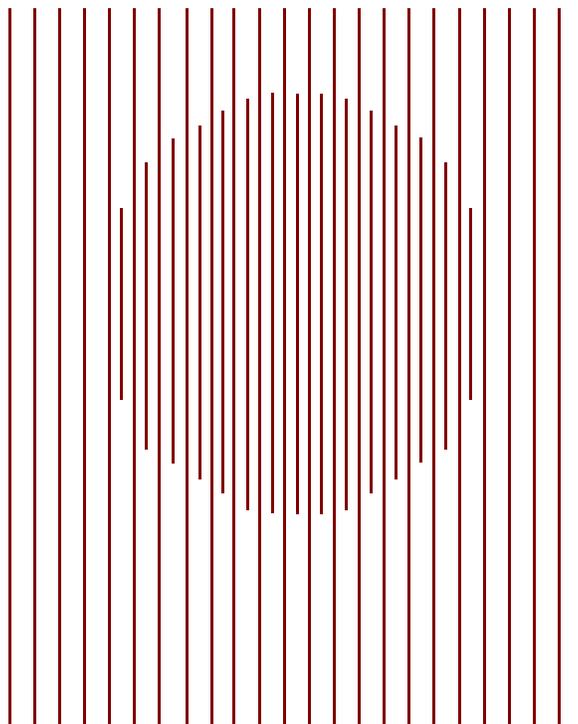


CBO PAPERS

**OPTIONS FOR RECONFIGURING
SERVICE ROLES AND MISSIONS**

March 1994



CONGRESSIONAL BUDGET OFFICE

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**CONGRESSIONAL BUDGET OFFICE
SECOND AND D STREETS, S.W.
WASHINGTON, D.C. 20515**

NOTES

Unless otherwise indicated, all years referred to in this paper are fiscal years.

Numbers in tables may not add to totals because of rounding.

PREFACE

The roles and missions of the military services have remained essentially unchanged since they were established, in broad terms, in 1948. Recent international events and U.S. budgetary pressures may now provide the impetus for reviewing the allocation of tasks and resources among the various services. This paper, prepared at the request of the Senate Committee on the Budget, examines various ways to realign missions as they are currently assigned to the services. Consolidating support functions and eliminating conventional forces that duplicate capabilities fielded by more than one service could lead to significant budgetary savings. This paper contains several options for revising service roles and missions and examines the savings that could result as well as the effect on service capability. In keeping with the Congressional Budget Office's (CBO's) mandate to provide objective analysis, this paper makes no recommendations.

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SUMMARY

Nearly 50 years ago, at a meeting in Key West, Florida, military leaders established the broad outlines for the functions that U.S. military services perform today. That outline--basically unchanged since its inception--still guides the division of labor among the services. Concerns over the budget deficit and drastic changes on the international scene, however, now make it vital to review the roles and missions assigned to the services.

PREVIOUS REVIEWS OF ROLES AND MISSIONS

Two reviews of the services' traditional roles and missions in the past two years have rekindled the debate about the way the Department of Defense (DoD) allots its responsibilities and resources.

Senator Nunn's Speech

Senator Sam Nunn, Chairman of the Senate Committee on Armed Services, suggested the need for a review of current service roles and missions in July 1992. In a speech on the Senate floor, he enumerated several areas within the U.S. military where he felt that duplication existed among the capabilities possessed by different services.

For example, with respect to logistic and support activities, Senator Nunn questioned why each service needed its own maintenance depots, legal corps, and medical corps, suggesting that DoD-wide organizations in these areas might be more efficient. "Streamlining the logistics, administration, and management duplication among the services could save tens of billions annually," he said. Regarding combat forces, he cited expeditionary ground forces fielded by the Army and the Marines, forces for power projection within the Air Force and the Navy, and Navy and Marine tactical air forces as areas of possible duplication. According to his estimates, eliminating two divisions of land forces and five wings of tactical air forces, if justified, could save \$5 billion annually in operating costs. Although not endorsing any specific reductions in forces, Senator Nunn noted that redundancy and duplication are costing billions of dollars a year and called for a far-reaching review of the U.S. military's roles and missions.

Review of Roles and Missions by the Chairman of the Joint Chiefs of Staff

In the triennial report required by the Goldwater-Nichols Act, the Chairman of the Joint Chiefs of Staff undertook an extensive review of the services' roles and missions that responded to many of Senator Nunn's questions. In that report, published in February 1993, then Chairman General Colin Powell expressed strong support for maintaining seemingly redundant capabilities among the services. General Powell felt that the availability of similar but specialized capabilities represented by forces in different services allows commanders to tailor U.S. military response to any contingency, regardless of geographic location or the nature of the threat. Although emphasizing the need for duplication in some areas, General Powell conceded that the military establishment could reduce the degree of redundancy. Moreover, he did recommend some reductions and consolidations in forces, including those in areas such as air defenses for North America and repair depots. Nevertheless, he saw no need at that time for major restructuring or fundamental shifts in roles and missions.

The Chairman, however, did recommend further study of more far-reaching changes. These included reducing Army forces for rapid response, relying on the Army to provide fire support for the Marines, and consolidating some maintenance support activities. (Summary Table 1 lists some of the issues raised by Senator Nunn and the Chairman's response to them.) Since General Powell issued his report, the Administration has taken some of the actions that were recommended for further study. Specifically, in the Defense Department's budget request for 1995, the Marine Corps canceled its purchase of heavy artillery pieces and will instead rely on the Army for support in this area. Thus, the military itself is taking steps to reduce needless duplication.

THE DEBATE OVER FURTHER CONSOLIDATIONS CONTINUES

Some defense experts argue that any reductions in the size of the defense establishment below current levels would endanger U.S. security. They believe in part that duplicative and redundant forces provide some insurance against unknown and unexpected threats. When capability resides in differently configured forces, such as land-based and sea-based aircraft, such forces provide multiple ways to attack the enemy, thereby complicating its defense task. Moreover, eliminating seemingly redundant forces would reduce the total capability of the U.S. military, thus making it difficult, if not impossible, for the Department of Defense to meet its goal of being able to fight two regional conflicts nearly simultaneously.

SUMMARY TABLE 1. AREAS FOR POSSIBLE CONSOLIDATION AS A RESULT OF CHANGING ROLES AND MISSIONS

**Issues Raised by
Senator Nunn**

**Action Taken or Recommended by the
Chairman of the Joint Chiefs of Staff**

Air Forces

**Strike Aircraft Based
on Land and on Carriers**

Maintain status quo

**Marine Aircraft and
Naval Aircraft in Support
of Marine Operations**

**Maintain two air forces, but integrate
some forces and reduce overall size**

Ground Forces

**Infantry Divisions in
Army and Marines**

**Explore possibility of reducing number of Army
light divisions**

**Artillery and Tank Forces in
Army and Marines**

**Study concept of allowing Army to provide
at least some artillery support for Marines**

Support Activities for All Services

Initial Pilot Training

**Consolidate initial training for pilots of
fixed-wing aircraft and use common trainer;
study concept of consolidating all initial
helicopter pilot training at Army aviation school**

Medical Corps

Not addressed

Maintenance Depots

Consider closing 7 or 8 of the 30 depots

SOURCE: Congressional Budget Office based on Senator Sam Nunn, "The Defense Department Must Thoroughly Overhaul the Services' Roles and Missions," *Congressional Record*, July 2, 1992, p. S9559, and Chairman of the Joint Chiefs of Staff, *Report on the Roles, Missions, and Functions of the Armed Forces of the United States* (February 1993).

At the same time, other defense experts, including some Members of Congress, feel that General Powell's report did not go far enough in its recommendations for consolidation and left many questions unanswered. Indeed, some Members believe that failing to deal with the issues Senator Nunn raised will diminish U.S. military capability by expending limited defense resources on needless duplication and inefficiency.

Consequently, in its bill authorizing defense spending for 1994, the Congress established an independent commission to study the military services' roles and missions. This commission, which is now being formed, will be composed of private citizens appointed by the Secretary of Defense and will consider changes more far-reaching than those endorsed by General Powell. The Congress gave the commission a very broad charter and instructed it to review the support requirements for the entire U.S. military establishment, as well as the functions of each of the military services. The commission's report on its review, however, is not due to be submitted to the Congress until a year after its first meeting.

Finally, Members of both the Administration and the Congress have expressed concerns about whether the presently planned defense structure is affordable given today's budget constraints. Secretary of Defense William Perry has admitted that DoD's five-year plan is underfunded. Eliminating needlessly duplicative capabilities from the U.S. military establishment may be one way to reduce budget pressure while sacrificing as little capability as possible.

To provide information for this ongoing debate about service roles and missions, the Senate Budget Committee asked the Congressional Budget Office (CBO) to evaluate budget implications of possible changes in service roles and missions. In response, CBO has examined further consolidations along the lines of those suggested by Senator Nunn, but beyond those recommended by General Powell. Such consolidations are possible in two broad categories--support activities and conventional forces.

Support Activities

Consolidating some support functions that each of the services provides independently--such as maintenance facilities, initial training, and medical services--might improve efficiency and yield savings. As the size of the services decreases over the next few years, the facilities that each has developed may not be used to capacity. Consolidating functions and closing the least-used facilities could save money in the long run. (See Summary

Table 2 for a list of possible consolidations of support activities.) Furthermore, such consolidations, though potentially lowering costs, would not diminish overall U.S. military capability because they would not reduce the number of forces available for combat.

The military has endorsed the concept of consolidating support activities, but only when it feels that such a change would not affect the services' abilities to train and equip their forces. Thus, General Powell did endorse some streamlining of the depot system, but did not support consolidating depots across service lines--for example, putting the Army in charge of all maintenance work on helicopters from all services. In a similar vein, he supported some consolidation of initial pilot training, but did not endorse having single centers for initial training of fixed-wing or helicopter pilots.

SUMMARY TABLE 2. SUPPORT ACTIVITIES IN WHICH CONSOLIDATION COULD REALIZE SAVINGS

Area	Potential Consolidation	Examples
Maintenance Depots	Consolidate similar facilities across service lines	Place all aeronautical depots within the Air Force
Training Facilities	Consolidate initial pilot training	Conduct all initial fixed-wing pilot training at one facility; conduct all initial helicopter pilot training at one Army facility
Medical Services	Combine the services' Medical Corps	Create a DoD-wide health agency
Legal Services	Combine the services' JAG Corps	Combine all legal services into one DoD-wide organization
Helicopter Support	Combine all noncombat helicopter forces	Have the Army provide general helicopter support for all services

SOURCE: Congressional Budget Office.

NOTE: DoD = Department of Defense; JAG = Judge Advocate General.

Nonetheless, these more radical changes in the way DoD supports its services, which General Powell did not recommend, are the ones that have the potential to save the most money.

Other consolidations have been mentioned but have also been opposed by the military, though for other reasons. For example, one proposal would bring medical and legal services that are now provided by each branch of the military under DoD-wide organizations. Opposing this idea, General Powell's report maintained that consolidating legal services would not save money. Another change in the delivery of support services would make one service--most likely the Army--responsible for providing noncombat helicopter support for all the services. General Powell supported this concept, but only in a very limited sense. Thus, although the military is consolidating some activities as it is faced with a shrinking establishment and budget, room still remains for more aggressively eliminating redundancies within the system.

Consolidating activities across service lines, however, would cause some disruption in the current support infrastructure. In many cases, consolidating functions would require reassigning and relocating personnel or equipment as some training facilities or depots were closed and others were designated for multiple-service use. In the short run, some consolidations might require one-time investments similar to those associated with base closings, but improving the military's efficiency in providing support activities to its combat forces would undoubtedly save money in the long run.

From this brief discussion of the issues raised by consolidating support activities, it is clear that potential savings must be balanced against less tangible factors: inconvenience, the need for new working relationships and lines of authority, and transitional costs and disruptions. In the end, some consolidations might lead to a streamlined and more efficient support establishment. At the request of the Senate Budget Committee, CBO is currently analyzing several support activities, including depot maintenance, pilot training, and medical care.

Conventional Forces

The bulk of this paper focuses on the impact of changing roles and missions in the military's conventional forces. These forces, designed to fight nonnuclear wars such as Operation Desert Storm, represent the most expensive portion of the U.S. military. Given the overwhelming superiority that U.S. forces demonstrated in Desert Storm, it might be possible to eliminate some duplicative forces without endangering U.S. national security.

ILLUSTRATIVE OPTIONS THAT REFLECT REVISED ROLES AND MISSIONS

To illustrate the type of savings that might be possible by changing current service roles and missions, CBO examined several options that would eliminate or reduce the overlap in capabilities fielded by two services to perform the same mission. The options provide a vehicle to examine the trade-offs between the savings that would be realized and the capabilities that would be lost if they were adopted. They are not meant to represent an exhaustive list. And although the savings associated with the options are presented in quantitative terms (see Summary Table 3), the attendant losses in capabilities are discussed in qualitative terms only.

CBO had several criteria for selecting and structuring the options. The primary factor in defining each illustration was the savings that would be realized by eliminating duplicative forces. In choosing which of the redundant forces would be retained, however, CBO weighed several considerations. These factors included the different capabilities of the forces involved and whether some forces were capable of performing more than one mission. Another factor was the efficiency of each of the duplicative forces in performing a given mission. A final factor involved operational considerations. Not all of these factors were applied the same way in structuring each option, but they played some part in all of them.

Rely on the Marine Corps to Provide the Bulk of Expeditionary Forces

Both the Army and the Marine Corps train and equip large numbers of troops to respond rapidly to a crisis anywhere in the world. All of the Marine Corps's three divisions are designed for this purpose, and four of the Army's 12 divisions are configured without heavy equipment so that they, too, can be transported easily. These "light" divisions in the Army include one airborne division, one air assault division, and two light infantry divisions. The Army's other eight divisions include heavy weapons such as tanks and require large amounts of sealift or airlift to be sent to trouble spots. The Army plans to eliminate two of these heavy divisions in the next five years.

Historical evidence suggests that the U.S. military may not need this many light divisions, as they are currently designed, to respond quickly to international incidents. Of the 215 incidents that required U.S. military intervention between 1945 and 1978, only 5 percent involved a force of

SUMMARY TABLE 3. SAVINGS RESULTING FROM ILLUSTRATIVE CHANGES IN SERVICE ROLES AND MISSIONS
(By fiscal year, in millions of dollars of defense budget authority)

Change	1995	1996	1997	1998	1999	Total
Rely More on the Marine Corps for Expeditionary Forces; Reduce Number of Army Light Divisions	520	1,810	3,170	4,220	4,740	14,460
Make the Army Responsible for Its Own Close Air Support						
Eliminate five Air Force wings	140	340	610	930	1,170	3,190
Eliminate two Air Force wings	140	340	440	470	490	1,880
Reduce Navy Aircraft in Support of Marine Operations	40	110	200	280	380	1,010
Rely More on the Air Force for Power Projection						
Eliminate five carriers and air wings ^a	3,070 ^b	1,840	2,930	4,090	5,450	17,380
Eliminate two carriers and air wings	2,790 ^b	700	940	1,190	1,220	6,840
Increase Reliance on Army Systems for Theater Missile Defense						
Terminate all Air Force and Navy efforts	600	690	690	910	960	3,850
Terminate all Air Force and Navy area defense efforts	400	440	400	610	700	2,550

SOURCE: Congressional Budget Office based on Department of Defense data.

- a. Also eliminates some surface ships and submarines to reflect reduced need for escort and replenishment ships.
- b. Includes savings resulting from canceling procurement of an aircraft carrier.

division size or larger. And it has been almost 50 years since the United States has deployed an entire division by parachute drop, the mission for which the Army's airborne division is trained and equipped.

This option would assign the Marines primary responsibility for providing contingency forces. The three Marine divisions, each equipped with small numbers of tanks and lightly armored vehicles, are well designed to respond to crises worldwide when supported by Marine air wings. The option would eliminate from the Army's force structure those divisions with the least fire power--the light infantry divisions. It would also combine the airborne and air assault forces into one division, only one brigade of which would be designated for parachute drop, since Army rangers and special forces would provide additional parachute capability. Adopting this option would result in savings of \$520 million in 1995 and more than \$14 billion over the next five years compared with the Administration's defense plan.

Even though the Army would retain one light division composed of airborne and air assault forces, as well as additional ranger and special forces units, this option would obviously limit the Army's capability to respond in some circumstances. The military would instead have to rely more on the Marines to respond to contingencies.

Make the Army Responsible for Close Air Support

Ground forces and air forces have typically operated in the same area and provided each other with mutual support. Forces on the ground have defended air bases from attack from both land forces and enemy aircraft. Conversely, air forces--in missions referred to as close air support--have attacked from the air enemy ground forces that are beyond the reach of ground-based weapons. These roles have become more complex, however, as ground-based weapons--helicopters and artillery in particular--have attained the ability to attack enemy ground forces at longer ranges. As a result, the Army has become less dependent on the Air Force for air support.

This option would relieve the Air Force of the responsibility for providing close air support to the Army. The Army would have to rely instead on its own assets, such as attack helicopters and artillery, to attack enemy ground forces beyond the range of weapons such as tanks. The Army's attack helicopters and artillery systems are increasingly able to attack targets at longer ranges and should be able to fill this role.

This option would yield significant savings if it led to the elimination of all aircraft assigned to the close air support mission in the Air Force--about 25 percent of the total fighter force. Retiring all of the Air Force's A-10s and about one-third of its F-16s would reduce the size of the Air Force by about five wings. Such a reduction in force could save \$140 million in 1995 and \$3.2 billion over the next five years compared with the Administration's plan.

Eliminating one-third of the Air Force's F-16s, however, could limit the Air Force's ability to carry out its other missions. The F-16 is a multirole fighter capable of performing other tasks, such as air-to-air combat, besides close air support. Cutting the F-16 fleet by one-third and the tactical Air Force by 25 percent would represent a major reduction in overall Air Force capability. A less drastic reduction would eliminate only those aircraft devoted solely to close air support (the A-10s) and would result in a smaller cut in the overall size of the Air Force--two wings, or about 10 percent. Retiring only the A-10s would yield more modest savings of slightly less than \$2 billion over the next five years.

Eliminating close air support aircraft from the Air Force would have its disadvantages. It would cut the number of ways that a U.S. commander could attack enemy ground forces in close proximity to U.S. ground forces. It might also diminish the Air Force's ability to attack targets on the ground before Army forces arrive at remote trouble spots. These limitations have to be weighed, however, against the large savings that could be realized.

Reduce Navy Aircraft in Support of Marine Operations

In the same way that the Air Force provides support for Army operations, the Navy provides aircraft in support of Marine operations. In the case of the Navy and the Marines, however, the duplication of capability is much more direct. Both services field and fly large numbers of F/A-18s, along with several other types of aircraft. Although Navy and Marine fighter aircraft such as the F/A-18 were assigned different missions during the Cold War, their missions today are becoming very similar.

This option would eliminate from the Navy's carrier-based force some of those aircraft that duplicate forces fielded by the Marines. The Marines operate 16 squadrons of F/A-18s containing about 190 aircraft of the same model as those operated by the Navy. This option would reduce naval air forces by 10 F/A-18 squadrons phased in over five years. Savings from such a reduction would be \$40 million in 1995 and \$1 billion over the next five years compared with the Administration's plan.

Although the savings associated with this option would be substantial, the potential drawbacks are also significant. Eliminating 120 Navy F/A-18s would cut the Navy's F/A-18 force by more than one-third, and reduce combined Navy and Marine F/A-18s by more than 20 percent. With such a significant cut, the United States could find it difficult to take part in two regional conflicts nearly simultaneously. Although of less concern, reducing the number of Navy aircraft could make it difficult for the Navy to equip its carriers with a full complement of planes. Basing more Marine Corps squadrons on Navy carriers, which the Navy plans to do increasingly in the future, could make up some of this shortfall.

Rely More Heavily on Air Force Bombers for Power Projection

The United States has many ways of exerting its military influence or projecting its power around the world. That objective has been accomplished in the past by placing ground troops ashore, basing U.S. forces abroad, and deploying naval battle groups (often including aircraft carriers) off foreign shores. Long-range bombers based in the United States have been equipped in the past with nuclear weapons and held in reserve for strategic attack. Today, rearmed with conventional weapons, these aircraft duplicate the nonnuclear capabilities of aircraft carriers and their strike aircraft.

This option would shift the reliance for air strikes on distant targets away from the carrier fleet and assign it primarily to the Air Force's long-range bombers. Relieving the Navy of this role would allow it to focus on providing forces for warfighting only. The reductions in the size of the carrier fleet that would be possible as a result of this shift in mission could yield significant savings.

This change would leave the Navy with the primary mission of its carriers being to support one major regional contingency only. The Navy then could shrink its carrier fleet to seven, more than enough to fulfill this mission. Should a second conflict break out simultaneously in another region, Air Force bombers would be available to provide strike capability. Reducing the number of carriers from 12 to 7, and eliminating their associated escort and support ships and air wings, would yield savings of \$3.1 billion in 1995 and more than \$17 billion over the next five years compared with the Administration's plan.

Reducing the number of carriers by almost half, from 12 to 7, would mean a change in how the United States executes its national security policy. It is true that long-range Air Force bombers should be able to attack any

region in the world operating either from bases near the region or from the continental United States and relying on in-flight refueling. Nevertheless, bombers cannot play the same diplomatic role that carriers have played in U.S. execution of its foreign policy during recent decades. Carriers can remain on station for extended periods of time, and they can collect valuable information while providing U.S. presence. Bombers have only limited ability to provide these same capabilities. Moreover, although the presence of other types of Navy surface ships can remind nations of U.S. concern, only carriers can launch repeated air attacks, if that is what is required.

A more modest shift of responsibility for air strikes on distant targets from the Navy to the Air Force would result in reducing the carrier force from 12 to 10 rather than 7. A 10-carrier force would be just sufficient to support two regional conflicts simultaneously, and it would be able to provide presence at least part of the time in three areas of the world. And compared with a seven-carrier force, it would provide the Commander-in-Chief with more flexibility to dispatch carriers to hot spots in order to demonstrate U.S. resolve. Savings, however, would be more modest than in a reduction to a seven-carrier fleet--\$2.8 billion in 1995 and \$6.8 billion from 1995 to 1999 compared with the Administration's plan.

Any reduction in the carrier fleet and associated air wings would obviously diminish U.S. ability to respond to crises and project power worldwide. The military capability of carrier battle groups cannot be provided by long-range bombers or task forces composed of other types of surface ships. With annual operating costs of \$900 million (in 1995 dollars) for each carrier battle group, however, this tool may be too expensive to retain.

Rely Primarily on Army Systems for Theater Missile Defense

In the past, the Army has been the service assigned the mission of defending specific and limited geographic areas or locations from air attack. For this reason, the Army developed various air defense systems designed to protect areas of different sizes, including civilian populations as well as its own forces. The Air Force and the Navy designed air defenses primarily to protect their own forces--aircraft carry air-to-air missiles to shoot down other aircraft, and ships have guns and missiles designed to ward off airborne threats. Each of the services' air defenses can protect areas and populations by shooting down aircraft on the way to their targets. The Army, however, developed and fielded systems specifically designed to defend land masses of various sizes. Now, each of the services--the Army, the Navy, and the Air Force--is developing the means to defeat enemy theater ballistic missiles.

This option would give the Army primary responsibility for defending areas against theater ballistic missiles by terminating funding for Navy and Air Force systems in favor of those that the Army is pursuing. In particular, it would terminate work on the Navy's point and area defenses and cancel two Air Force programs, one developing the Brilliant Eyes space-based sensors and one developing boost-phase interceptors. It would also reduce general support funds in the theater missile defense (TMD) effort that are not tied to specific programs. Work would continue on the Army's two systems for point defense--Corps Surface to Air Missile (SAM) and Patriot--and its Theater High-Altitude Area Defense (THAAD) system. Savings would amount to \$600 million in 1995 and \$3.8 billion over the next five years compared with the Administration's plan.

This option would favor the Army's land-based systems over the Navy's sea-based systems partly because of traditional roles and missions, but also because they can provide defensive capability well inland as well as for areas close to the coast. At the same time, sea-based systems are limited in their ability to provide a defensive umbrella over land. This coverage can be limited even further if the ships on which the defenses are mounted are forced off-shore by hostile antiship weapons.

Conversely, sea-based defenses--both point and area defense systems--can provide protection for forces ashore before land-based systems have been deployed through ports or airfields. Indeed, sea-based defenses can protect ports or coastal areas as land forces arrive in theater. In addition, under certain conditions ship-based area defenses can be positioned between an adversary and its potential target--between North Korea and Japan, for example--thereby providing much more extensive coverage than would be possible with land-based defenses. Canceling all sea-based defenses would eliminate these capabilities.

A less drastic change to the Administration's theater missile defense program would limit naval TMD systems to those designed to defend small areas--the Navy's point defense systems. By canceling only the Navy's area defense system, this approach would provide more flexibility for deploying TMD systems and allow the use of either land- or sea-based point defenses in a conflict. This less drastic reduction in the TMD program would deploy Army point and area defenses, and develop Navy point but not area defenses. Savings compared with the Administration's plan would be more modest--about \$400 million in 1995 and just under \$2.6 billion from 1995 through 1999--but additional flexibility would be gained.

CONCLUSION

This paper focuses on options that would reduce the cost of the U.S. military establishment by eliminating some of the forces and activities that exist in more than one service and that duplicate each other. The impact of the reduction on total U.S. military capability is not evaluated in a quantitative way. Although implementing all of the consolidations in support activities that are mentioned in this paper would probably not significantly affect overall U.S. military capability in an adverse way, the same cannot be said for the combined effect of all the reductions in conventional forces. Therefore, the increased savings that would result from adopting more than one of the options should be weighed against the combined effect of the potential loss in capabilities.

