DOMESTIC DYNAMICS AND THE US ARMY—
THE NEXT TWENTY YEARS

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DOMESTIC DYNAMICS AND THE US ARMY—
THE NEXT TWENTY YEARS

by

Colonel Murl D. Munger

31 July 1978

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FOREWORD

This memorandum discusses the current social, political, and economic milieu within the United States and identifies the more significant factors and trends which will likely affect the nation till the end of the century. The author projects these factors to form descriptions of the changing environment and indicates the implications involved for the US Army of the future. He contends that there will be continued public and governmental support for an adequate military force but that the size, composition, and support of that force will be more dependent than ever on the credibility and degree of external threat perceived by the public. Additionally the US Army will be required to become more efficient and do more with less as competitions between demands for welfare and public services type programs conflict with requirements for a strong military establishment. The memorandum charges that the significant trends which will shape US society are already discernible and that the challenge to the Army is to effectively anticipate and manage those trends.

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This memorandum was prepared as a contribution to the field of national security research and study. As such, it does not reflect the official view of the College, the Department of the Army, or the Department of Defense.

ROBERT C. GASKILL
Brigadier General, USA
Deputy Commandant
BIOGRAPHICAL SKETCH OF THE AUTHOR

COLONEL MURL D. MUNGER has been assigned to the Strategic Studies Institute since his graduation from the US Army War College in 1974. A licensed professional engineer, he is a graduate from the University of Kansas and holds a bachelor's degree in geological engineering and a master's degree in mass communications. Colonel Munger has held a wide variety of command and staff positions and currently is a member of the Advanced Analysis Group. A National Guard officer, his special interest areas include Latin American affairs, terrorism and urban guerrilla warfare, and US Reserve Forces management.
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The character, size, and utility of the US Army historically have been dictated by the attitudes of the American public, whose perception of the immediate need for a military force to ensure national survival still molds the shape and texture of that force. Presidents and Congresses may be leading forces in threat analysis and in determining the exact dimensions of military organizations or type of weaponry involved, but their decisions must be in consonance with what the public can and will support. Therefore, any projection designed to conceptualize the US Army of the next two decades requires a general knowledge of existing domestic societal conditions together with an understanding of the economic and political factors which are likely to influence the future. This paper presents the future domestic social, economic, and political milieu of the United States as it is likely to emerge through the syntheses of conditions and trends which describe the nation today. It identifies the more significant trends which will impel the evolution of our society and projects and evaluates those trends as they impact on the US Army.

THE SOCIAL PERSPECTIVE

Social patterns are currently diverse and elusive. They resist the
imposition of order, structure or interpretation of significance. Research in the social sciences suggests that the United States is in the midst of a profound societal transformation that may be proceeding with greater rapidity than any other such transformation in our history. Since World War II, trends toward increased urbanization, industrialization, automation, mobility, specialization, and government involvement, together with a revolution in communications and medical technology have disrupted the consensual basis of American community and family life. The impersonality and anonymity of city life have removed pressures toward conformity.

Some believe this change has been too rapid for cultural assimilation and has induced within society a condition similar to physical shock. It can be argued that this condition plus the events of Watergate and the Viet Nam War have resulted in partial paralysis of national capability or will and have produced forms of irrational group behavior. If this judgment is substantially correct, it would be difficult to avoid the conclusion that the period just ahead will be characterized by anxiety, confusion, social disruption, and perhaps economic decline. Such conditions suggest that the near-term future may not be very amenable to either rational planning or accurate forecasting.

However, a more persuasive argument can be made that the processes of social change tend to be quite slow because of the natural human resistance to attitudinal change, and the very complexity of social structures. These structures serve a useful societal stabilizing function by providing the psychological comfort of familiarity and continuity. Two hundred years of history have confirmed the structure of American society as sufficiently strong to withstand enormous trauma from either internal or external forces. Watergate and the Viet Nam War can be better used to illustrate the strength of our society to overcome challenge and division than as occurrences which are largely responsible for today’s problems.

Perhaps the best way to form an individual viewpoint as to whether the social fabric of the United States is headed for catastrophe, paradise, or somewhere in between, is to understand the forces of change now at work, however limited our perception of their nature and ultimate effects.

Throughout the nation today, individuals and groups of citizens increasingly insist on a greater voice in the decisions that affect their lives. Interest groups aspire to gain economic and political leverage, yet industrialization and urbanization have created a need for greater
centralization of economic and political control. The large metropolitan community generates, within its population, a formation of subcommunities or interest groups who reject, or are rejected by, the norms of the larger community. These subcommunities exist to further their specialized self-interests and to create a sense of belonging. They tend to identify with like-minded groups. They are not necessarily dissenters but rather conforming members of specialized or localized community subsets. Ethnic groups press for “a bigger piece of the action.” Labor unions move from concerns relating primarily to “bread and butter” issues toward pressure to participate in management decisions. Faculty members and students seek roles in the direction of university and college policies. Scientists become political activists in order to have a larger voice in the application and uses of scientific knowledge. The list of special interest communities is long, and growing (women’s groups, handicapped, elderly, and others) as it has become clear that legal rights alone do not bring the power and control over one’s individual destiny which constitutional premises imply.

In general, trends will be toward greater social fragmentation and increased tensions within society. Traditional societal values are increasingly perceived to be out of phase with the modern world, while continued urbanization, increased mobility, and technological advances are leading to increased social stresses and the establishment of new social values. The results may be increasing individualism, more emphasis on transitory fads rather than lasting convictions, commiseration with the less fortunate, coupled with demands that the government “do something,” but without commensurate individual willingness to assume responsibility for the measures necessary to assist the disadvantaged. Satisfactory resolution of such fragmenting tendencies is not likely by 1995. Because these trends will be operating simultaneously with the steady increase of government controls and regulations, and the higher taxation necessary to sustain social programs, the American peacetime society will function much as it does today, but with less cohesion.

The overall US population makeup will be influenced by higher black and Hispanic birthrates occurring while white middle-class birthrates remain stable. It is unlikely that governmental decisions regarding abortion will eliminate the problem of illegitimate children born to the uneducated poor. Thus, the current gap between the hard-core poor and the bulk of society will continue and perhaps enlarge. Increased immigration from Latin American countries, particularly Mexico, will
necessitate adjustments to accommodate an expanding Hispanic culture within US society.

In public education increasing numbers of subcommunities, that at times will consider themselves as adversaries (either individually or collectively) of the national community, will increasingly raise issues relating to control of the schools and educational goals, challenging and changing in some local situations the very existence of public education as we know it. Citizen resistance to high taxation or to educational material considered objectionable where there is no community consensus on standards will contribute to these attitudes. Tensions created by such issues are likely to continue well into the 1990’s.

These trends describe problems for the leadership of the 1980’s and 1990’s at local, state, and national levels. Questions which will need answers include:

- What happens to the norms of the community if there is no prevailing community but only a multiplicity of conflicting subcommunities with competing interests and demands?
- What happens to consent if the social structure has no central authority which can speak with the voice of consent? In the United States where a tradition of citizen participation remains strong, these forces will make the development of sound national priorities increasingly more difficult as policymakers try to balance the demands of one group against the differing goals of another, delaying, defeating or compelling reduction of programs to solve demanding social problems.

The trends in the foregoing projection represent, nonetheless, a logical phase in the evolving democratic and social processes which characterize the nation’s development. Conditions and trends of today can and may be changed tomorrow in the face of any challenge or test of the fundamental principles or survival of our nation. Social fragmentation during peacetime does not preclude social unity in times of a commonly perceived threat. The traditional American virtues of patriotism, love of country, concern for social justice and humanitarian objectives still are strong. The diversity of groups and their individual perceptions of how the “American dream” can be realized coincide in large measure with democratic ideals.

There is a genuine desire among the people for trustworthy, intelligent leadership at all levels of government. Anarchy is not in vogue. The Watergate affair and similar instances where public figures have discredited themselves have created an atmosphere of distrust and
cynical skepticism which may plague future leaders; but ethical positive leadership can do much to dispel this negative public perception of governmental integrity at each governmental level.

It is an obvious corollary that a fair and responsible news media is indispensable to enhancing public trust in government. Activist and unbiased participation by the media, serving both the needs of public debate and of governmental exposition, and dealing openly and objectively with all news, would tend usefully to impose higher standards of professional competence and integrity.

Acceptance of the military by the population as a respected element of society has survived the divided perceptions of efficiency and integrity which characterized the sixties and early seventies. The general public realizes the value and need for strong and dependable armed forces. As resources diminish, however, the public will increasingly insist on greater efficiency. Evidence of waste or managerial imprudence will jeopardize essential programs. It is a growing fact of life that increasing demands must be met with fewer personnel and less but more costly equipment.

The national and military leadership can do much to influence public attitudes toward a career in the active Army or service in the Reserve components. During peacetime, personnel availability in sufficient numbers to fill the ranks will vary with economic conditions, the perceived prestige of a military career, or the degree of a perceived external threat to the nation.

Current trends indicate the US Army of tomorrow will, of practical and social necessity, access predominantly the less privileged, the ethnic minorities, and those of lower educational levels. Cultural accommodations may require a bilingual leadership able to communicate in Spanish as well as English, which appreciates and can adapt to the influence of Hispanic and Afro-American cultures.

The role of women in the military will continue but the militancy and fervor of the women's movements will decline. This will result more from the general attitude of most women to opt for a modification and upgrading of their traditional roles rather than to seek revolutionary changes. Many women, however, will join with the ethnic minorities in pressing for the fulfillment of the goals of affirmative action programs. While it will be more difficult to motivate women toward a military career, a reasonable projection of the percentage of women in the US Army during the 1985-95 timeframe could reach 20 percent. It is also probable that women will be assigned to more combat
related specialties in the Army of the future in order to offset the inability to recruit suitably qualified male personnel.

Many of the trends influencing the active Army also will affect the strengths and composition of the Reserve components. But, as in the past, regional cultural, economic, and demographic factors will have an impact on the success of Reserve component programs. Membership in Reserve component units will likely be more attractive to residents of the more societally cohesive smaller cities and rural communities than to those in metropolitan areas, and will capitalize on community identification with the unit. As a result of regional values and continued urbanization elsewhere, the South, Midwest, and Northwest will probably provide the bulk of better-manned, more motivated Reserve component units. Throughout the nation however, the public has long accepted the idea of a local military force such as the National Guard to meet local emergency needs. A demand for this type force will continue. The social and political environments will justify and require a continued role for Reserve component units.

THE POLITICAL PERSPECTIVE

The singular political fact of postwar America has been the pervasiveness and size of government. The current government bureaucracy and the many and varied programs which it administers date from the depression and the World War II era. They represent a level of government social, political, and economic activity characterized by central direction and control previously unprecedented in the American political process. Individuals sought government intervention and, in doing so, transferred to government considerable responsibility for the management of interdependence and for the provision of social and economic security, leading to acceptance of the concept of “big government” in American political life. This acceptance is only beginning to be questioned today. It is clear that large government has created a relatively irreversible transfer of responsibility from individuals to their representatives and from the representatives to a broad bureaucratic array of public agencies. Rugged individualism has been replaced by shared responsibility in which the lion’s share rests with government. In consequence, modern American politics does not focus on individual efforts to diminish government so much as it focuses on individual and group efforts to influence and manipulate government.
Almost no political, economic, or social interaction is left untouched by government regulation, government funding, government direction, or all three. Private interests compete within this system of government activity for governmental assistance and for the legal authority to pursue their ends. They also compete with government in order to make government responsive to their interests. For its part, government resists being manipulated in an effort to determine "in-house" whatever is to be the national interest.

The dynamic of local versus central conflict will continue. However, this conflict now transcends pure politics, and includes conflict over economic and social goods that were previously not within the purview of government. If current trends continue, local and state governments will remain persistent but gradually diminishing instruments of competition as the Federal Government becomes more dominant in the distribution of national wealth. However, the expansion of government authority and responsibility at all levels has stimulated the numerical expansion of interest groups attempting to influence government. Moreover, traditional government programs—especially defense and foreign policy—have been placed into competition with relatively new and growing programs to achieve social welfare objectives. These programs compete for funds, for public and private attention, and for moral and popular support. The important change is that the traditional programs are now contested in the context of a zero-sum distributive framework. Foreign aid, for example, must compete with urban renewal programs for funds. In this sense, the traditional, nonpartisan, "collective goods" of government are now politicized.

At the same time, the singular characteristics of modern international society may well be the increasing degree of interdependence. Clearly, the control and direction of this interdependence transcend national boundaries and, by inclusion, transcend the span of control of any single national government. Thus, in its effort to function in the international arena, the central government will find it progressively more difficult to simultaneously satisfy competing local domestic interests.

Through the remainder of the 1970's and the 1980's, the principal objective of the United States will be to reestablish a balance between the tensions of these competing demands. It must find its role in the international community after proper appraisal of national strengths and limitations for the 1990's. Both international and domestic programs will be measured in terms of their success in contributing to
the maintenance of the US position in the dramatically more complex international structures anticipated for this period. Rapid recovery of a national sense of confidence, and of the ability to capture initiatives and participate actively in solving international as well as domestic problems, are fundamental to effective government in this period. Only if a consensus can be reached, the stresses between the executive and congressional direction ameliorated, and an adequate leadership dynamic established, can there effectively be concerted popular and governmental efforts to define new values and new goals for the approaching period, and to revitalize a sense of popular moral commitment to meeting the challenges imposed by them.

In political thinking and action a new liberal-conservative synthesis is emerging which balances social concern with fiscal realities. This new philosophy is characterized as “new conservatism” but is not the conservatism of the traditional right. Rather, it is a pragmatic philosophy characterized by those who seek to control the further spread of government, and strive for restraints on government expenditures. Its adherents are attempting to draw a line on public spending, seeking to set automatic limits on the duration of programs or agencies, and to give renewed attention to cost-benefit analysis. At the same time, however, they support equality of opportunity for minorities and women, but balk at the administration of measures such as affirmative-action. The question for the future is how much this “new-conservative” thinking will continue to bear on public policy. If the nation’s mood is indeed shifting to the right, it is doing so mostly for pragmatic reasons and results. The public is really not rejecting the liberal ideas, rather it is rejecting the government’s administration and execution of such ideas.

A danger during this period will be a growing weariness with the continuing responsibilities of world leadership in an era when problems of international dimension and conflict potential appear to be on the increase. Leadership will require increasingly sophisticated appreciation of the limits of popular stamina in the face of mounting problems and frustration, and of the means of husbanding and nurturing national will.

THE ECONOMIC PERSPECTIVE

The interaction of social attitudes, political decisions, and economic realities creates an equation which is difficult to assess in terms of relative importance. Is economics the predominant factor that
influences the social and political climate or vice versa? There can be no agreement as to which is the most important.

Theoretically, in economic terms, the United States can afford all the defense it needs and since the military is a public service, it is affected more by political choice than by economic limits. How much it needs and how much it gets, therefore, are political decisions.

Nevertheless, it is important to understand the major economic trends that are likely to influence society, politics, and the military during the next 20 years. Discernible trends are found in:

• The Labor Force. In 1941 the United States had 50.3 million jobs distributed nearly equally between the so-called “service” and “goods producing” sectors. Thirty-five years later, with 37 million more jobs, only 1.4 million of them went into the goods producing sector, despite a large increase in the volume of production. In 1941 total public (government) sector jobs comprised 4.6 million, or one out of every 11 workers. Total employment in 1976 reached 87.5 million; total public service employment was 15.1 million, or one out of every six workers. The cost of government has grown correspondingly. Total taxes were $24 billion in 1941, or 21 percent of the net national product (NNP); in 1976, total taxes were $531 billion or 35 percent of NNP. This growth trend of the service industries and public sector employment is likely to continue through 1985 and beyond.

• Market Forces. During the period of 1966 to 1976, the US Gross National Product advanced 125 percent; meanwhile Federal Government expenditures increased 171 percent, and state and local government expenditures increased by 193 percent. Greater demands continue to be placed on the public sector, resulting in continued public sector growth and increasing Federal deficits ($200 billion since 1970). This trend, and stringent application of pollution control and the Occupational Safety and Health Administration requirements, tend to suppress economic growth of the private sector and are particularly injurious to smaller firms which traditionally have provided some of the more dynamic growth prospects to the US economy. While this situation persists, the forces of supply and demand will play a diminished role compared with public and political forces, and “social accounts.” There will accordingly be a continuing emphasis on environmentalism, consumerism, conservationism, human working conditions, and other social services, but also conflict in such areas as energy production, where the social benefit clashes sharply with the economic benefit.
• Energy. The United States is unlikely to reverse the trend of increasing dependence on foreign petroleum imports before 1985. However, an optimistic forecast indicates that the nation may be able to slow the rate of growth of dependence on foreign petroleum sources to 50 percent by 1985. Just to meet this level will require a renewed and sustained emphasis on conservation along with accelerated development of additional alternative domestic resources, especially coal.

US energy consumption today is derived 48 percent from oil, 30 percent from natural gas, 17 percent from coal, and 5 percent from hydro and nuclear. Energy sources for the future, in addition to oil and gas, are coal (amounting to 90 percent of our fossil fuel resources), oil shale, nuclear-conventional and breeder reactors, nuclear fusion, solar energy and geothermal sources. Of all these potential sources of future energy, only coal and conventional nuclear power, with limited specialized contributions of solar and possibly geothermal sources, are expected to provide any appreciable additional energy by 1985.

In the case of petroleum, as of the end of October 1977, US consumption averaged 18.5 million barrels per day, 8.6 million of which came from foreign sources. Of this oil consumption, 9 million barrels per day was for transportation, for which alternate energy sources are not available. Projections based on present use indicate that domestic sources would have to be supplemented by imports to the extent of more than 60 percent of total consumption by 1985. This translates into a dollar outflow of between $50 to $80 billion for that year, in addition to increased vulnerability to political coercive pressures from the OPEC nations.

However, forecasts of energy resource availability during the projection period are widely divergent. Estimated reserves of coal, which represent about one-fifth of present US energy consumption, have been reported as from 200 to 1000 years’ supply. Furthermore, it has been projected that coal production can be increased from the current annual rate of 600 million tons to 1,300 million tons, or 2,800 million tons, respectively, in 1990. The wide range of estimates reflects either a policy of business as usual, or an accelerated rate of production with relaxed air quality standards and increased expenditures to advance technology.

Although the US domestic coal supply is sufficient to last for hundreds of years, modification of coal combustion technology is required to meet current air pollution standards. Coal’s ability to make
up the shortfall in other fuels is hampered by safety and environmental constraints, as well as the high capital costs of converting power and other industrial plants from oil or gas. The most important contribution of coal to our energy production is expected in the longer term (1990 and later) when coal gasification and liquefaction processes achieve increased commercial usage. The estimated potential available from coal gasification is around 1800 trillion cubic feet of gas. US consumption is now about 25 trillion cubic feet of natural gas per year. The basic chemical reactions for gasification and liquefaction are fairly well understood, but they are very complex. The problem, therefore, is the substantial one of putting such processes into commercial production, involving the building of pilot plants, and the spending of tens of billions of dollars, much more than seems to be presently contemplated. Without massive effort far beyond what seems to be planned, it does not appear possible to have appreciable contributions of energy from gasified and liquefied coal or oil shale before 1985.

Trends to be expected throughout the entire 1980-2000 time period include the increasing costs of all forms of energy; greater emphasis on conservation; recycling, increased efficiency in industrial production, and energy conscious building construction; development of smaller and more efficient cars for private transportation, and greater emphasis on modern, and more efficient public transportation systems.

At some time in the future, worldwide petroleum production will no longer be able to expand to meet a steadily increasing demand. Artificial constraints on petroleum consumption (demand), such as rationing, may have to be applied at that time. Present trends indicate that this situation may occur after 1985 and possibly prior to 1995.

It is also possible that petroleum may not at times be readily available and alternative transportation fuels are unavailable in sufficient quantities. One possible solution for filling such a gap would be to stockpile sufficient quantities of petroleum to sustain defense operations and the transportation sector of the economy. The Energy Policy and Conservation Act of 1975 established a strategic petroleum reserve which, it has been estimated, could sustain military operations and the transportation sector of the economy for about 3 months. Given the projected trend, and a high dollar value for petroleum, there will be an increasing reluctance by the Army and the Congress to allocate funds from limited defense budgets to procure petroleum for training activities.

Critical Materials. Although more self-sufficient in nonenergy
mineral resources than most industrialized countries, the United States is becoming increasingly dependent on foreign sources and supplies. As this dependence grows, vulnerability to restrictions or interruptions of critical material supplies increases. In the case of the nonenergy, nonrenewable materials, supplies and shortages in the United States involve issues that are far more complex than problems associated simply with a physical scarcity of certain materials, or monopolistic or coercive actions on the part of foreign materials suppliers. Materials availability problems stem in part from insufficient emphasis on R&D to develop new resources, extraction processes and substitutes; from inadequate recycling; and from a “shortage mentality” which causes the accumulation of excessive inventories.

Through 2000, there will continue to be increasing domestic and world competition for all resources, resulting in steadily increasing prices of the scarcer materials and products derived therefrom. There will also be continued emphasis on the development of substitutes for critical materials in short supply, and public pressure for increased “useful life” to be built into consumer and industrial products.

- Agriculture. The United States is in a preeminent position with respect to agricultural production. The United States is also not merely the biggest but also the only truly global food exporter, shipping to 130 nations. Roughly half of all grain moving in world trade is of American origin. In 1975, American food sales abroad totaled $19 billion; $12.6 billion of this was grains and cereals and $2.9 billion was soybeans. The biggest customers were Western Europe ($6.4 billion), Japan ($2.7 billion), and the Soviet Union ($1.6 billion). To avoid a repetition of the disruptive 1972 grain deal that sent domestic US food prices skyrocketing, Washington and Moscow concluded a 5-year accord which took effect October 1, 1976. This agreement provides for Soviet purchases each year of a minimum of 6 to 8 million metric tons of US grain (wheat and corn, in roughly equal amounts). America’s share of the food market will continue to be so large that there will be no way for her to avoid a role in the game of international economic power politics. US domestic agricultural policy will increasingly become a matter of international concern. This trend is likely to continue into and through the 1985-95 period.

- Productivity and Technology. During the period from 1960 to 1973, the US annual rate of growth in productivity was among the lowest of the major industrial nations. This drop has been attributed to a failure to reinvest enough of the Gross National Product (GNP) in
capital goods and technology to increase industrial productivity at a rate sufficient to sustain current economic growth.

It has been fashionable to blame involvement in the Viet Nam War for the low rate of capital formation, and productivity, during this period. Productivity data, however, show that explanation to be, at best, only part of the story. While output per manhour, in the traditional sense, increased at a fairly steady rate from 1947 to 1975, a sharp increase in the rate of change of compensation per manhour began in the 1960's, also reaching a fairly constant, but very high, annual rate of increase by 1975. The actual figures for the period 1968-73 show that productivity gained by a mere 12.5 percent while wages rose 63 percent. Rising wages (and increasing taxes to support social programs) in excess of productivity gains have been an important cause of high rates of inflation in recent years.

Research and development and related technological change are clearly important factors in determining productivity and economic growth. The importance to the national economy of innovative new technology-based enterprises is well illustrated by the examples of three high-technology industries—television, jet aircraft and digital computers. Nonexistent in 1945, they contributed more than $13 billion to the US GNP and employed 900,000 workers just 20 years later.

There is currently a great deal of concern about a continuing shift in research and development emphasis from basic to more short-range pragmatic research. The general nature of this concern has been that the reduction of research and development funding, and especially the reduction of support of basic research, is certain to reduce the longer-term viability of the US economy.

Moreover, because of uncertainties generated by inflation, the business community has altered its attitude toward many long-term investments, including research and development. Much more emphasis is being placed on short-term cost reductions than on long-term product and process improvements in business decisions relating to research and development. This trend, if continued, would be very detrimental to the US domestic and world position, technologically, economically, and eventually politically.

- Industrial Capacity. The US industrial base, including both the privately and government-owned segments, is being forced to advance the “state of the art” in its manufacturing processes in order to increase the productivity of the work force, improve its competitive posture in
relation to foreign manufacturers, conserve its energy requirements, and meet Occupational Safety and Health Act and pollution abatement requirements. Current efforts to ease the impact of shortages in labor skills have led to automation of production processes requiring a smaller number of more highly skilled personnel. In several industries the impact of foreign imports has had a negative impact on industrial capacity. The decrease in sales due to foreign imports has reduced the earned income of US corporations severely limiting the capability to reinvest in the base. This is considered to be a temporary condition provided political and economic sanctions are utilized to stabilize or reduce the impact on US industries.

A problem currently affecting US industrial capacity is the deterioration of the domestic casting industry. During the period 1968 through March 1975, 350 foundry closings were reported. The impact on defense production is felt by the closing of the jobbing foundries which produce a small, often intricate, number of a large variety of castings of the type required as components in the energy, defense, and capital equipment sectors. As the economy improved and orders increased, a lack of casting capability became evident and leadtimes became excessive. This problem is expected to continue and will hamper Army procurements under conditions other than mobilization. The improvement to the foundry base by introduction of new technologies has been due primarily to the large commercial shops. Although not normally tapped during peacetime due to the small size of Army orders, this segment of the base will be available to support Army requirements under mobilization conditions.

In the defense industry sector, the Department of the Army has developed a substantial program to improve its ammunition, weapons, and combat vehicle production capabilities. The ammunition production base modernization and expansion program, for example, is a $10 billion program (assuming full funding) scheduled during 1970 to 1997, for manufacturing technology, government-owned facilities modernization and expansion, and modernization of Plant Equipment Packages to assist the private sector during mobilization. Similar programs, but at substantially smaller funding levels and shorter time periods, have been established for combat vehicles and weapons.

By 1985, the industrial capacity will become dominated by the use of computers. The computer will be used extensively in the manufacturing management functions of cost estimating, process planning and scheduling, plant design and layout, and design/process
tradeoffs. With the advent of micro-processors and the development of appropriate sensor technology, real time process control will become widely used.

The drive toward the goal of a totally automated factory has great implications for the manufacturing work force. The trend toward increasing the ratio of skilled labor to unskilled labor will continue. But more dramatic will be the increase in management and scientific/engineering personnel required to run these manufacturing facilities.

Projecting these major economic trends permits a forecast of some of their combined effects, particularly as they relate to our social environment. In the coming two decades there is likely to be:

- Continuing inflation unless an unexpected solution to the energy problem is found and a reversal in the trend toward greater percentages in the service-connected work force vis-a-vis the goods-producing occupations.
- Strong demand for more and better nondefense collective goods and services resulting from rising aspirations. There will be a growing role for government or for government-business partnerships in satisfying the demand, but resistance from taxpayers even while they demand more services.
- Slowly expanding technological innovation in industrial processes, medicine, and transportation which generate social problems relating to such factors as pollution, transportation alternatives, work force mobility, and reductions in employment. Economic decisions will need to be made through the governmental process to control the external effects of such changes.
- Moderate demand for more educated and well-trained labor to operate the complex, high technology sectors of the economy. Changes will occur in educational priorities and other investments in human capital.
- Moderately growing demands for social services at the state and local level. Such demands are already straining the limited resources at these levels. Greater federal-state-local cooperation and conflict will ensue.
- Persistent poverty among about 10 percent of the people, relative to the levels of living of other Americans. Continued alienation and dissatisfaction with the overall system are foreseen.
- Increasing regional disparities in wealth, economic activity, stability, and employment. The response to this trend depends on who
is well off or worse off. Attempts to influence government programs, taxation, public works, and defense contracts will increase, as opposed to free market adjustments.

THE PROJECTED DOMESTIC ENVIRONMENT

The overall US domestic scene of the 1980's will reflect only minor change from the nation of 1978. The trends discussed previously are more evolutionary than revolutionary in nature and will not have had sufficient time to effect major change. This does not mean that changes may not affect certain institutions including the US Army; and it is evident that the domestic environment is highly dependent upon international political and economic factors which could disrupt the orderly progression of change.

By 1985, the social programs of the 1960's and 1970's will have matured, and the intense drives which now propel the civil rights, affirmative action, and women's movements will have abated. However, the results of these egalitarian movements, which brought government involvement into almost all aspects of American life, will remain. While the political trend toward increased government involvement conflicts with the social trend toward an individual voice in governmental decisions, there will be continuing growth of bureaucratic control. Stress created by governmental efforts to equalize opportunity and provide social services, with consequent increasing taxation, will have alienated much of the middle and upper-middle classes. The increased numbers of hard-core poor and recent immigrants will have intensified this problem. Small-scale taxpayer revolts in various areas of the country may become widespread if the burden of taxation imposed by increasing social programs is not more equitably distributed.

Urbanization and industrialization will grow. Energy problems will be among the more troublesome, with demands intensifying for national self-sufficiency through alternate energy sources as the public is asked to accept increasing measures of conservation. Initiatives toward energy and resource conservation will conflict with demands for normal or increased usage made possible by a reduction of environmental protection programs and the development of supplementary or alternative resources. While economic upswing is probable during this period, inflation will remain troublesome particularly to the aged and the poor.

Regardless of the foregoing stresses, an overwhelming majority of the
citizenry will hold tight to the American system and expect it to eventually resolve these various problems by peaceful process. Most Americans will be either generally content or passively expectant, in an atmosphere of declining unemployment, and improving economy and adaptation to inflationary trends and energy constraints. An increasing need to address local and domestic problems and concerns should induce trends toward neo-isolationism or nationalism.

The period to 1990 will show a continuation of most major trends which shaped 1985. The effects of conservation programs and increasing availability of alternate energy sources will have begun to stabilize our dependence on foreign petroleum, assuming an earlier political decision to initiate a concerted national energy program.

The substantial gap between the urban poor and the general society will remain. Conflicting attitudes toward meeting humanitarian needs and reducing the tax burden for social welfare programs could produce public works or public service programs designed to realize tangible benefits from tax supported workers. A return of programs similar to the Civilian Conservation Corps or the Works Progress Administration could result.

Public education during the 1990's will see a growing emphasis in vocational training, with a decline in the percentage of college-bound high school students. Fewer college students will pursue advanced degrees. This will result largely from a decrease in dollars available to support Federal and State student assistance programs.

The trends of increased urbanization and shifts in international industrialization patterns will make interdependence the key economic characteristic to the 1990's. Growing commercial, trade, technological, and resource linkages, binding national economies into an international economic system with its own rules and constraints, will affect all citizens. Inflation is likely to continue and a sense of progressive loss of control over the economic destiny of the nation will be acute. Because of decreasing supply and increasing prices there will be domestic pressures to minimize resource consumption, especially in the conservation of energy resources and other critical materials. These trends indicate a drift away from traditional capitalism toward a framework of governmental planning in international economic affairs.

The social and political trends identified into the 1990's will continue throughout the decade and suggest broader diversities in human experience throughout the nation, accompanied by accelerating pace of change. No trend toward a diminution of governmental
activities by 2000 will emerge. Rather, the trends suggest that more and larger government at local, state, and federal level will occur. It is likely, however, that social programs designed to give financial help to the unfortunate, the underprivileged, or any other group lacking political clout, will begin to wane.

Increasing attention will likely be given to those institutions which offer potential as social monitoring devices, or that improve the capacity to assess social impacts of policies. There will be pressures to create mechanisms to protect the system from abuses, regimentation, loss of perspective by leadership, and the loss of social cohesion and strength. The need for social order may require legislation which will restrict individual freedoms as we know them today.

Any assessment of the 1990's economic picture would be purely hypothetical. While economic trends are historically cyclical, to pinpoint conditions 12 to 22 years hence is impossible. Certain projections regarding population growth, energy consumption, food supply, and resource availability can aid in forecasting the future. Pending no unforeseen technological breakthrough or catastrophe, the projection is for more people, using much and demanding more, with increasing inflation and decreasing contentment. Even with continuing government and industry emphasis on the energy issue, the costs and availability of energy resources will still pose serious problems.

SIGNIFICANCE FOR THE ARMY

In describing what significance the projected domestic environment portends for the US Army, it should be emphasized first that there will be continued public and governmental support for an adequate military force. Patriotism and unity of purpose when truly threatened are characteristics deeply ingrained in the American social consciousness. Nevertheless, the size, composition, and support of that force will be based upon the credibility and degree of threat perceived by the public. The Executive Branch, together with Congress, will certainly influence and perhaps lead public opinion, but the many diverse interest groups within the general public will increasingly have a voice in what share of the national treasure is devoted to preparations for defense.

Of the social trends identified, few are likely to be influenced significantly by conscious efforts on the part of government, the electorate, or the Army. Increasing urbanization, industrialization, automation in industry, and personal mobility are all normal
consequences of the continued growth and development of the US economy. The problem is not to change these trends, but to anticipate and maximize the social and economic benefits to be derived from such change.

Examples of social trend projections that are significant when planning for the future Army include:

- Population Distribution. US census data estimates for 1975 to 1995 show the following percentage shifts for both sexes:

<table>
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<tbody>
<tr>
<td>17 and Under</td>
<td>32%</td>
<td>28%</td>
<td>31%</td>
<td>31%</td>
<td>31%</td>
</tr>
<tr>
<td>18 - 24</td>
<td>13%</td>
<td>13%</td>
<td>11%</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td>25 and Older</td>
<td>55%</td>
<td>59%</td>
<td>58%</td>
<td>60%</td>
<td>61%</td>
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Between 1975 and 1995, there will be a 25 percent decrease in 18-year olds.

- Mobility. Population migration will continue into the southern and southwestern parts of the United States. Urbanization will increase from 73 percent of the population to 90 percent by 1990.

- Immigration. Restrictions on immigration will be liberalized while illegal immigration will show marked increases.

- Race. The 18 to 24-year old group of all races will decline 21 percent, but black and other minority races of this group will remain stable at 4½ million from 1980-90. The black and other minority proportion of 18 to 24-year olds will grow from 15 percent in 1980 to 19.3 percent in 1995.

- Composition. The Army is strongly influenced by its recruiting policies, but is also dependent on economic conditions and political decisions as to a military or national service program. The observed trend toward increased female participation in the military should stabilize at approximately 20 percent of the force. Combat roles will probably be opened to women.

- Unionization. The possibility of unionization will continue to loom over the Army’s horizon. A union will evolve if a perceived or real need provides the catalyst. The indicators forecasting a military union are impersonalization, civilian type duties, benefit loss (real or perceived), specialization, Army life viewed as a job, and relative deprivation compared to civilian life. Many of these factors, however, can be influenced favorably by Army policy, leadership, and sensitivity to human relations and soldier needs.
These are but a few of the many social trends that must be considered by the Army leadership. Others include the changes in educational patterns, communication methods, rising expectations of the masses, changing value systems, and attitudes toward military service to name but a few. One distinct possibility that emerges from a synthesis of the major social trends is that the national leadership may use the military as a vehicle for change in the face of continuing social problems. The poor, the ethnic minorities, and recent immigrants will serve in increasing numbers within the Army, and the Army may be expected to provide the means for their social transition.

Economic trends, while harder to project, must not be ignored. US Gross National Product, adjusted for price changes, is expected to grow after 1978 at annual rates of just over 3 percent, continuing well into the 1980's. (A 4 percent growth rate has prevailed during much of the time since World War II.) Economists attribute the anticipated slowdown chiefly to demographic considerations. A continuing decline in the country's birthrate, that began in the late 1950's, will exert a drag on labor-force growth. Projections indicate that labor force growth will slow to 1.5 percent by 1980 and fall below 1 percent annually during the 1980-85 period. As expansion of the country's working-age population slows, so will the expansion of the actual labor force, which in turn spells slower overall economic growth.

Worldwide technological developments will continue to accelerate, bringing an ever-broader array of opportunities into competition for available funding and scientific manpower. Growing costs will require more sophisticated techniques of cost estimating, cost comparison, and impact assessment on alternative future environments. Lead times will be increasing because of the growing complexity of individual projects, which will also necessitate broader and more comprehensive forecasts of future developments.

Requirements to improve planning and management to insure sufficient energy-producing reserves will increase by 1985. If the more pessimistic views regarding energy supplies prove correct, peacetime training and readiness activities will be significantly curtailed. In wartime, however, federal control and management of energy assets could allocate to the Army the supplies needed. Even if the more optimistic estimates of petroleum reserves are accurate and the development of alternate energy resources begins to release more of the scarce petroleum supplies for transportation purposes, strong Army emphasis on conservation and the maintenance of a strategic petroleum reserve will still be essential.
The Army also will be affected indirectly by the economic environment. People skilled in the newest technologies will be attracted to private industry with its associated higher salaries; well-educated but not necessarily technically-educated people might be underemployed in the domestic economy. These latter could include people who would accept a military career but who will not be trained for specific skills before their induction. The military has long been a way out of economic poverty for some Americans and, since poverty is likely to continue, it will remain a stimulus to some young people to seek a military career. To the degree that opportunities in the domestic economy influence the likelihood of service careers, projected economic trends do not suggest a broadly attractive economy that will keep people who can learn away from the military.

Politically, it is unlikely that the important national interests of the United States will change significantly during the time interval of this paper. The trend toward increasing interdependence, both domestic and international, will pose difficult problems for policymakers in promoting US interests in an increasingly complex world. The increasing competition between interest groups for limited funds will require careful planning and judicious government decisions.

The growing cost of military establishments requires more careful ordering and management of national priorities and greatly complicates the process of achieving an appropriate balance between force structuring (available combat power) and equipment modernization requirements. The military will be competing as never before with programs for social development.

Although the Army cannot change the fact of increasing competition for a share of a limited budget, an increased and continuing emphasis on frugality and efficiency will be essential to ensure that maximum military capability is derived from each available dollar.

The trend toward increasing pervasiveness of government, and the accompanying tax increases to support government programs, will be strongly influenced by the demands of the electorate. If taxes become so high as to be generally perceived as oppressive, funding for social services and for defense programs will be opposed by demands for decreased government spending.

The policy implications of these trends indicate a strong necessity for US military leadership to accurately evaluate their impact and articulate the needs of national security in an era of increasing competition for finite resources.
Within the Army itself, by the year 2000, individuals and organizations (both active and Reserve Component) will have undergone 20 years of readjustment, reorientation, and reorganization. Efficient performance will be in direct relationship to appreciation for and proper utilization of improved technology, personnel resources, and systems integration. The period will be characterized by the capability and the demand to centralize control and consolidate functions. The Army will be predominately an equipment and system intensive force. The manning, maintaining, and monitoring of these systems will receive the primary command, support, and readiness emphasis. The focus will be on manning the equipment, rather than equipping the man. Simultaneously, the Army will be engaged in applying human relations approaches to respond to soldier individuality and need satisfaction while maintaining specialty proficiency in a widening array of complex requirements.

In the final analysis, the challenge to the Army will be to anticipate effectively and manage the significant trends that will shape our society till the end of the century. If the United States is to remain in a posture of strength sufficient to deter conflict, it is essential our leadership understand the possibilities of the future rather than dwelling too much on lessons learned from the past.
1. This paper draws heavily upon research and writing done for a recent Army study. The author served as Committee Coordinator and principal writer of the section of that study devoted to analyzing the domestic social, economic, and political milieu of the United States.


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**Domestic Dynamics and the US Army: The Next Twenty Years**

**Author(s):** Colonel, Vurl D. Munger

1. **Title:** Domestic Dynamics and the US Army: The Next Twenty Years
2. **Type of Report & Period Covered:** Memorandum
3. **Performing Org. Report No.:**
4. **Contract or Grant No.:**
5. **Report No.:** ACN 78049
6. **Government Accession No.:**
7. **Client's Catalog Number:**
8. **Monitoring Agency Name & Address:**
9. **Controlling Office Name and Address:** Strategic Studies Institute, US Army War College, Carlisle Barracks, PA 17013
10. **Program Element, Project, Task Area & Work Unit Numbers:**
11. **Report Date:** 31 July 1978
12. **Number of Pages:** 28
13. **Security Class. of this Report:** UNCLASSIFIED
14. **Distribution Statement:** Approved for public release; distribution unlimited.
15. **Supplementary Notes:**
16. **Key Words:** Future Army; political trends; social trends; domestic environment; United States - 1985; United States - 1995; changing Army; social change
17. **Abstract:** This memorandum discusses the current social, political, and economic milieu within the United States and identifies the more significant factors and trends which will likely affect the nation till the end of the century. The author projects these factors to form descriptions of the changing environment and indicates the implications involved for the US Army of the future. He contends that there will be continued public and governmental support for an adequate military force but that the size, composition, and support of that force will be more dependent than ever on the credibility and degree of...
external threat perceived by the public. Additionally, the US Army will be required to become more efficient and do more with less as competitions between demands for welfare and public services type programs conflict with requirements for a strong military establishment. The memorandum charges that the significant trends which will shape US society are already discernible and that the challenge to the Army is to effectively anticipate and manage those trends.
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