The GAO reported that, currently, the Army has a few reserve roundout units at the battalion level. The GAO pointed out the December 1990 Total Force Policy study noted that a change in the active-reserve force mix (such as roundout at battalion or lower levels) was feasible--and suggested that expanding the roundout concept would enhance the Total Force Policy and foster greater active and reserve component integration. The GAO noted the study further pointed out that the Army could increase reliance on the reserves by creating units that would contain a mix of active and reserve personnel. The GAO reported that, according to DoD officials, in the

Now on pp. 5 and 39-40.

early stages of developing the Base Force, the Army was considering how to incorporate some of the concepts into the force structure.

The GAO asserted that roundout at lower levels of organization might permit the reserves to play a more meaningful combat role, since earlier deployment would be possible. The GAO noted the Army estimates that it will require at least 90 days of post-mobilization training to ready reserve roundout brigades to deploy, and a full year to ready a National Guard division. The GAO reported that, based on experiences in OPERATION DESERT STORM, the Army determined it is impractical to assign early deployment missions to reserve combat brigades, because of the time required for post-mobilization training for a unit of that size. The GAO concluded, however, that roundout at the battalion and company levels presumably would reduce the amount of required post-mobilization training and permit the Army to assign such units to roles in which there would be more likelihood of the units being used. The GAO commented that, as currently envisioned, the later deploying National Guard combat divisions would only serve in protracted regional conflicts or a global war. The GAO found the opportunities to expand reserve roles may require restructuring decisions that require trade-offs for the Army. (p. 8-9, pp. 54-56/GAO Draft Report)

Now on pp. 5 and 41-42.

**DoD Response:** Partially concur. Alternatives to existing roundout concepts are included in the congressionally mandated study assessing active and reserve force structure and mix alternatives for the mid-to-late 1990s. That report was received on December 1, 1992 and will be transmitted to the Congress on December 15, 1992. The adoption and implementation of varying roundout concepts would require careful and thorough analysis. A few of the issues that would require evaluation and analysis include: (1) small unit cohesion, (2) command and control familiarity, (3) standard operating procedures, (4) stationing, and (5) availability for peace time training. The Army is currently assessing its composition in the post Soviet Union environment. That effort is expected to be completed in December 1992, and will provide valuable data and analysis as to Reserve Component force structure needs in the years ahead.

- o **FINDING N: Alternative Force Structure Concepts Considered. But Do Not Figure Prominently in the Army Plans.** The GAO found that, while the DoD provided the Army some flexibility in considering alternative force structure concepts early in the development of the Base Force, the concepts were not extensively incorporated into the future Army plans. The GAO noted that those concepts included increased use of roundout units at the battalion and company levels. The GAO



Now on pp. 42-43.

noted that, according to Army Headquarters officials, however, they knew of no guidance from higher levels specifying the alternatives be considered as the Army plans were developed. (pp. 8-9, p. 57/GAO Draft Report)

**DoD Response:** Partially concur. Alternative force structure options have in the past and will continue to be considered by the Army as they develop future plans. For example, when the Base Force was developed, the Army was allowed to adjust the mix of roundout and roundup divisions and changed one national guard standard infantry division to a national guard heavy division.

- o **FINDING O: Criteria For Force Mix Decisions Still Lacking.** The GAO found that, over the last 15 years, the DoD has been urged by the Congress to develop criteria to be considered when making force mix and mission assignment decisions. The GAO found, however, that the DoD has not achieved a consensus on what criteria should be used. The GAO concluded that the force mix principles raised within the context of the Total Force Policy study group could serve as a starting point for the DoD to develop such criteria. (pp. 6-9, pp. 58-59/GAO Draft Report).

Now on pp. 43-44.

**DoD Response:** Partially concur. The Defense Planning Guidance and the National Military Strategy provide the Services a clear basis on which to base force mix decisions. These decisions are considered and evaluated throughout the DoD Planning, Programming and Budgeting System.

In 1988, the Department acknowledged a possible need for the development of force mix and mission assignment decision guidance to assist the Services. After further study, it was determined that no further guidance on the formulation of the total force was required. The Department recognizes, however, that improvements in the force mix planning process are possible. Accordingly, the DoD will continue to consider the need to evaluate the type of policy guidance that is best suited to achieve Departmental policy objectives with minimum interference in the planning flexibility accorded the individual Services.

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#### RECOMMENDATIONS

- o **RECOMMENDATION 1:** The GAO recommended that, in reviewing future Defense requirements, the Secretary of Defense determine whether the Army's planned size of cadre divisions is consistent with the concept envisioned to implement the reconstitution element of the new national military strategy. (p. 9. p. 49/GAO Draft Report)

Now on pp. 5-6 and 36.

Appendix I  
Comments From the Department of Defense

**DoD Response:** Concur. The DoD can best determine the appropriate resourcing level for base force cadre divisions through total force procedures routinely used to plan force structure and prioritize resourcing. The evolving concept and size of cadre divisions will be considered during the Department's normal planning, programming and budgeting cycle.

- o **RECOMMENDATION 2:** The GAO recommended that the Secretary of the Army substitute additional reserve support forces for active forces in the latter two support force packages of the Army contingency force--where the reserves can reasonably be expected to meet the established timeliness. (p. 9, p. 61/GAO Draft Report)

Now on pp. 5 and 45.

**DoD Response:** Partially concur. The Army is considering the GAO recommended action along with other options, as part of the on-going analysis process. Results of the Army analysis should be completed in the third Quarter of FY 1993.

- o **RECOMMENDATION 3:** The GAO recommended that the Secretary of the Army examine each of the elements of the force structure being withdrawn from Europe to determine whether any of the missions could be shifted to the reserves. (p. 9, p. 62/GAO Draft Report)

Now on pp. 5 and 46.

**DoD Response:** Concur. The ongoing Army analysis will consider the forces being withdrawn from Europe in determining force structure requirements and composition. The analysis should be completed in the third Quarter of FY 1993.

- o **RECOMMENDATION 4:** The GAO recommended that the Secretary of the Army evaluate the merits of restructuring one or more of the latest deploying National Guard combat divisions to provide additional personnel spaces to be used to (1) roundout active divisions at the battalion and company level and (2) add more reserve support units to the Army's force. (pp. 9-10, p. 62/GAO Draft Report)

Now on pp. 5 and 46.

**DoD Response:** Partially concur. The ongoing Army analysis process will address this recommendation; however, it would be premature for the Secretary of the Army to duplicate or prejudge the results of the Army wide, in depth process scheduled for completion in the third Quarter of FY 1993.

- o **RECOMMENDATION 5:** The GAO recommended that the Secretary of Defense develop criteria to guide the Military Services in the force mix and mission assignment decisions. (p. 10, p. 62/GAO Draft Report)

Now on pp. 5-6 and 46.

**DoD Response:** Partially concur. The Defense Planning Guidance and the National Military Strategy provide the Services a clear basis on which to base force mix decisions. Those decisions are considered and evaluated throughout the DoD Planning, Programming and Budgeting System.

In 1988, the Department acknowledged a possible need for the development of force mix and mission assignment decision guidance to assist the Services. After study, it was determined that no further guidance on the formulation of the total force was required. The Department recognizes, however, that improvements in the force mix planning process are possible and will continue to consider the need to evaluate the type of policy guidance that is best suited to achieve Departmental policy objectives with minimum interference in the planning flexibility accorded the individual Services.

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